

IN THE COURT OF APPEAL OF THE REPUBLIC OF SINGAPORE

[2016] SGCA 25

Civil Appeal No 71 of 2015

Between

**THE AUDIENCE MOTIVATION
COMPANY ASIA PTE LTD**

... Appellant

And

**AMC LIVE GROUP CHINA (S) PTE
LTD**

... Respondent

JUDGMENT

[Trade Marks and Trade Names] — [Infringement]

[Trade Marks and Trade Names] — [Defence] — [Own Name Defence]

[Trade Marks and Trade Names] — [Passing Off]

[Trade Marks and Trade Names] — [Goodwill]

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The Audience Motivation Company Asia Pte Ltd

v

AMC Live Group China (S) Pte Ltd

[2016] SGCA 25

Court of Appeal — Civil Appeal No 71 of 2015

Sundaresh Menon CJ, Chao Hick Tin JA and Andrew Phang Boon Leong JA

22 October 2015

21 April 2016

Judgment reserved.

Sundaresh Menon CJ (delivering the judgment of the court):

Introduction

1 This appeal arises out of the Appellant's claims for trade mark infringement and passing off against the Respondent. These claims were dismissed by the High Court judge who heard this matter ("the Judge") and whose decision is reported as *The Audience Motivation Company Asia Pte Ltd v AMC Live Group China (S) Pte Ltd* [2015] 3 SLR 321 ("the Judgment"). Of particular interest in this appeal is the question of the scope and applicability of the "own name" defence under s 28(1)(a) of the Trade Marks Act (Cap 332, 2005 Rev Ed) ("the TMA"), which has hitherto not been addressed by this court, and which was successfully relied upon by the Respondent below.

Background facts

The parties

2 The Appellant, which was the plaintiff below, is The Audience Motivation Company Asia Pte Ltd, a company that was incorporated in Singapore on 2 August 2000. It was established to take over the business of Audience Motivation Company Pte Ltd, an events management company, which had earlier been incorporated by the Appellant’s chief executive officer and director, Mr Oh Bernard, in 1995 and which was subsequently wound up after the incorporation of the Appellant. The Appellant’s business involves the management of marketing events including corporate sales launches, media launches and corporate road shows. Its clients include prominent local and international companies.

3 The Respondent, which was the defendant below, is AMC Live Group China (S) Pte Ltd (formerly known as AMC Group China (S) Pte Ltd), a company incorporated in Singapore on 20 January 2012. It is part of a group of companies headed by its group chief executive officer, Mr Leong Seng Chet (“Mr Leong”), which provides event and concert management services across the region in China, Singapore, Taiwan, Malaysia and Hong Kong. The group has its origins in Chengdu, China, where Mr Leong first ventured into the concert management industry in 2007. The group consists of the following companies:

- (a) 四川大弘文化传播有限公司 (Sichuan Da Hong Cultural Communication Co Ltd) (formerly known as 四川新恒公关策划有限公司 (Sichuan Xin Heng Public Relations Planning Co Ltd) (“Sichuan Xin Heng”)) which was incorporated in

China sometime in 2010 and which manages the business in Chengdu, China (“the Chengdu Company”);

(b) 大弘亚洲文化有限公司 (Da Hong Asia Cultural Co Ltd) which manages the business in Taiwan;

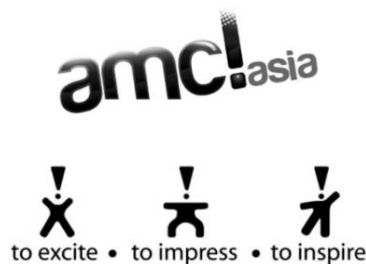
(c) AMC Live Concerts (M) Sdn Bhd which manages the business in Malaysia; and

(d) the Respondent which manages the business in Singapore.

At the time of the Judgment, the Chengdu Company served as the headquarters of the group business. By the time of this appeal, the headquarters had been relocated to Singapore under the auspices of the Respondent.

The Appellant’s Marks

4 The Appellant is the registered proprietor of the following trade marks (collectively referred to as “the Appellant’s Marks”) which it claims have been infringed by the Respondent’s marks:



“the AMC Asia Mark”

“the Human Exclamation Mark”

5 The Appellant’s Marks were registered on 31 August 2012 in Classes 35, 41 and 42, which have the following specifications:

(a) Class 35: Advertising; event management services (organisation of exhibitions or trade fairs for commercial or advertising purposes); consultancy relating to public relations; public relations; brand creation services; publicity; promotional advertising services; promotional marketing; sales promotion services; hiring of advertising space; dissemination of advertising and publicity material.

(b) Class 41: Event management services (organisation of educational, entertainment, sporting or cultural events).

(c) Class 42: Design of brand names; design of publicity material.

6 Although the marks were only registered on 31 August 2012, the Appellant had been using these and other similar unregistered marks prior to that. Based on the documentary evidence, similar marks were used on invoices issued by the Appellant to its clients going as far back as 4 April 2002. The Judge found that marks identical to those registered in 2012 had first been used by the Appellant on 1 July 2011 (see the Judgment at [118]).

7 According to the Appellant, its marks had been used in connection with trade publications, on its official correspondence with its clients, on invoices and on its corporate gifts.

The Respondent's Marks

8 The following marks (collectively referred to as “the Respondent’s Marks”) which were used by the Respondent are alleged to be similar to, and to have infringed, the Appellant’s Marks:



“the AMC Group Mark”



“the AMC Live Mark”

9 According to the Respondent, the AMC Group Mark was independently designed by Ms Yap Soo Mei (“Ms Yap”), a personal friend of Mr Leong who was a freelance designer, sometime in 2008 or 2009 when she was approached by Mr Leong to design a mark for the Respondent. The name “AMC” was intended to be an acronym for “A Music Company”. The Respondent also submits that the AMC Group Mark was first used in China for music festivals and concerts in 2008. The earliest use of the AMC Group Mark by the Respondent itself, as opposed to some other company in the group, was found by the Judge to be on 4 February 2012 when it organised promotional activities for a concert held in Singapore (see the Judgment at [125]).

10 The Respondent applied to register the AMC Group Mark in classes 35 and 41 (see [5] above for the specifications) on 14 February 2012 but the application was stayed due to the Appellant’s objections. The Respondent then changed its name from AMC Group China (S) Pte Ltd to AMC Live Group China (S) Pte Ltd on 4 November 2013 and began using the AMC Live Mark. The Respondent applied to register the AMC Live Mark on 15 July 2013. It appears that this application is still pending as well.

The decision below

11 The Appellant claimed against the Respondent for trade mark infringement under s 27(2)(b) of the TMA (*ie*, similar marks used in relation to goods or services identical with or similar to those for which the trade mark is registered) and passing off in relation to the Appellant’s Marks. The Judge dismissed both claims.

Trade mark infringement

12 The Judge found that the Respondent’s Marks, the Respondent’s trading names and the Respondent’s domain name were visually and aurally similar to the AMC Asia Mark, especially in relation to the “amc” acronym. He also found that the Appellant and the Respondent provided similar services in the area of events promotion and organisation, and that there was a likelihood of confusion arising from the use of similar marks by the Respondent. In particular, he noted that various former clients and suppliers of the Appellant attested to the actual confusion caused by the similarity of the Respondent’s Marks with the AMC Asia Mark.

13 Thus, the Judge found that the AMC Asia Mark had *prima facie* been infringed by the Respondent’s Marks under s 27(2)(b) of the TMA. However, he found that the own name defence to trade mark infringement under s 28(1)(a) of the TMA, which the Respondent had relied on, was applicable in the circumstances and he consequently dismissed the Appellant’s trade mark infringement claim. In particular, he held that:

- (a) the own name defence was applicable to the use of a name as a trade mark;

- (b) the own name defence was applicable to the name of a company;
- (c) the own name defence extended to the use of a company's trading name and was not limited to the use of its registered corporate name; and
- (d) the Respondent's use of the Respondent's Marks, its trading names and domain name was in keeping with honest practices.

14 The Respondent had also attempted to raise the prior use defence under s 28(2) of the TMA but this was dismissed by the Judge on the basis that the Respondent had failed to prove that the AMC Group Mark had been used any time before 1 July 2011, which was the date the Appellant first began using the AMC Asia Mark. As for the Human Exclamation Mark, the Judge found that the Respondent's Marks bore no similarity to it and therefore dismissed the trade mark infringement claim with respect to that mark.

Passing Off

15 In relation to the claim for passing off, the Judge held that two of the three requisite elements, namely misrepresentation and damage, were made out. However, he found that the Appellant failed to establish that it had acquired goodwill in the AMC Asia Mark. He considered that the evidence relied on by the Appellant, which included the use of the "amc" name in the Appellant's domain name, the marketing-related awards received by the Appellant as well as its revenue and profits from 2008 to 2012, were insufficient for the purposes of proving goodwill.

The issues before us

16 The Appellant has appealed against the whole of the Judge’s decision, save for the finding that the Respondent’s Marks are not similar to, and hence do not infringe, the Human Exclamation Mark (see [14] above).

17 In these circumstances, we consider that the following four issues arise for our determination:

- (a) whether there has been an infringement of the AMC Asia Mark pursuant to s 27(2)(b) of the TMA;
- (b) if so, whether the own name defence under s 28(1)(a) of the TMA is available in the present case;
- (c) whether the classic trinity of goodwill, misrepresentation and damage has been proven in order to establish liability for passing off; and
- (d) whether the own name defence is applicable to a claim for passing off.

We shall address each of these issues in the same order.

Trade mark infringement under s 27(2)(b) of the TMA

18 In our judgment, the Judge’s finding of *prima facie* infringement of the AMC Asia Mark cannot be impeached. The visual and aural similarities between the Respondent’s Marks and the AMC Asia Mark are evident. Like the AMC Asia Mark, the Respondent’s Marks use the “amc” acronym in lower case and adopt a similar font, including the use of a double-storey letter “a”. Further, as identified by the Judge, the microphone in the Respondent’s

Marks also bears similarity to the exclamation mark in the AMC Asia Mark. Leaving aside the similarities between the Respondent's Marks and the AMC Asia Mark, the "amc" name itself is also visually and aurally similar to the AMC Asia Mark.

19 As the Judge noted (see the Judgment at [98]), there is also clearly a likelihood of confusion resulting from the Respondent's use of the Respondent's Marks and the "amc" name. Indeed, there was evidence of actual confusion in the testimonies of the Appellant's witnesses at the trial. In particular, former employees of companies which dealt with the Appellant testified that the similarity of the Respondent's Marks with the AMC Asia Mark led them to think that the Respondent was a subsidiary or an extension of the Appellant.

20 In relation to the Judge's finding as to the similarity of services provided by the Appellant and the Respondent, counsel for the Respondent, Mr Max Ng, contended that the services actually provided by the Appellant and the Respondent were distinct. But with respect, this misses the point. Our observations on this issue in *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc and another and another appeal* [2014] 1 SLR 911 ("*Staywell*") (at [40]–[42]) are germane and bear reproducing:

40 The comparison before us was between the services falling under Staywell's intended Class 35 and Class 43 registrations, and the Opponents' existing Class 43 registration. In relation to the Class 43 registration, we agree with the Judge's observation that the fact that the parties' hotel services were branded for different market segments did not render the services dissimilar. Following the dictum of Lai Kew Chai J in *Polo (HC)* at [33], the Judge stated that registration in the same category establishes a *prima facie* case for similarity. This invites some clarification. We think that what Lai J was referring to was registration in the same *specification*. We would go further to say that registration in the same specification within a class

establishes a *prima facie* case for *identity*. This is because it is not within the scheme of the classification system to make distinctions within a specification based on whether the particular product is targeted at one or another market segment.

41 Hotel services are hotel services, whether these concern a luxury hotel or a more modest one. We adopt the view that while “trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise ... [w]here words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question” (per Floyd J in *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch) (“*YouView*”) at [12]; see also *Omega Engineering Inc v Omega SA* [2013] FSR 25 at [33]). Where a good or service in relation to which registration is sought falls within the ambit of the specification in which the incumbent mark is registered, the competing goods or services would be regarded as identical (see *Gerard Meric v OHIM* (Case T-133/05) at [29]).

42 In this case there was a precise overlap between Staywell’s Class 43 hotel, food and beverage services, and the Opponents’ Class 43 hotel, food and beverage services. We do not think that there was any qualitative difference between the parties’ services that displaced the *prima facie* case for *identity* where registration was sought in the same specification within Class 43. Therefore the requirement of similarity or identity between services under s 8(2)(b) is satisfied in this case. Given that the services in question are identical, there is no further need to consider whether they are similar or the extent of their similarity (see *Hai Tong* ([18] *supra*) at [22] and Susanna Leong, *Intellectual Property Law of Singapore* (Academy Publishing, 2012) at paras 28.354 and 28.358).

[emphasis in original]

21 In the present case, the Respondent’s intended registration of the AMC Group Mark in Classes 35 and 41 was identical to the Appellant’s registration of the AMC Asia Mark in the same classes. There is thus, *prima facie*, a case for *identity* (and not just similarity) of services which, in our judgment, the Respondent has failed to displace. Both entities are involved in events management and it does not matter that they might target different market

segments at present. We are mindful that the present proceedings relate to infringement rather than to opposition of registration. Even so, as we observed in *Staywell* at [61], in infringement proceedings, it remains relevant to have regard not only to the actual use by the plaintiff of its registered trade mark but also to the penumbra of fair uses for which the plaintiff might want to use its registered trade mark.

22 For these reasons, we reject the Respondent’s submission that the Judge was wrong to have found that there was a *prima facie* case of trade mark infringement of the AMC Asia Mark under s 27(2)(b) of the TMA. The question of whether the Respondent can invoke the own name defence, however, remains, and it is to this issue that we now turn.

The own name defence under s 28(1)(a) of the TMA

23 We first outline the origins of the own name defence because this helps set our analysis of the issues in context.

The origins and development of the own name defence

24 The own name defence first emerged as a possible defence in the context of passing off. As noted in Christopher Wadlow, *The Law of Passing-off: Unfair Competition by Misrepresentation* (Sweet & Maxwell, 4th Ed, 2011) (“*Wadlow*”) (at para 9-069), the most widely adopted summary of the own name defence is that of Romer J (as he then was) sitting in the English High Court in *Joseph Rodgers & Sons Ltd v W N Rodgers & Co* (1924) 41 RPC 277 (“*Rodgers*”) (at 291–292):

... It is the law of this land that no man is entitled to carry on his business in such a way as to represent that it is the business of another, or is in any way connected with the business of another; that is the first proposition. The second

proposition is, that no man is entitled so to describe or mark his goods as to represent that the goods are the goods of another. *To the first proposition there is, I myself think, an exception: a man, in my opinion, is entitled to carry on his business in his own name so long as he does not do anything more than that to cause confusion with the business of another, and so long as he does it honestly.* ... To the second rule, to which I have referred, I think there is no exception at all; that is; that a man is not entitled so to describe his goods as to lead to the belief that they are the goods of somebody else. ...

[emphasis added]

25 Ironically, the own name defence has never in fact been successfully invoked in a passing off claim (see Susanna H S Leong, *Intellectual Property Law of Singapore* (Academy Publishing, 2013) (“*Susanna Leong*”) at para 29.052). Yet, it was later introduced into our trade marks regime through the enactment of s 52(a) of the Trade Marks Act (Cap 332, 1992 Rev Ed) (“the TMA 1992”). Section 52(a) provides as follows:

No registration of a trade mark shall interfere with —

(a) any bona fide use by a person of his own name or of the name of his place of business, or of the name or of the name of the place of business, of any of his predecessors in business; ...

26 Section 52(a) of the TMA 1992 was considered by this court in *Rainforest Coffee Products Pte Ltd v Rainforest Café, Inc* [2000] 1 SLR(R) 725 (“*Rainforest*”). There, the respondent, an international chain of restaurants that operated under the name “Rainforest Café” brought a trade mark infringement claim against the appellant, whose registered corporate name was Rainforest Coffee Products Pte Ltd. The claim arose out of the appellant’s use of the word “Rainforest” on its signboards and menus. The appellant invoked the defence prescribed in s 52(a) and the following observations may be made in relation to the court’s conclusion that the defence was inapplicable on the facts:

(a) The court, without expressly holding as such, proceeded on the assumption that s 52(a) extended to -

- (i) the use of one's own name *as a trade mark*; and
- (ii) the use of a *company's* own name and not just that of a natural person.

(b) The court held (at [54]) that the central inquiry was whether the use of the name was *bona fide*, and this, it held, was to be considered as a subjective rather than objective matter.

(c) On the facts, the court disallowed the defence because the appellant had used the name "Rainforest". The court held (at [54]–[55]) that the appellant would have had to use its "full corporate name" if it were to avail itself of the own name defence under s 52(a).

27 The TMA 1992 was subsequently reviewed and revised. The own name defence is now contained in s 28(1)(a) of the TMA, which provides as follows:

28.—(1) Notwithstanding section 27, a person does not infringe a registered trade mark when —

- (a) he uses —
 - (i) his name or the name of his place of business; or
 - (ii) the name of his predecessor in business or the name of his predecessor's place of business;

...

and such use is in accordance with honest practices in industrial or commercial matters.

28 The Judgment aside, there has been no local decision that has dealt with the current version of the own name defence under s 28(1)(a) of the TMA. It is therefore apposite that we take this opportunity to analyse the scope and applicability of the defence. In particular, we will address the following issues that were dealt with by the Judge below:

- (a) whether the own name defence extends beyond non-trade mark uses to the use of one's own name as a trade mark;
- (b) whether the own name defence extends to the use of a company's own name, and if so, whether it is limited to the use of its full registered corporate name;
- (c) the precise scope of the "honest practices" proviso; and
- (d) whether the Respondent is entitled to rely on the own name defence in the present case.

Applicability of the defence to the use of one's own name as a trade mark

29 The Judge held that the own name defence is applicable to the use of one's own name even as a trade mark. In particular, he noted that although s 28(1) of the TMA did not make specific reference to the use of a name as a trade mark – as compared, for instance, to s 28(2) which specifically states that "a person does not infringe a registered trade mark by using an unregistered trade mark" – the generality of its terms permits an expansive interpretation of s 28(1) such that it could be regarded as encompassing a wide range of uses of one's own name, including its use as a trade mark. In arriving at this conclusion, the Judge also relied on the decision of the English Court of Appeal in *Reed Executive plc and another v Reed Business Information Ltd and others* [2004] RPC 40 ("*Reed*") where Jacob LJ held (at [125]):

... it would make no sense to exclude trade mark use from the own name defence. For when a man uses his name in connection with his goods or services he is using it as a trademark—to tell you “This comes from me—John Doe”. Sometimes people think that use of a name on goods or for services is not use as a trade mark. They contrast use as a trade mark with use “just as a name”. But use of a name in connection with goods or services, even in small print, is trade mark use, though not of the upfront in-your-face kind the subject of vast advertising spend.

[emphasis in original omitted]

30 We agree with the Judge and also with the analysis in *Reed* as to why the own name defence extends to the use of one’s own name as a trade mark. As the Judge observed, the generality of the terms used in s 28(1) bears this out. But the defence is only available insofar as one seeks to justify the use of one’s own name in the trade mark and nothing more. In other words, it would be impermissible to embellish the use of one’s own name with other features, which might add to the likelihood of confusion, and yet remain within the scope of the defence. This is made clear when one re-examines the dictum of Romer J in *Rodgers* at 291 (see [24] above) where he refers specifically to the entitlement of one “to carry on his business in his own name so long as he does not do anything more than that to cause confusion with the business of another”. This serves also to emphasise the narrow scope of the defence in that all it does is to safeguard the appropriate use of one’s name for business purposes, including its use as a trade mark.

31 Thus, s 28(1)(a)(i) provides that a person does not infringe a registered trade mark when he uses his name or the name of his place of business. As no issue arises in the present case in relation to the use of the name of one’s place of business we leave this to one side. For present purposes, the material effect of the provision is that a person will not be deemed to have infringed a trade mark by reason, and to the extent only, of the use of his own name in the trade

mark. But we reiterate that if there are other similarities occasioned by such things as the addition of a similar logo, the adaptation or modification of the person's name or the application of other design similarities, which could either in themselves be a source of confusion or which could add to the confusion that was caused solely by the use of the actual name in question, this would not be permitted under the own name defence because the own name defence does *not entitle a defendant to anything more than the use of his own name*.

32 Having said this, we should emphasise the perhaps obvious point that these limitations are to be applied sensibly. It does not follow that the existence of some similarity in the respective trade marks of the plaintiff and the defendant aside from the similarity in the use of the defendant's name in both will *necessarily* preclude the operation of the defence. Such similarities may be minute and may then properly be disregarded because it becomes evident on analysis that they do not in fact contribute towards confusion. The real question is whether the use of the name by the defendant has been combined with other similarities so as to contribute appreciably to the likelihood of confusion beyond that which arises by reason only of the similarity of the name.

33 In our judgment, this analysis will inevitably centre around the second part of s 28(1)(a) that subjects the use of one's own name to a proviso, which we term the "honest practices" proviso. Hence the use of one's own name does not afford an automatic or complete defence. The proviso stipulates that such use must in addition accord with "honest practices in industrial or commercial matters". It follows that where there is similarity between the defendant's name and the plaintiff's trade mark, the court will have to consider whether there is any reasonable and innocuous explanation that may account for such

similarities in order to determine whether its use is in accordance with honest practices. We will shortly elaborate further on the ambit of the “honest practices” proviso.

Applicability of the defence to the use of a corporate name

34 In *Rainforest*, we dealt with the own name defence under s 52(a) of the TMA 1992 on the premise that it was available in relation to the use of a *company’s* own name, at least where the full registered corporate name was used. We revisit this now in the light of subsequent developments in the United Kingdom (“the UK”) as well as the introduction of s 28(1)(a) of the TMA. The Judge did have regard to these matters and concluded that the own name defence was applicable not only to natural persons but also to companies. He also held, seemingly contrary to the position in *Rainforest*, that a company is not limited to the use of its full registered corporate name but may also invoke the defence when using its trading name. We will deal with each of these questions in turn.

Is the defence available to companies?

35 If one simply applied s 2(1) of the Interpretation Act (Cap 1, 2002 Rev Ed) (“the Interpretation Act”), then a “person” referred to in s 28(1) of the TMA may properly be regarded as including a corporate entity. The English courts have not relied on their Interpretation Act 1978 (c 30) (UK) to interpret the word “person”. This is because s 11(2)(a) of the Trade Marks Act 1994 (c 26) (UK) (“the UK Trade Marks Act”) (which is in similar terms as s 28(1)(a) of the TMA) is modelled upon Art 12(a) of the European Union Council Regulation (EC) No 207/2009 of 26 February 2009 such that its meaning “cannot turn on a particular national rule of interpretation” (*per* Jacob LJ in *Reed* at [116(i)]). Although we are not burdened by the same technical

limitation, it would nonetheless be helpful for us to similarly avoid adopting a purely domestic approach towards interpreting the provisions of the TMA which was enacted, among other things, to ensure our compliance with an international instrument, namely the Agreement on Trade-Related Aspects of Intellectual Property Rights. Further, regard may also be had to Parliament's desire to modernise and simplify our trade marks law "in line with international trends" (*Singapore Parliamentary Debates, Official Report* (26 November 1998) vol 69 at col 1698 (Assoc Prof Ho Peng Kee, Minister of State for Law)). For these reasons, we, like the UK courts, should not seek to resolve the interpretation of the term "person" under s 28(1)(a) solely by a straightforward application of the Interpretation Act if to do so would bring us out of step with international trends and developments.

36 A corporate name is an artificial creation which may be adopted and changed at will. Seen from this perspective, it might be understandable that a degree of scepticism has been expressed towards the applicability of the own name defence to companies whose names may be manipulated with ease (and possibly for cynical purposes, such as piracy). That, however, cannot be a reason to impose a blanket denial to all companies of the right to avail themselves of the defence. Jacob LJ in *Reed* said as follows (at [116(ii)–(iii)]):

ii) It would be very strange if no company could avail itself of the defence. Think, for instance, of a company formed to take over a business established under an individual's name and having his name. It would be outrageous if the defence were lost upon incorporation.

iii) Any fear that dishonest people might form companies with misleading names so as to take advantage of the defence is easily removed by the use of the [honest practices] proviso – such a deliberate attempt to avail oneself of another's mark would not be an honest practice.

37 In our judgment, the sense that underlies these observations is sound. This does not mean that the defence is an easy one to make out, especially in relation to corporate names. The English courts have rarely found such use by a company, which would otherwise be an infringement of a registered trade mark, to be in accordance with honest practices. In particular, the English courts have refused to allow the defence in circumstances where the corporate or trade name was devised *after* the registration of the infringed trade mark on the basis that such a circumstance would evidence a failure to adhere to honest practices. Lloyd LJ in *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Ltd and others* [2010] RPC 16 (“*Cipriani*”) put it in these terms (at [67]):

... [J]ust as an individual could not justify using a trading name newly adopted which conflicted with a registered trade mark, nor could a company do so, any more than a company could justify trading under a changed corporate name which produced such a conflict, and an individual could not achieve the same by changing his name by deed poll. It seems to me that the explanation for the difference is that using an established trading name may well satisfy the test of honest use, whereas to adopt a new corporate or trading name for a new business which conflicts with an existing registered trade mark is unlikely to do so. ...

38 On balance, we are satisfied that the defence is in principle available to a company in relation to the use of its own name, subject to the court being satisfied that such use is within the ambit of honest practices. Aside from the fact that it is consistent with the common understanding of legal “personality”, it is also in keeping with English practice and with common sense. To the extent there is a concern with the potential for abuse, this can be policed through the diligent application of the honest practices proviso. The question remains whether this pertains to the use of a company’s “full name” in the form of its registered corporate name, which may include words such as

“Private Limited”, for example, or whether the defence could also apply to a company’s trading name, which may not include such words. We turn to this.

May a company avail itself of the defence only if it uses its registered corporate name?

39 As noted above (at [26(c)]), this court, in *Rainforest*, seemingly took the position that the appellant in that case would have to use its “full corporate name” in the form of “Rainforest Coffee Products Pte Ltd” if it were to avail itself of the own name defence under s 52(a) of the TMA 1992. But on closer scrutiny, this may not be the case. The reasoning on this issue was spelt out as follows (at [54]–[55]):

54 ... The only remaining point is whether the appellants ought to be allowed to use the word “Rainforest” alone, or whether they can do so only as part of their full corporate name. The short, and obvious, answer is that the former option should not be available to the appellants. The appellants sought to cloud the issue by casting doubt on the precise finding made by the learned judicial commissioner in relation to the defence of *bona fide* use under s 52(a) by, *inter alia*, arguing that their counsel had not made an admission as to infringement (see the discussion at [25] *supra*); however, it must follow from the finding on infringement, that the appellants must use their full corporate name in order to avail themselves of the defence under s 52(a). Indeed, we are fortified in our conclusion by the following statement made at para 32 of the appellants’ amended defence where, in denying that they had infringed the respondents’ trade mark, the appellants averred:

The [appellants] used the word ‘Rainforest’ in conjunction with the words ‘Coffee’ and/or ‘Coffee Products’ and in such a way as to obviate any reasonable possibility of misunderstanding or deception.

This was sufficient to dispose of the issue, but we nonetheless propose to deal very briefly with the appellants’ other arguments.

55 The appellants relied on *Baume v Moore* ([52] *supra*), but it is difficult to see how that case assists them. On the contrary, it supports the respondents’ position that the

appellants must use their full name in order to avoid infringing the trade mark. In *Baume*, the court found that the defendants had incorporated the plaintiffs' mark, "Baume", and added "& Mercier, Geneve". It was held that the defendants would have infringed the plaintiffs' mark unless they could avail themselves of the defence under s 8 of the Act of 1938; and on the facts, the defendants could do so since they were using their own name, "Baume & Mercier, Geneve". Here, however, it was not in dispute that the appellants had used the word "Rainforest" only, and not "Rainforest Coffee Products Pte Ltd" **or "Rainforest Coffee Products"**. Similarly, the reliance on the *Parker-Knoll* case ([52] *supra*), was misplaced. There it was held, *inter alia*, that nothing short of using the full name would afford a defence under s 8 of the UK Act. As we have seen, such was not the case here. Finally, the assertion that the appellants were known to the public by the name "Rainforest" alone was untenable. No evidence was adduced as to how the public perceived them. The argument was raised for the first time and appeared to have been a mere afterthought in relation to the question of infringement.

[emphasis in bold and bold italics added]

40 We pause to note from the words we have emphasised in bold that the court appeared to consider that the use of the name "Rainforest Coffee Products" without the words "Pte Ltd" could have been found to be within the ambit of the defence.

41 In *Asprey & Garrard Ltd v WRA (Guns) Ltd and another* [2002] FSR 31 ("*Asprey*"), the first defendant, WRA (Guns) Ltd, sought to raise the defence with respect to its use of the trading name William R Asprey (WRA being the acronym of that name) which was said to infringe the plaintiff's registered trade mark, "ASPREEY". In rejecting the defence, Peter Gibson LJ said (at [42]–[43]):

42 The first question that arises on this is whether the First Defendant can take advantage of [the own name] defence. I can answer the question shortly as Mr. Bloch, while not abandoning his submission that it could, recognised the difficulties in that submission and did not press it. In my judgment it is plain that the defence is not available to the First Defendant. Its own name is WRA (Guns) Ltd. The fact

that it has chosen to adopt the trading name of William R. Asprey Esquire does not enable it to rely on the own name defence.

43 As the judge said, the defence has never been held to apply to names of new companies as otherwise a route to piracy would be obvious. For the same reason a trade name, other than its own name, newly adopted by a company cannot avail it. Further, as the judge also pointed out, because a company can choose to adopt any trading name, there could be an own name defence in almost every case if Mr. Bloch were right. In my judgment he is not.

42 *Asprey* was followed by another English Court of Appeal decision in *Premier Luggage and Bags Ltd v Premier Company (UK) Pte Ltd and another* [2003] FSR 5 (“*Premier Luggage*”). There, the first defendant, The Premier Company (UK) Pte Ltd was alleged to have infringed the registered trade mark, “PREMIER”, belonging to the plaintiff, Premier Luggage and Bags Ltd. In particular, the plaintiff claimed that the following acts infringed its registered trade mark:

- (a) the first defendant’s use of its name “The Premier Company (UK) Limited” and the address “Premier House” on swing tags attached to its goods; and
- (b) the first defendant’s employees introducing themselves to customers and potential customers as being from “Premier”, “Premier Luggage” or “Premier Luggage Company”.

43 The first defendant’s attempt to rely on the own name defence succeeded in relation to the former act but failed in relation to the latter. The reasons were enunciated by Chadwick LJ (who had also been on the panel of the Court of Appeal which heard *Asprey*) (at [43]–[44]):

43. If the use by Premier UK of pcl swing tags does not amount to passing off, the claim for infringement of trade

mark based on that use must fail also. This is because, as the judge recognised, there was no desire on the part of Premier UK to take unfair advantage of the reputation or goodwill of Premier Luggage. The swing tags were used for a legitimate commercial purpose – to identify the trade origin of Premier UK’s product and to take advantage of the existing goodwill and trade connections of Premier Decorations. The use of the name “The Premier Company (UK) Limited” and the address “Premier House” on the swing tags is within section 11(2)(a) of the [UK Trade Marks Act].

44. That cannot be said in relation to the self-introduction by sales staff as being from “Premier”, or from “Premier Luggage” or “Premier Luggage Company”. The own name defence provided by section 11(2)(a) is not available because the name used was not the name “The Premier Company (UK) Limited”; it was an abbreviation or adaption of that name.

44 As observed by the Judge, *Rainforest*, *Asprey* and *Premier Luggage* could conceivably all be interpreted as holding that a company can avail itself of the own name defence only if it uses its registered corporate name, and not its trading name. However, like the Judge, we do not think this to be so. In *Rainforest*, the real issue before the court was whether the appellant had sufficiently differentiated itself when it used the word “Rainforest” as a trade name, rather than the appellant’s failure to use its full corporate name including the words “Pte Ltd”. Indeed, as noted at [40] above, it seems to us that the court would have accepted not only the use of the name “Rainforest Coffee Products Pte Ltd”, but also “Rainforest Coffee Products”. It was the use of the word “Rainforest” by itself that was found to be impermissible not least because, in all likelihood, that was the source of the greatest degree of confusion (it being the only common point between the names of the appellant and the respondent in that case).

45 In *Asprey*, Gibson LJ was more concerned with the adoption of trade names that had limited or no connection with the actual registered name of the company (WRA (Guns) Ltd compared with William R Asprey), at least as

perceived by an outsider. If the trade name in question had been, for example, “WRA” or “WRA (Guns)” it might well have been the case that Gibson LJ would not have disallowed the defence (although, in that case, there would probably not have been any question of infringement of the “ASPREY” mark in the first place).

46 As for *Premier Luggage*, that, like *Rainforest*, involved the use by the first defendant’s employees of the word “Premier” by itself, which was clearly insufficient to be differentiated from the plaintiff’s name. As for the descriptions “Premier Luggage” and “Premier Luggage Company”, these were even worse as they more closely resembled the plaintiff’s name than the first defendant’s.

47 In our judgment, the decisions in *Rainforest*, *Asprey* and *Premier Luggage* do not stand for the broad position that a company may only avail itself of the own name defence if it uses the entirety of its registered name. In this regard, we find it useful to refer to the judgment of Lloyd LJ in *Cipriani* where after considering *Asprey* and *Premier Luggage* at [64]–[65], he went on at [66] as follows:

66 ... Mr Purvis’ submission is that Peter Gibson L.J.’s words [in *Asprey*] in his para. 49 ... amount to a decision that a company can only rely on the defence in respect of its correct corporate name. I do not agree that the decision goes so far as that. I note that in para. 43, also quoted above, Peter Gibson L.J. said that a trade name ‘newly adopted by a company’ would not suffice. That suggests that *if the company’s trade name had not been newly adopted, but had been used in business for some time, the defence might be available. If so, the rule that a company can only rely on its corporate name is not absolute. It seems to me that this is, and ought to be, correct.* By comparison, in principle an individual ought to be able to use the defence in relation to an adopted name by which he or she is known for business purposes or generally, for example an actor’s stage name or a writer’s *nom de plume*. That being so, I find it difficult to see why a

corporate entity should not be able to do so, if it can show that it uses a distinct name for trading purposes. ...

[emphasis added]

48 Lloyd LJ then continued (at [68]–[69]):

68 In *Reed Executive plc v Reed Business Information Ltd* [2004] EWCA Civ 159 at paragraph 116(iii) Jacob LJ made much the same point in relation to the name of a newly formed company:

"Any fear that dishonest people might form companies with misleading names so as to take advantage of the defence is easily removed by the use of the proviso - such a deliberate attempt to avail oneself of another's mark would not be an honest practice."

69 That confirms my view that the mischief of a misleading name, whether a corporate name or a trade name, is to be dealt with by reference to the [honest practices] proviso, not by a rigid rule that a trade name cannot be an "own name" for this purpose.

49 We agree. In our judgment, it would be artificial to hold that the defence may only be available in circumstances where the full corporate name is used. We are satisfied that a company may avail itself of the defence even in relation to its trading name subject to the “honest practices” proviso. And even where a company uses its full corporate name, there remains the need to assess whether such use is or is not in accordance with honest business uses. Where the defendant has done something more, either by adding something else to, or, as in *Premier Luggage* and *Rainforest*, taking away parts of, the name, the defence might not be available at all. Where the court is satisfied that the defence may in principle be invoked, it must then inquire further as to whether the use of a particular name accords with honest practices. Here, it will be necessary for the court to have regard to “the nature of the trading name as well as the circumstances under which it was adopted” (the Judgment at [147], see also Lloyd LJ in *Cipriani* at [72]). We consider that these are important

elements relevant for the determination of whether the conduct of the defendant as a whole has been in accordance with honest practices.

50 We elaborate on this in the next section where we consider the “honest practices” proviso.

The “honest practices” inquiry

51 In *Rainforest*, the inquiry into the “*bona fide* use by a person of his own name” was seen as one that entailed a subjective rather than an objective assessment (at [54]). But that was a decision made with reference to s 52(a) of the TMA 1992 which is worded rather differently from the “honest practices” proviso found in s 28(1) of the TMA. Unlike s 52(a) of the TMA 1992, the proviso to s 28(1) of the TMA requires the court to consider whether “such use is in accordance with honest practices in industrial or commercial matters”. Instead of directing the analysis towards the *bona fides* of the individual person, the “honest practices” proviso sets the benchmark by reference to what may be regarded as “honest practices in industrial or commercial matters”. This points towards an objective assessment of the matter based on what is commonly done and regarded as honest in the business or industry.

52 In a sense, this is consistent with the origins of the doctrine in the law of passing off. As Romer J observed in *Rodgers* (at 292) (see at [24] above), the rule against misrepresentation or deception (the terms are used interchangeably in the context of passing off) is one that is absolute such that “there is no exception at all; that is, that a man is not entitled so to describe his goods as to lead to the belief that they are the goods of somebody else”. In other words, where the use of the name, even if subjectively honest, tends to lead others to perceive that the goods of the defendant are, or are connected to,

the goods of the plaintiff, the defence will not be available. The focus in the law of passing off is “on the actual or anticipated *effect* of the defendant’s actions on the minds of those constituting the relevant segment of the public” [emphasis in original] (*The Singapore Professional Golfers’ Association v Chen Eng Waye and others* [2013] 2 SLR 495 (“*Chen Eng Waye*”) at [41]). The inquiry is thus an objective one to the extent that honesty of intention or motive will not exculpate the defendant from tortious liability.

53 The Judge in fact held (at [152]) that the “honest practices” proviso entails an objective assessment of the defendant’s conduct. In this regard, he referred, among other things, to the following observations of Jacob LJ in *Reed* (at [131]–[132]) which were made in the context of s 11(2)(a) of the UK Trade Marks Act (which also contains an “honest practices” proviso):

131 ... Suppose the defendant at the time believes that what he is doing will not cause substantial deception or confusion and will not amount to unfair competition but is shown to have been wrong. There is no doubt that he must stop once he knows that. But is he liable to compensate the trade mark owner for his past use? Here there are several possible solutions, both to the common law of passing off and the law of infringement. These are:

- i) That the test is objective and one of simple causation – if the defendant in fact caused significant deception, albeit innocently, there is no defence. He must pay for the damage he unwittingly caused. The position for the past is the same as for the future.
- ii) That the test is objective but one of reasonable foreseeability – objectively would one predict that the acts concerned would cause deception? This is the same question as “would a reasonable defendant, knowing all the facts, expect confusion?” In this connection a reasonable defendant can be expected, prior to commencing use, to have searched the relevant registers (national and European) of trade marks, and if alerted to a potentially conflicting mark to have further made reasonable investigation as to whether it has been used enough to have acquired a reputation or goodwill.

iii) That the test is purely subjective – did this defendant at the time believe that he would not cause confusion? Such a belief might be either unreasonable or reasonable, stemming for instance from an inadequate knowledge of the reputation of the other man.

132 Notwithstanding the fact that I espoused meaning (ii) in *Cable & Wireless v BT* [1998] FSR 383 at p.391, I am inclined to favour solution (i) – that the defendant must compensate the trade mark owner if he has even unwittingly caused damage by significant, but unintended deception. I think that is what an honest man would do. Moreover the language of the provision rather suggests that the actual defendant's state of mind is irrelevant – referring as it does to "honest *practices*" rather than "honest use."

[emphasis in original]

54 On the whole, we agree that the “honest practices” proviso requires the court to adopt an objective analysis of the matter. But we would add a gloss on Jacob LJ’s concluding statement at [132] of *Reed* that the “actual defendant’s state of mind is irrelevant”. In our judgment, this statement is to be seen in the context of the whole discussion, which was only concerned with the specific scenario where a subjectively honest defendant is found objectively to have misrepresented the position. It seems to us that Jacob LJ was only making the point that in such circumstances the subjective honesty of the defendant would be irrelevant given his view that the own name defence *must* fail in both an action for trade mark infringement and also one for passing off where the defendant’s use of the name has been found to have caused *significant actual deception*. We digress to observe that the elements for passing off and for trade mark infringement are obviously not identical. In the specific context of the present discussion, the former is dependent on proof of misrepresentation or deception while the latter is made out by showing a likelihood of confusion. Jacob LJ seemed to have concluded that a finding of misrepresentation would necessarily preclude the operation of the own name defence. We can certainly see the force of this view in the context of passing off having regard to the

origins of the doctrine as outlined at [52] above. As far as trade mark infringement is concerned, it may also be noted that Jacob LJ's comments were made with specific reference to guidance that had been given by the European Court of Justice in Case C-100/02 *Gerolsteiner Brunnen GmbH & Co v Putsch GmbH* [2004] RPC 39 to the effect that a defendant would not fall within the "honest practices" proviso under s 11(2)(a) of the UK Trade Marks Act if he "might be regarded as unfairly competing with the proprietor of the trade mark". It appears that Jacob LJ contemplated that a trade mark infringer who was found to have misrepresented the position, as opposed to one who was found to have only given rise to a likelihood of confusion, would be regarded as unfairly competing with the trade mark owner, and that such a defendant would not come within the "honest practices" proviso under s 11(2)(a) of the UK Trade Marks Act. This might not be the position under s 28(1)(a) of the TMA. However, we prefer to leave for another occasion – where it is necessary for us to decide this – the question of whether the presence of actual misrepresentation *must* mean that a defendant's use of its own name, even if subjectively honest, cannot be in accordance with honest practices in industrial or commercial matters, objectively assessed, under s 28(1)(a) of the TMA. But it seems to us that this is all that Jacob LJ should, and could, be taken to have meant when he described the defendant's state of mind as "irrelevant". Indeed, Jacob LJ had stated in an earlier passage in the same judgment that a defendant who *intended* to use his own name to cause confusion would fall outside the defence (*Reed* at [129]).

55 As we have stated in the preceding paragraph, we do not understand Jacob LJ to be suggesting that the defendant's state of mind is *never* relevant. In our judgment, the actual subjective state of mind of the defendant is a relevant inquiry, even though the inquiry into honest practices also has an

objective component. In *Chen Eng Waye*, we observed (at [41]) that although it is not essential that fraudulent intent be shown on the part of a defendant in a passing off claim before liability for passing off can be imposed, where such intent *is* shown to exist, it becomes easier to establish a likelihood of deception on the simple premise that one will tend to achieve that which one specifically sets out to do (and the courts are generally inclined to infer that this is so). Following this reasoning, proof of subjective dishonesty on the part of a defendant relying on the own name defence should make it easier to establish a failure to accord with honest practices.

56 But we would go beyond this evidential proposition. In our judgment, while the “honest practices” proviso requires the defendant’s use of his own name to be objectively assessed for accordance with honest practices, it *also* requires the defendant to be subjectively honest in his use of his own name. We say this because it cannot lie in the mouth of a defendant to say that his acts were in accordance with honest practices if those acts were in fact motivated by a lack of *bona fides*: see for instance, *Susanna Leong* at para 29.087(b).

57 The own name defence is afforded to individuals and companies who would otherwise be found to have infringed the rights of registered trade mark proprietors. That, in fact, is the situation in this very case. In our judgment, the defence must then be premised upon the subjective honesty of the defendant for to hold otherwise would mean that it could notionally avail dishonest infringers. This strikes us as untenable. We are therefore satisfied that while the “honest practices” proviso under s 28(1) of the TMA calls for an objective inquiry that examines and assesses the defendant’s conduct in the light of standards and practices commonly applied in the business or industry, it, at the same time, does not entail the removal of the subjective inquiry suggested by

the wording of s 52(a) of the TMA 1992. In short, we consider that under s 28(1) of the TMA, there is both an objective and a subjective element in the inquiry into honesty that must be undertaken. We should emphasise that when we speak of these *elements* we are referring to the standards to be applied. In other words, we are concerned with assessing honesty by reference to the standards generally applicable in the business or industry as well as by reference to whether the particular motivations and intentions of the defendant were honest. We consider each to be a necessary, but not in itself sufficient, condition to be fulfilled. Further, we emphasise for the avoidance of doubt that as an evidentiary matter, each element must be weighed, on a balance of probabilities, on the basis of a reasonable evaluation of the evidence and not on the subjective and inevitably self-serving pronouncements of the defendant.

58 We are reinforced in this view by the fact that in the English cases coming after *Reed*, the courts while adopting an objective approach, have nonetheless also considered facts that relate to the actual state of mind of the defendant. In *Cipriani*, Lloyd LJ, in considering the “honest practices” proviso, deferred mostly to the reasoning of the trial judge, Arnold J. In this regard, Lloyd LJ noted (at [80]) that Arnold J had set out ten reasons why the “honest practices” proviso was not satisfied in the circumstances. Arnold J subsequently set out these ten reasons as ten non-exhaustive factors which he regarded as “material” in *Samuel Smith Old Brewery (Tadcaster) v Philip Lee (Trading as “Cropton Brewery”)* [2012] FSR 7 (“*Samuel Smith*”) (at [118]):

- (a) whether the defendant knew of the existence of the trade mark, and if not whether it would have been reasonable to conduct a search;
- (b) whether the defendant used the sign complained of in reliance on competent legal advice based on proper instructions;

- (c) the nature of the use complained of, and in particular the extent to which it is used as a trade mark for the defendant's goods or services;
- (d) whether the defendant knew that the trade mark owner objected to the use of the sign complained of, or at least should have appreciated that there was a likelihood that the owner would object;
- (e) whether the defendant knew, or should have appreciated, that there was a likelihood of confusion;
- (f) whether there has been actual confusion, and if so whether the defendant knew this;
- (g) whether the trade mark has a reputation, and if so whether the defendant knew this and whether the defendant knew, or at least should have appreciated, that the reputation of the trade mark would be adversely affected;
- (h) whether the defendant's use of the sign complained of interferes with the owner's ability to exploit the trade mark;
- (i) whether the defendant has a sufficient justification for using the sign complained of; and
- (j) the timing of the complaint from the trade mark owner.

These factors were applied by Arnold J again in *Stichting BDO and others v BDO Unibank, Inc and others* [2013] EWHC 418 (Ch) (at [182]–[191]).

59 It seems clear that Arnold J, in assessing the matter in relation to the “honest practices” proviso, had regard to a mix of factors that addressed the

inquiry into honesty objectively as well as subjectively. For instance, he considered such matters as the actual knowledge of the defendant in relation to the existence of the registered trade mark and knowledge of any actual confusion arising from the use of the defendant's own name, which are considerations that go towards determining the subjective honesty of the individual. Similarly, the English Court of Appeal in the recent decision of *Maier and another v Asos plc and another* [2015] EWCA Civ 220 ("*Asos*") considered (at [159]) that the fact that the defendant did not *intend* to confuse the public or trade off the trade mark proprietor's goodwill would be relevant to the "honest practices" inquiry.

60 The Judge in this case did consider the *bona fides* of the Respondent in his analysis of the applicability of the own name defence (see the Judgment at [147]–[149]). As a matter of conceptual and analytical clarity, we consider that both elements are best subsumed within the consideration of the "honest practices" proviso.

61 It is probably true that in the majority of cases, satisfaction of the objective standard would tend to carry with it a finding of subjective honesty. But appreciating the fact that there are two dimensions to the inquiry can make a difference in the overall analysis and this is manifested in two ways in the context of the present case.

62 The first relates to the burden of proof. The Judge had taken, in our judgment, a somewhat lenient approach towards proof of the Respondent's *bona fides* in relation to its adoption of the "amc" name. In resolving the various factual issues, such as why the Respondent adopted the "amc" name when that name had no correlation with its predecessor, the Chengdu Company, the Judge chose to give the benefit of the doubt to the Respondent

(see the Judgment at [149]). With respect to the Judge, we consider this to be incorrect. Given that s 28(1)(a) of the TMA operates as a defence to trade mark infringement, the burden of proving use in compliance with honest practices lies squarely on the defendant, who must establish this on a balance of probabilities.

63 The second relates to the sort of evidence that must be adduced by the defendant. This is most obvious in the case of corporate and trading names, where it would generally be necessary for the following (non-exhaustive) issues to be addressed by the defendant:

(a) How had the defendant devised the name? This is especially pertinent where the name does not appear to originate from, or have an apparent connection with, a natural person or corporate predecessor. It is also important to address this issue when the use of the name by the plaintiff predates its use by the defendant.

(b) How had the defendant devised the trade mark? As we have explained above (at [30]–[31]), the own name defence is limited to justifying the defendant’s use of its own name and nothing more. If there are other significant sources of similarity, then the defendant should adduce compelling evidence to explain such coincidences, failing which doubts may be raised over the defendant’s *bona fides*, assuming the defence is available at all in such circumstances.

For reasons which will shortly become evident, we do not think the Respondent adduced satisfactory evidence to explain these matters adequately and this is where we found ourselves in disagreement with the Judge on the question of whether the Respondent’s use of the “amc” name and the Respondent’s Marks was in accordance with honest practices.

64 It bears emphasising that the own name defence is a narrow one – and there is good reason for this. Given the ease with which company names and trade names may be adopted and changed, it is necessary that it be strictly policed to avoid the piracy concerns voiced by Gibson LJ in *Asprey* (see above at [40]). In our judgment, honesty is the key standard against which the defendant’s use of its own name is to be assessed and this should be done with care.

Summary of the principles associated with the own name defence

65 For convenience, we summarise the principles to be applied when considering the applicability of the own name defence:

- (a) The defence is available in relation to the use of a defendant’s name as a trade mark.
- (b) The defence is available in relation to the use of corporate names and this includes the use of the full company name as well as the defendant’s trading name.
- (c) The defence is available only insofar as the defendant seeks to justify the use of its own name and nothing more.
- (d) The defence is only made out if the defendant uses the name in accordance with honest practices in industrial and commercial matters. This entails both subjective and objective elements so the court must have regard to standards and practices that are commonly applied in the industry or business as well as the particular motivations and intentions of the defendant. Each element is a necessary, but not in itself sufficient, condition for the defence to be made out. Hence, the court must be satisfied that the invocation of the defence is in

accordance with the standards and practices in the industry and also that the defendant is not actuated by dishonest motives or intentions.

(e) The burden of establishing the defence on a balance of probabilities lies on the defendant. This calls for an evaluation of the evidence in the usual way. The assertions of honesty on the part of the defendant will not suffice if the court is not satisfied of this fact on a balance of probabilities upon considering all the evidence.

66 It may be relevant to have regard to the following, among other things, when conducting the inquiry into honesty:

(a) It is for the defendant to adduce evidence of its *bona fides*, especially when the name in question is a trading name used by a company (see above at [62]–[63]).

(b) It is for the defendant to provide a justifiable basis for its choice of name especially if there is no apparent origin for that name or if it was selected after the plaintiff (*ie*, the trade mark owner) had begun using that name (see above at [63(a)]).

(c) It is for the defendant to provide compelling reasons to explain any other significant sources of similarities between the marks (see above at [63(b)]).

(d) Although some degree of confusion may be tolerated, proof of an intention to misrepresent will take the defendant outside the “honest practices” proviso (see above at [54]–[56]). This may include an intention to:

- (i) create the impression that there exists a commercial connection between the defendant and the trade mark proprietor;
- (ii) discredit or denigrate the registered trade mark; or
- (iii) devalue the trade mark through the taking of unfair advantage of its distinctive character or repute.

(e) As to the *specific* factors that a court may consider, we would generally adopt those set out by Arnold J in *Samuel Smith* which we have listed (at [58]) subject to the reservation that these are not exhaustive but are to be seen as sign posts towards the ultimate question of honesty.

67 With the applicable principles set out, we turn to consider the facts of this case.

Whether the own name defence is applicable in this case

68 We do not consider that the Respondent may rely on the own name defence under s 28(1)(a) of the TMA. In particular, we do not consider that the Respondent's use of the "amc" name accords with honest practices. We come to this conclusion for several reasons.

69 First, the name "amc" has no evident connection with, or relation to, the name of the Chengdu Company (四川大弘文化传播有限公司, translated as Sichuan Da Hong Cultural Communication Co Ltd), which was the first company to be incorporated within the group of companies run by Mr Leong. Mr Leong asserts that the name was devised on the basis that it was an acronym for "A Music Company", but aside from a single instance on 1

November 2012 where an employee of the Respondent said that the name “amc” was meant to stand for “A Music Company”, there is no other evidence of the Respondent *ever* representing itself to others as “A Music Company”. The Judge placed significant weight on that single instance because it took place prior to the Appellant’s filing of its claim on 26 July 2013, but he failed to consider that this had occurred *after* the Appellant challenged the Respondent’s application to register the AMC Group Mark on 14 February 2012.

70 Second, we consider it significant that on 16 April 2010, the Chengdu Company, then known as 四川新恒公关策划有限公司 (*ie*, Sichuan Xin Heng), had posted a job advertisement online and represented itself as a Singaporean company known as “amc” involved in the events management business. This was well before the incorporation of the Respondent and was at a time when the Appellant was the only Singaporean company engaged in the events management scene going by the name “amc”. The Chengdu Company was at that time involved in the management of various events. While it presented itself as “amc” (which was not, and had no relationship at all to, its real name), it organised for other Singapore companies the following corporate events (which are comparable to and in direct competition with similar services offered by the Appellant) prior to the incorporation of the Respondent:

- (a) a company incentive trip for SilkAir (Singapore) Pte Ltd from 16 September 2009 to 18 September 2009;
- (b) a group cohesion activity for OCBC Bank; and
- (c) a Singapore F1 Grand Prix promotion event in Chengdu for the Singapore Tourism Board and Singapore GP Pte Ltd in July 2011.

In our judgment, this was strongly suggestive of active misrepresentation by the Chengdu Company, which was then known as Sichuan Xin Heng, that it was, or was connected to, the Appellant. This misrepresentation continued to be perpetuated when the Respondent, which adopted the name “amc”, was subsequently established.

71 Third, the Respondent’s attempt to explain the origins of the “amc” name and the AMC Group Mark through the involvement of one Ms Yap coupled with a poster bearing the AMC Group Mark and ostensibly promoting a concert held in Chengdu on 28 June 2008 (“the Respondent’s Poster”) gravely troubled us as to the Respondent’s actions and whether these could be said to accord with honest practices. In her Affidavit of Evidence-in-Chief (“AEIC”) dated 26 August 2014, Ms Yap said that she was the one who had first conceived of the initial versions of the AMC Group Mark, which she referred to as “samples of AMC Asia logo”, sometime in April 2009 and she exhibited “copies of [her] design drafts” that were dated 19 and 25 April 2009 respectively.

72 For reasons that were not adequately explained, Ms Yap designed logos that used *exactly* the Appellant’s abbreviated name “AMC Asia”. This was a name that the Appellant had already been using at that time. In contrast to this, from the Respondent’s perspective, the Chengdu Company was the only entity that existed and it operated only in China and not in Asia as a whole. But beyond this, some of the logos, which had ostensibly been designed *independently* by Ms Yap, bore an uncanny and wholly improbable similarity to the unregistered marks the Appellant had used in Singapore at about that time. By way of illustration, one of Ms Yap’s sample designs, , may be compared with one of the unregistered marks the Appellant

had been using around that time, . As may be observed, the similarities between the two designs include the use of lower-case letters in the words “amc asia”, the exclamation mark and the use of the double-storey letter “a”. The Respondent’s suggestion that these similarities were purely co-incidental beggars belief!

73 Yet, the problems with Ms Yap’s evidence do not end there. Her evidence in fact directly contradicted the Respondent’s other evidence in respect of the Respondent’s Poster. She first claimed that she had designed the initial versions of the AMC Group Mark in 2009. But an explanation then had to be given as to how the mark had come to appear in a poster promoting an event that was being managed and promoted by the Chengdu Company in 2008, evidently some time *before* Ms Yap had designed it. Faced with this difficulty, it was not surprising that Ms Yap sought to withdraw the statement in her AEIC that she had designed the AMC Group Mark in 2009 when she took the stand; instead, she said that she had done so in 2008. But then she could not explain why her design drafts, which she had exhibited as part of her AEIC, were dated 19 and 25 April 2009. As seen from her email correspondence with Mr Leong (which also was exhibited in her AEIC), she had first been approached by Mr Leong in 2013 to provide the relevant documentation for the designs. She initially said that she no longer had them. In an email to Mr Leong dated 11 May 2013 she said that she could attempt to retrieve information on the date the logo was created and the sketches of the logo from a “backup drive”. She subsequently claimed that she found the relevant files and sent these to Mr Leong by email on 4 July 2013.

74 The dates reflected on the documents she exhibited in her AEIC reflect that the designs of the logos were created in 2009. If this was true, it would

mean that her attempt during her examination-in-chief to withdraw statements to this effect was disingenuous. It would also mean that the Respondent's Poster was a forgery. It may be noted that in challenging the authenticity of the Respondent's Poster, the Appellant had adduced another version of that poster which is identical save that it does not bear the AMC Group Mark but instead bears the mark of "The Concept Company" in the position where the AMC Group Mark is shown on the Respondent's Poster. The Appellant's case is that the latter, which the Appellant had retrieved from the internet, was the genuine article and the Respondent's Poster was a forgery created to suggest falsely that the Respondent had been using the AMC Group Mark well before it become aware of the Appellant's Marks. Notably, no other copy of the Respondent's Poster could evidently be found on the internet.

75 Faced with these multiple knots in her evidence, Ms Yap said she might have been mistaken as to the date and might have subsequently typed the 2009 dates by mistake when it should have been 2008. This was wholly implausible given the circumstances in which she had been asked for this information and given the many twists and turns the story had taken as the Respondent struggled to keep it afloat.

76 Lastly, it may be noted that the AMC Group Mark, which is used by the Respondent and is one of the subjects of the present trade mark infringement claim, is not as similar to the Appellant's AMC Asia Mark as the mark that had allegedly been designed by Ms Yap. But it nonetheless bears many similarities (aside from the name) that required explanation. As the Judge had observed, the similar use of lower case letters, the use of the double-storey letter "a", the similarity between the microphone in the AMC Group Mark and the exclamation mark in the AMC Asia Mark were all not

insignificant. The Respondent failed to furnish a satisfactory explanation for these similarities.

77 In all the circumstances, we are satisfied that the Respondent has failed to discharge its burden of proving that the “amc” name, the AMC Group Mark and the AMC Live Mark were honestly and independently conceived or that the use of the “amc” name accorded with honest practices. In particular, in the context of this case and on a consideration of all the evidence, we are not satisfied that the Respondent’s conduct was honest in the subjective sense. The necessary consequence of this is that we reverse the Judge’s decision to dismiss the Appellant’s claim for trade mark infringement of the AMC Asia Mark.

78 We make one further observation. Although the Judge did consider the various discrepancies in the Respondent’s evidence, he placed little weight on these discrepancies as well as on the Respondent’s failure to establish a positive case of honest creation, adoption and use of the name and marks. The Judge seemed influenced by the fact that the AMC Asia Mark was first used in Singapore at about the same time the Respondent first used the “amc” name and the AMC Group Mark (see the Judgment at [158(a)]). In our judgment, the focus of the inquiry should instead have been directed to the origins of the Respondent’s “amc” name and the AMC Group Mark, especially since the Appellant had been using the “amc” name and similar unregistered marks from as early as 2002 (see above at [6]). The actual time of the registration of the plaintiff’s mark does not displace the need for this to be examined because the question in the end turns on whether the defendant’s use of its own name was honest.

79 In the circumstances, we allow the appeal. For completeness, we turn to the remaining part of the appeal which concerns the claim in passing off.

Passing off

80 To succeed in its claim for passing off, the Appellant must prove the classic trinity of goodwill, misrepresentation and damage. The Judge held that while misrepresentation and damage was made out, goodwill was not. We will accordingly deal with this issue first.

Goodwill

81 A claim for passing off must be premised on proof of goodwill in the plaintiff's business (*Guy Neale and others v Ku De Ta SG Pte Ltd* [2015] 4 SLR 283 at [134]; *Staywell* at [130]; *Chen Eng Waye* at [21]; *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd and another and another appeal* [2013] 2 SLR 94 (“*Hai Tong*”) at [111]). The court's concern is whether there exists any attractive force in the plaintiff's business that brings in custom (*The Commissioners of Inland Revenue v Muller & Co's Margarine, Limited* [1901] AC 217 at 224).

82 The Judge appeared to have been concerned not specifically with goodwill in the Appellant's business but with whether the Appellant had acquired “goodwill in the words “amc” and “AMC”, the [Appellant's] Marks and [its] domain name” (the Judgment at [166]). He seemed to have found that the Appellant had failed to establish such goodwill as it could not prove that it was identified by the name “amc” or “AMC” and by its registered marks. To the extent this is so, in our judgment, as a matter of analytical clarity, it would be neater to deal with this, not at the stage of determining whether goodwill has been shown to exist, but rather, as we held in *Hai Tong* (at [115]), at the

stage of inquiring whether there has been misrepresentation. At that stage, it will be necessary to inquire whether the plaintiff’s “goodwill is associated with his get-up (*ie*, his mark, name and/or labelling)” and whether the defendant is passing off his goods or services as those of the plaintiff through the use of a similar mark, name or labelling (see also *Chen Eng Waye* at [26]–[40]; *Novelty Pte Ltd v Amanresorts Ltd and another* [2009] 3 SLR(R) 216 (“*Amanresorts*”) at [39]).

83 We make this point because in our judgment, if the inquiry as to whether the plaintiff’s goodwill is associated with a name or mark is analysed at the goodwill stage, there is a risk of conflating the issue of goodwill with the separate issue of whether there has been misrepresentation and consequently, damage to the goodwill of the plaintiff’s business. As we observed in *Chen Eng Waye* (at [21] and [28]):

21 Goodwill has been described as “the attractive force which brings in custom”: *The Commissioners of Inland Revenue v Muller & Co’s Margarine, Limited* [1901] AC 217 at 224. It connotes the magnetic quality of the product and its association with the claimant such that customers return and patronise the same business, or purchase the same product or other products from the same brand: *Bently & Sherman* ([16] *supra*) at p 729. *The goodwill in question is the integral feature of the relationship between a trader and his customers that the tort of passing off seeks to protect. The action for passing off is not directly concerned with the protection of a mark, logo or get-up of a business. That is more the province of the law of trade marks. Rather, passing off is concerned with protecting the goodwill between a trader and his customers: CDL Hotels* ([12] *supra*) at [45].

...

28 It is, however, important to emphasise that what the tort of passing off seeks to protect is *not the use of a mark or name per se*; rather, it prohibits the tortfeasor from misrepresenting his goods as if they are, or are connected to the claimant’s goods. When he does this by using a name or mark or choice of words that is associated with the claimant, *it is the actual or prospective damage to the claimant’s goodwill*

or business that the tort of passing off seeks to prevent, even though the focus of the inquiry shifts to the tortfeasor's use of the name or mark in question. ...

[emphasis added]

84 We therefore focus first on whether there exists goodwill in the Appellant's business.

85 In our judgment, there was sufficient evidence of such goodwill. The Appellant is a company that has been based in Singapore since 2000. It had in fact taken over the business from its predecessor that had been operating since 1995 (see above at [2]). The Appellant adduced evidence of its profits from 2008 until 2012 (during which period the quantum of profits before tax ranged between \$500,000 and \$2.5m). The Judge found that the profits were not differentiated between what had been generated overseas and that generated locally. This is true; but it does not seem to be disputed that at least a portion of the profits was derived locally. Further, the Appellant had adduced documentary evidence of actual sales made by the Appellant in Singapore between 2005 and 2012. This evidence (in the form of invoices as well as awards won for specific events organised for particular clients) also reflected regular sales to repeat customers such as Nokia and Hewlett-Packard and such proof of customer loyalty is a sufficient basis for establishing the existence of goodwill.

Misrepresentation

86 The element of misrepresentation is shown by proof that the defendant's goods or services were held out to be, or to be connected with, those of the plaintiff's business. In the present case, it concerns the use by the Respondent of the "amc" name and the Respondent's Marks. The primary question then is whether the Respondent's use of these devices would lead the

relevant segment of the public to believe that the services provided by the Respondent were actually services provided by the Appellant or that the Respondent was economically related to the Appellant (*Mobil Petroleum Co, Inc v Hyundai Mobis* [2010] 1 SLR 512 at [51]–[52]; *Chen Eng Waye* at [42]).

87 In connection with this, the court must, at a threshold level, consider whether the Appellant’s goodwill is sufficiently associated with its name or the marks that it uses, or, framed in another way, whether its name or mark is distinctive of its services (*Chen Eng Waye* at [28]). The issue is whether by using identifiers that suggest a connection with the plaintiff, the defendant (the Respondent in this case) is misrepresenting the position and in the process damaging the plaintiff’s goodwill. In the Judgment (at [171]–[176]), the Judge considered the goodwill associated with the “amc” name and the Appellant’s registered marks. He found that there was no such goodwill because: (a) the Appellant had never described its business using the “amc” name singularly (it used names such as “amc asia”, “amcasia!” or “amc!asia”); and (b) the Appellant only began using the AMC Asia Mark on 1 July 2011 and this mark was used together with its full corporate name.

88 In our judgment, the Judge erred when he seemingly placed the focus of his inquiry on the protection of the “amc” name and the Appellant’s registered marks. As we have explained above (at [82]–[83]), this is not the principal focus of the law of passing off. Instead of asking whether there existed specific goodwill in the “amc” name or the Appellant’s registered marks, the real question, in our judgment, is whether the goodwill in the Appellant’s business was sufficiently associated with the identifiers that it *had* used; whether those identifiers are distinctive of the Appellant’s business; and whether by the use of *its* identifiers, the Respondent misrepresented its services as being those of, or connected to, the Appellant. The identifiers in

question are not limited to the use of the “amc” name in a singular manner or to the Appellant’s registered marks but include the unregistered (and similar) marks it had used in the past as well as the variations of the “amc” name which it had used to describe itself. If these identifiers are indeed distinctive of the Appellant’s business, the next question would then be whether the Respondent’s use of the “amc” name and the Respondent’s Marks would lead one to believe that its business is that of the Appellant or is somehow related to it.

89 The Judge stated at [181] of the Judgement that the word “amc” possesses inherent distinctiveness. We agree with this observation. Further, in our view, factual distinctiveness had been proven.

90 The Appellant’s evidence shows that it has been using the “amc asia” name (although not singularly) in its correspondence with clients since as early as 2002. It has also been using marks (bearing the “amc asia” name) similar to its registered marks in such correspondence. Even though it might also have described itself using its full corporate name, it does not follow that clients would not have recognised and identified it with the “amc asia” name and the marks it has been using, especially given the length of use.

91 At trial, the Appellant called two representatives from its corporate clients as witnesses. These were Mr Anders Erik Kager (“Mr Anders”), the former Head of Marketing Programs Asia, Middle East and Africa for Nokia Solutions Networks Pte Ltd (“Nokia”) and Mr Lyndsey Lam Yenn Jinn (“Mr Lam”), a senior manager of EMC International SARL (Singapore Office). Both Mr Anders and Mr Lam deposed to the distinctiveness of the “amc asia” name and the AMC Asia Mark, stating in their AEICs that they identified both indicia with the Appellant. Mr Anders also stated in his AEIC that the

Appellant and Nokia shared good business experiences. Mr Lam's evidence was in the same vein. The Appellant's suppliers also gave evidence on the Appellant's behalf. These included Mr Ang Chun Heng, the sales coordinator of a printing company, Shotech Press Pte Ltd, Mr Chong Yuen Hwa, a director of Dezign Format Pte Ltd and Mr Simon Low Ai Kai, the technical director of Tech Division Event Services. In summary, these three witnesses also deposed in their AEICs that they identified both the "amc" name and the "amc asia" name with the Appellant's business and the AMC Asia Mark as the Appellant's trade mark.

92 In our judgment, this evidence demonstrated that the "amc" name, the "amc asia" name and the marks that incorporated the "amc" name such as the AMC Asia Mark, all of which were used by the Appellant, were distinctive of the Appellant's business, at least within the events management industry in Singapore, and were sufficiently associated with its goodwill.

93 The Respondent's usage of similar identifiers would cause the relevant segment of the public to believe that the Appellant and the Respondent are either the same company or closely related companies (as suggested by the word "group" used by the Respondent). This much was corroborated by the evidence of actual confusion on the part of the clients and suppliers of the Appellant that we have already referred to (at [19]). We also consider that the Respondent's use of the "amc" name in the form of related variants such as "amc group china" and "amc live" (which are also incorporated into the Respondent's Marks), instead of legitimately differentiating the Respondent's business, in fact exacerbated the confusion of the nature we have just described since what is notable and shared in common with the Appellant's identifiers is the "amc" portion while the other additions suggest a regional or product based specialty rather than an outright differentiation. In the

circumstances, we find that the Respondent has misrepresented its business to be that of the Appellant or at least to be closely associated with or related to that of the Appellant.

Damage

94 As we have stated above (at [82]–[83]), the action for passing off protects the goodwill residing in the plaintiff’s business. Thus for any misrepresentation to be actionable, the plaintiff must show that the misrepresentation actually caused, or is likely to cause, damage to the goodwill in his business.

95 The Judge below found that there was no possible diversion of sales from the Appellant, and the Appellant does not challenge this finding. Instead, the Judge found that the Appellant suffered damage in another form, in that it was restricted from the prospect of natural expansion into the concert management business. The Respondent, however, argues that the concert management business is not a natural expansion of the Appellant’s business.

96 Damage resulting from a restriction of natural expansion possibilities was first considered by this court in *Amanresorts* (at [117]–[118]):

117 We accept the principle that a plaintiff who has established goodwill in one form of commercial activity (“the established activity”) may be entitled to protection from passing off *vis-à-vis* another form of commercial activity which is a natural expansion of the first (“the extended activity”). Thus, in *Alfred Dunhill Limited v Sunoptic SA* [1979] FSR 337, it was understandable why the English Court of Appeal prevented the defendant from marketing sunglasses under the name “Dunhill” given that the plaintiff, a well-known producer of tobacco goods under the same name, had expanded its business to include the sale of luxury goods for men, likewise under the name “Dunhill”. The plaintiff had also showed that although it had not sold sunglasses in England, it was planning to produce sunglasses itself.

118 It is, however, important to stress the close connection which must exist between the established activity and the extended activity for that connection forms the foundation for this head of damage. Wadlow in *The Law of Passing-Off* ([73] *supra*) cites (at para 4-42) the following extract from the American case of *S C Johnson & Son, Inc v Johnson* 116 F 2d 427 (2nd Cir, 1940) at 429 (*per Hand J*) as being representative of the English position in this regard:

It is true that a merchant who has sold one kind of goods ... sometimes finds himself driven to add other 'lines' in order to hold or develop his existing market; in such cases he has a legitimate present interest in preserving his identity in the ancillary market, which he cannot do ... if others make his name equivocal there. But if the new goods have no such relation to the old, and if the first user's interest in maintaining the significance of his name when applied to the new goods is nothing more than the desire to post the new market as a possible preserve which he may later choose to exploit, it is hard to see any basis for its protection [*ie*, for the protection of the merchant's name in the new market]. The public may be deceived, but [the merchant] has no claim to be its vicarious champion; his remedy must be limited to his injury and by hypothesis he has none.

In our view, this passage is representative of the position in Singapore as well.

97 In the light of these principles, we subsequently held in *Amanresorts* (at [121]) that there was a close connection between the respondents' high-end hotels and resorts business and the appellant's residential accommodation business as both fields concerned accommodation, and that the appellant's misrepresentation prevented the respondents from expanding into the residential accommodation business in Singapore. In particular, it was noted that aside from the close connection between the two businesses, the respondents had also expanded into the residential accommodation business overseas.

98 We are satisfied that the respective businesses of the Appellant and Respondent are sufficiently close and there is therefore the requisite prospect

of damage. First, the Chengdu Company, the original member of the group of companies of which the Respondent is a part, has already expanded its business to include the management of events similar to those managed by the Appellant. As we have already noted (see above at [70]), this took place from as early as 2009. Second, both parties are in the business of events management, save that they currently manage different types of events. It would be artificial to assume that the Appellant would never venture into managing other types of events. In the circumstances, we find that the damage element has been established by virtue of the restriction from natural expansion that would be suffered by the Appellant on account of the Respondent's misrepresentation.

Own name defence in passing off?

99 In our judgment, the classical trinity of goodwill, misrepresentation and damage is made out in the present case to give rise to an actionable claim in passing off. The Respondent, however, contends that the own name defence is also applicable in the context of passing off, especially considering that it originated from the law of passing off. As we have already found that the Respondent cannot avail itself of the own name defence in relation to the Appellant's trade mark infringement claim on the facts of the present case, it follows that the defence must also fail in relation to the Appellant's claim in passing off, even assuming it were available in principle.

100 However, we think that it would be apposite for us to set out our provisional views on the question of whether it can be a defence at all in this context. We should make it clear that these observations remain open for reconsideration on a future occasion when full arguments are made on the point. Subject to this reservation, we begin by noting that Romer J stated in clear

terms in *Rodgers* (at 292, cited above at [24]) that there is no exception to the rule against describing one's goods or services so as to lead to the belief that they are the goods or services of another. Yet this is the hallmark of passing off, and if there is no exception to this, then it must follow that the own name defence cannot be applicable to a claim in passing off where the court has found that there has been misrepresentation. The English cases which we have referred to in the context of the own name defence to trade mark infringement have also held that the own name defence is inapplicable in cases where misrepresentation (or deception) is found to have been established (see *Reed* at [132], cited above at [53]; *Samuel Smith* at [116]).

101 It is thus unsurprising that pronouncements on the so-called own name defence and its applicability to passing off have been interpreted as describing “as a defence what is really a failure, and sometimes a very basic one, to make out a cause of action” (*Wadlow* at para 9-072). Pumfrey J, who presided over the trial in *Reed*, observed as follows in *Reed Executive plc and another v Reed Business Information Ltd and others* [2003] RPC 12 (at [138]–[139]) after referring to Romer J's decision in *Rodgers*:

138 The defence afforded by this passage is narrow. The reference to honesty is key, and in my judgment the same considerations apply as apply in respect to the proviso to s. 11(2) ... The test is objective, and in any event cannot be satisfied if the defendant knows of a risk of deception in fact. The defendants relied in this connection on the judgment of Lord Greene in the Court of Appeal in *Marengo v Daily Sketch* [1992] FSR 1 (judgment of 17 May, 1946):

“No one is entitled to be protected against confusion as such. Confusion may result from the collision of two independent rights or liberties, and where that is the case neither party can complain; they must put up with the results of the confusion as one of the misfortunes which occur in life. The protection to which a man is entitled is protection against passing off, which is a quite different thing from mere confusion. If all that a trader is doing is to carry on

trade in his own name, and in disposing of or advertising his goods does no more than make the perfectly true statement that the goods are his goods, no other trader is entitled to complain. On the other hand, where the line is overstepped and the description applied to the goods amounts to a representation—not necessarily, of course, a dishonest one—that the goods are the goods of the other trader, then you have a case of passing off.'

139 It seems to me that this probably only states Romer J.'s test in other words: *if there is passing off, then that is enough*. In other words, *the only defence is "no passing off"*, because there is no deception leading to damage to the relevant goodwill.

[emphasis added]

102 Jacob LJ said as much in *Reed* (at [112]) when he heard the appeal from Pumfrey J's decision (albeit in less absolute terms):

[Pumfrey J] rightly observed that the passing off defence is narrow. Actually no case comes to mind in which it has succeeded. Because the test is honesty, I do not see how any man who is in fact causing deception and knows that to be so, can possibly have a defence to passing off.

103 Our provisional view is that the own name defence, which is statutorily provided for in relation to trade mark infringement subject to the "honest practices" proviso, cannot be extended to cases of passing off which is based firmly on a finding of misrepresentation. Trade mark infringement is established upon a finding of a likelihood of confusion and this need not amount to misrepresentation. But misrepresentation is an essential element of the tort of passing off. As we have noted above (at [52]), a finding of misrepresentation as a matter of passing off is based on an objective assessment of the facts and is not concerned with the defendant's subjective intention. Thus, a subjectively honest defendant would, in our view, be unlikely to be able to avail itself of the own name "defence" where, objectively assessed, misrepresentation for the purposes of passing off has

occurred. The position may not, however, necessarily be precisely the same under the TMA, although we do not come to a position on this issue at this time and prefer to reserve it for the appropriate case (see [54] above).

104 While decisions concerning passing off may have given rise to the defence as it now stands in trade mark infringement, the own name “defence” should, we think, be recognised for what it really is in the context of passing off – the recognition of the entitlement to use one’s own name to trade *as long as there is no passing off*. But this does not mean that the fact that one is using one’s own name is necessarily irrelevant in a passing off claim. Here it is helpful to refer to the dissenting judgment of Arden LJ in *IN Newman Ltd v Adlem* [2005] All ER (D) 288 where she observed as follows (at [98]):

I would like to add this postscript. Argument has been directed to the scope of the own name defence. It is clear that if the defendant is able to say that the name he is using for trading purposes is his own name which he had before the trading in question began, *it will in practice be less difficult for him to show that the adoption of that name as a business name was not passing off*. He would not be a stranger to the name. Where the individual sets up business in his own name because it is his own name and that is the name by which potential customers know him, it will in my judgment be more likely that the court will find that his use of his own name was in good faith and made no representation as to connection with the defendant. The name of an individual is an aspect of his personal identity and thus the courts will in my judgment *exercise caution before restraining the use by an individual of his own name*. ... In any event this is a case, in my judgment, not of the own name defence alone, but also of shared goodwill and the non-exclusive right to use of the name which Newman claims to own.

[emphasis added]

105 It should first be noted that these observations concerned the court’s finding in relation to the issue of shared goodwill (which formed the main premise of the majority’s decision). Further, Arden LJ, although seeming to give weight to the subjective honesty of the party who is the defendant in a

passing off claim, also affirmed the objective nature of the test for misrepresentation. This can be found at [99] of her judgment which comes immediately after the passage that we have reproduced above. In our judgment, Arden LJ's real point is an evidential one. Just as fraudulent or dishonest intent would increase the likelihood of finding deception in a particular case (see above at [55]), the *bona fide* use of one's own name would tend to reduce that likelihood. But that may well be as far as the use of one's own name can go in the context of passing off – as an evidential consideration and not as a legal defence.

Conclusion

106 For these reasons, we allow the appeal and find that the Appellant succeeds in its claim for trade mark infringement in respect of the AMC Asia Mark and in its claim for passing off. We set aside the orders made by the Judge. While the Appellant is thus entitled to enjoin the Respondent from any further use of the “amc” name or the Respondent's Marks, we will not grant an injunction if the Respondent undertakes to this court that it will not use the “amc” name or the Respondent's Marks. For avoidance of doubt, our findings apply to the use of the “amc” name generically and should not be read as being case-sensitive. The Respondent is to indicate its position within two weeks of the date of this judgment, and if the Respondent is unwilling to furnish such an undertaking, or if the terms of the proposed undertaking are unacceptable to the Appellant, we may then hear the parties on the scope of the relief that should be granted.

107 As to the issue of damages, we remit the matter for determination by the Judge.

108 The Appellant is to have its costs of the appeal and of the trial to be taxed if not agreed. The usual consequential orders are to follow.

Sundaresh Menon
Chief Justice

Chao Hick Tin
Judge of Appeal

Andrew Phang Boon Leong
Judge of Appeal

Dedar Singh Gill and Ong Sheng Li, Gabriel (Drew & Napier LLC)
instructed by Michael Moey Chin Woon (Moey & Yuen) for the
appellant;
Max Ng Chee Weng, Amira Budiyo and Mitchel Chua (Gateway
Law Corporation) for the respondent.