

UPDATES FROM IPOS

MAY - JUNE 2024

Dear readers,

Here is an update on developments in IP/IT dispute resolution in Singapore in May-June 2024.

Court Decisions

TOWA Corp v ASMPT Singapore Pte Ltd and anor [2024] SGHC 163

Previously, the General Division of the High Court had found in favour of TOWA Corp in a patent infringement suit against the defendants. The parties were directed to provide an agreed computation of the damages to be awarded based on the parameters set out in the <u>decision</u>. Subsequently, the parties appeared before the judge six times for clarification. The clarifications made in the course of those six further hearings are recorded in this judgment.

<u>Nalli Pte Ltd and others v Nalli Kuppuswami Chetti and Nalli Ramanathan (trading as Nalli Chinnasami</u> <u>Chetty) and another</u> [2024] SGHC(A) 18

This case concerns a long-running family dispute over the use of the "Nalli" name (and related trade marks) in Singapore in connection with the sale of sarees and other clothing. In the late 1990s, the parties entered into two deeds of settlement. However, the way in which both sides subsequently conducted business gave rise to further disputes. In 2020, one side brought proceedings against the other seeking injunctive and other reliefs for alleged breaches of deeds of settlement, trade mark infringement, passing off, and malicious falsehood. The other side counterclaimed for, among other things, other breaches of the deeds as well as groundless threats of infringement. At first instance, the trial judge allowed the claims and dismissed all the appellant's counterclaims. The appellate division allowed the appeal and ruled that neither side had breached the deeds of settlement nor was there any trade mark infringement, passing off, or malicious falsehood. The court's case summary may be accessed through the link above.

Lim Suk Ling Priscilla and another v Amber Compounding Pharmacy Pte Ltd and another [2024] SGCA 16

This decision of the Court of Appeal touches on the interplay between claims for wrongful gain and wrongful loss in a claim for breach of confidence. In brief, the court's view is as follows. A plaintiff is entitled to claim for both wrongful gain (under *I-Admin*) in respect of one set of documents/information and wrongful loss (under *Coco v Clark*) in respect of another set of documents/information. However, a plaintiff cannot claim for both wrongful gain and wrongful loss in respect of the same sets of documents/information. For more information, please see the court's case summary, which may be accessed through the link above.

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East Coast Podiatry Centre Pte Ltd v Family Podiatry Centre Pte Ltd [2024] SGHC 102

The defendant, Family Podiatry Centre Pte Ltd, used Google Ads to display advertisements on the internet containing, among other things, the words "east coast podiatry". The claimant, East Coast Podiatry Centre Pte Ltd, took objection and sued for trade mark infringement and passing off. The defendant did not substantively dispute—and the court proceeded on the assumption—that "east

coast podiatry" is similar to the claimant's " **CAST PODIATRY** " registered trade mark. The services were also found to be identical. However, the judge ultimately found that there was no trade mark infringement or passing off. Central to the judge's conclusion was his finding that upon clicking the advertisements, the relevant public would be automatically redirected to the defendant's website. Pertinently, it was found that the trade marks and trade name (that is: Family Podiatry Centre) displayed on the defendant's website were very different. Hence, any confusion that might have arisen at first would have been dispelled. (Note: an important issue which the court considered, even though neither side made detailed submissions on the issue, was whether the defendant's website can be taken into account or whether it would be considered an extraneous factor following *Staywell*: see [63]-[82].)

This case was heard under the Simplified Process for Certain IP Claims: see [25]-[26] of the decision.

Tiger Pictures Entertainment Ltd v Encore Films Pte Ltd [2024] SGHC 39

Tiger Pictures Entertainment (the claimant) alleged that Encore Films (the defendant) infringed its copyright in respect of a Chinese movie, "Moon Man" by releasing it theatrically in Singapore. The defendant did not dispute the acts complained of but argued that there was a distribution licence agreement in place. The court found that there was no valid and binding distribution agreement between the parties. Notably, the decision makes it clear that the burden of proving that no copyright licence was given rests on the claimant (see [28]-[35]).

This was the first case to be tried under the Simplified Process for Certain IP Claims.

Kiri Industries Ltd v Senda International Capital Ltd and another [2024] SGHC(I) 14

The SICC has ordered an *en bloc* sale of the shares of DyStar in place of the earlier buy-out order. (Previously, Senda was found to have had engaged in oppressive conduct against Kiri, the minority shareholder. Although Senda was ordered to buy out Kiri's shareholding, it claimed that it was unable to comply with the order because it was unable to raise the necessary funds to do so.) More information on this latest segment of the long-running dispute can be found in the court case summary available through the above link.

<u>CNA v CNB and another</u> [2024] SGCA(I) 2

In May 2023, the Singapore International Commercial Court <u>dismissed applications</u> to set aside certain arbitral awards made by the International Chamber of Commerce. The arbitration was between Korean and Chinese companies in the field of computer and mobile games. The long running multi-national dispute arose in connection with a software licensing agreement relating to a massively multiplayer online role-playing game and involved intellectual property rights. The premise of the applications was that the tribunal lacked jurisdiction to determine the dispute. After the

setting-aside applications were dismissed, the unsuccessful applicant appealed to the Court of Appeal which upheld the decision below.

DNG FZE v PayPal Pte Ltd [2024] SGHC 65

The plaintiff, DNG FZE, is incorporated in the UAE. It sells various products through its websites. The defendant, PayPal Pte Ltd, is incorporated in Singapore and provides payment services to individuals and businesses around the world. In June 2020, the plaintiff set up a PayPal business account linked to its websites so that its customers had the option of making payment through it. Subsequently, PayPal discovered that, among other things: (1) the plaintiff's customers had filed at least hundreds of complaints and/or payment invalidation requests against it; and (2) the plaintiff had conducted activities which in PayPal's view contravened the terms of the User Agreement (UA) and/or Acceptable Use Policy (AUP), including selling products which violated third parties' intellectual property rights.

As a result, PayPal imposed a permanent limitation on the plaintiff's account and deducted liquidated damages from it based on alleged breaches of the UA and/or AUP. The plaintiff sued to recover the liquidated damages that were deducted, whilst PayPal counterclaimed for damages for breach of the UA and/or AUP. It also advanced a defence of set-off. Ultimately, the plaintiff failed to comply with a discovery order and unless orders were made. Even so, the plaintiff failed to comply and an Assistant Registrar ordered that the plaintiff's case be struck out. This decision was upheld following the present Registrar's Appeal.

Unsuccessful appeal against IPOS decision

Outschool Inc's appeal against the decision in <u>Outschool Inc v Allschools Pte Ltd</u> [2023] SGIPOS 12 was heard and dismissed by the General Division of the High Court (HC/TA 1/2024) on 24 June 2024. No written grounds of decision are available.

IPOS Decisions

Bytedance Ltd v Dol Technology Pte Ltd [2024] SGIPOS 5

Bytedance, owner of the TikTok and Douyin (抖音) short video sharing platforms and the proprietor

of the "TikTok", " of and " TikTok " trade marks, was unsuccessful in its opposition to Dol

Technology's application to register "**Tiki**". The decision was covered in the media, including by the Straits Times in a <u>report</u> dated 15 June 2024 (also accessible through Singapore Law Watch <u>here</u>) under the title "ByteDance fails to block trademark application for now-defunct short video app". (Note: the hearing officer found that : (a) "TikTok" is well known to the public at large in Singapore;

and (b) based on the evidence adduced, as at the relevant dates in mid-2021, $\overset{(\mathcal{O})}{\smile}$ " and " TikTok "

were well known in Singapore (but not to the extent that they were well known to the public at large in Singapore).

CrossFit LLC v Play Distribution Pte Ltd [2024] SGIPOS 4

CrossFit LLC, owner of the "CROSSFIT" trade mark in various classes, including in Class 25 for clothing, socks and footwear, was unsuccessful in its application to invalidate Play Distribution's "CrossFeet" trade mark in Class 25 (registered for a wide range of headwear, clothing and footwear). The hearing officer found the competing marks to be visually similar to an average degree, aurally similar to an above average degree, and conceptually dissimilar. When observed in their totality, she considered the marks to have an average degree of similarity. As regards goods-similarity, the hearing officer found that the goods overlapped. However, she did not think that there would be any likelihood of confusion given that the common element "cross" is a common English word and when combined with "Feet" creates a new unitary meaning that is different from "CROSSFIT". (Note: the hearing officer also found that "CROSSFIT" was not well known in Singapore at the relevant date of 10 June 2019.)

In the Matter of a Trade Mark Application by Biomedical Research Group Inc. and anor [2024] SGIPOS 3

Two Japanese companies jointly sought to register IP-PA1 in Class 3 for non-medicated toiletry preparations and non-medical bath preparations. The term "IP-PA1" is an abbreviation of and reference to "*immunopotentiator from Pantoea agglomerans 1*", an edible lipopolysaccharide with beneficial properties such as promoting hair growth, reducing atopic dermatitis, and suppressing inflammation. The trade mark examiners objected to the application on grounds that it was devoid of distinctive character under ss 7(1)(b) and 7(1)(c) in that it conveys a straightforward message: namely, that the goods claimed contain IP-PA1. As the applicants were unable to persuade the examiners to allow the application to proceed to registration, they opted for an *ex parte* hearing. The hearing officer maintained the objection, noting that the evidence showed that there were unrelated researchers who have used the term IP-PA1 in a descriptive manner which suggests that it has become an accepted abbreviation in the relevant scientific community.

Henkel Polybit Industries Ltd v Polybit Industries Far East Sdn Bhd [2024] SGIPOS 2

This case involves two formerly-related business entities in the business of developing and producing water-proofing and corrosion-inhibiting sealants and coating for the construction industry. The parties were fighting over the name "Polybit", the rightful ownership of the copyright in respect of various logos which incorporate that name (Polybit), and the right to register trade marks which include these logos. In the result, Henkel Polybit Industries Ltd succeeded in its opposition to Polybit

Industries Far East Sdn Bhd's application for: (a) " (the "Polybit Logo"); and (b) other applications for trade marks containing the Polybit Logo. It also succeeded in invalidating a trade mark registration comprising the Polybit Logo. The hearing officer found for Henkel Polybit on two main grounds. The first was notional copyright infringement under s 8(7)(b) of the Trade Marks Act. Here, the hearing officer found that the Polybit Logo is an artistic work owned by Henkel Polybit. Since Polybit Industries' trade mark registration and applications were identical to or fully reproduced it, the ground premised on notional copyright infringement succeeded. The second ground was that of bad faith under s 7(6) of the Trade Marks Act. The hearing officer found that Polybit Industries had acted in bad faith and even held itself out on several occasions as a representative of Henkel Polybit.

ASEAN Mediation Programme (AMP) Mediation Success

In the second instance of effective AMP Mediation of <u>Captain K F&B Management Pte. Ltd & En</u> <u>Dining Bar Holdings Pte. Ltd.</u> [2024] AMP MED 1, the parties achieved significant outcomes in negotiating the usage of the En Yakiniku and En Sushi mark, saving time and significant litigation costs. The young IP Mediator involved reflected that there was unanimous satisfaction with the mediation process.

Note: The first instance of effective AMP Mediation is discussed <u>here</u>. For more information about the AMP, readers can refer to this <u>link</u>.

Appointment of Justice Peter Meier-Beck as International Judge

Justice Meier-Beck from Germany has been appointed as International Judge of the Supreme Court of Singapore from 1 July 2024 to 4 January 2027. Justice Meier-Beck has extensive experience with intellectual property and competition law. For more information, please see the <u>formal announcement</u>.

Featured Articles

Professors Tan Cheng-Han, SC, and Daniel Seng have <u>published an article</u> (paywalled) titled "The Metaverse beyond the internet". The abstract and full citation is reproduced below.

Just as the evolution of the Internet has transformed the way people live and work, so too the next significant iteration of the Internet, commonly referred to as the Metaverse, which the authors suggest will go beyond the Internet as a sort of successor state to the Internet, will also lead to significant societal change. This paper considers a number of issues that are likely to test the law and its response including in the areas of online wrongs, intellectual property and digital assets.

(Cheng-Han, T., & Kiat-Boon, D. S. (2023), *The Metaverse beyond the internet*. Law, Innovation and Technology, 15(2), 313–356)

Professor David Llewelyn has <u>published an article</u> (paywalled) titled "Topics of interest: Standing on the shoulders of giants (but perhaps failing to acknowledge them all): Some thoughts on plagiarism". The abstract and full citation is reproduced below.

The words "plagiarism" and "plagiarist" are much used, and not infrequently abused. Words mean different things to different people at different times. Confusion often surrounds the decision whether and when to cite another as the source of a collection of words or an image; confusion that is commonly found in academia, at all levels, from student to faculty (and thence to administrators). What is acceptable or required by way of attribution in one field of study and research is criticised in another. The confusion increases when ideas enter the picture "were they my own or an amalgam of different thoughts encountered over the years and then developed?". As the law struggles to meet the many challenges posed by generative AI (Artificial Intelligence) systems, it is surely incumbent on lawyers and policymakers as well as those in academia to interrogate from all angles what they mean by authenticity and originality, notions that lie at the heart of what most would view as "plagiarism".

The article offers some personal thoughts on a topic that too often leads to distasteful cant rather than the careful consideration it deserves.

(David Llewelyn, *Topics of interest: Standing on the shoulders of giants (but perhaps failing to acknowledge them all): Some thoughts on plagiarism,* (2024) 34 AIPJ 100)

Tan Tee Jim SC has <u>published an article</u> (on Singapore Academy of Law Journal, e-First) titled "Artificial Intelligence as Inventor?" on 1 July 2024. The abstract is reproduced below.

The UK Supreme Court's ruling in Thaler v Comptroller-General of Patents, Designs and Trade Marks [2024] Bus LR 47 clarifies that only natural persons can be inventors under the UK Patents Act 1977, dismissing the notion of AI as an inventor. This decision, aligned with international precedents, addresses the growing debate over AI's role in innovation. This article's position is that humans are the inventors of AI-generated inventions with AI essentially being a tool. Granting inventorship to AI would be inconsistent with the fundamental purpose of the patent law system which is to incentivise humans to make inventions and reward them for their ingenuity and labour. AI is incapable of responding to such behavioural incentives the way that humans do.

Our friends at NUS Law's Centre for Technology, Robotics, Artificial Intelligence & the Law (TRAIL) have published their <u>Apr</u> and <u>May</u> issues of Bits & Bytes, covering topics such as "<u>Key FinTech Trends</u> in 2023" by Adrian Ang and Alexander Yap (Allen & Gledhill LLP), "<u>Online Safety and Cybersecurity</u> <u>Risks in Online Gaming – Part 2</u>" by Lau Kok Keng and Claire Mak (Rajah & Tann Singapore LLP), "<u>Trade</u> <u>Marks in the Metaverse</u>" by Professor David Tan (NUS Law), and "<u>An Exploration of AI Evaluation</u> <u>Regimes in Singapore and Worldwide (Part 1)</u>" by Dr Stanley Lai, SC, David Lim, Linda Shi and Justin Tay (Allen & Gledhill LLP).

Recently, one of our young IP Mediators has penned an article regarding the World Intellectual Property Organization (WIPO) – Singapore ASEAN Mediation Programme. The young IP Mediator engages in a discussion regarding the importance of IP rights protection across ASEAN, and the importance of the AMP. The link to this article can be found <u>here</u>. Additionally, a recent instance of the effectiveness of the AMP can be found above. Relatedly, readers may be interested in the following article that discusses ASEAN's voluntary guidance for how to regulate artificial intelligence: "Beyond the Guide: Navigating the Next Phase of Artificial Intelligence Governance in ASEAN".

Internationally, WIPO has recently released the <u>World Intellectual Property Report 2024</u> which combines economic and legal analysis to illustrate the impact and future development of intellectual property – through the examples of agricultural technology, motorcycle industry, and video game hubs.

IP Week @ SG 2024 (GFIP: 27, 28 August)

Into its thirteenth edition, IP Week @ SG 2024 is the world's premier Intellectual Property (IP) event which brings together IP thought leaders, legal experts and innovative enterprises. Join us in our flagship conference, Global Forum on IP, event and exhibition hall, IP Marketplace on 27-28 August 2024 at Marina Bay Sands Expo & Convention Centre, Singapore!

For more information, please see the link <u>here</u>. And for the full GFIP programme, please click <u>here</u>. Readers may be interested in, among other things, Panel 1B (Dispute Resolution for IP and Tech, 27 August at 2pm), Panel 3B (Judges Panel: Insights on Global IP Cases, 28 August at 2pm) and Panel 4B (The Court in Action: Roleplay on the Simplified Process, 28 August at 4pm).

CIArb-IPOS IP & Tech Dispute Resolution Conference on 29 August 2024 (full day)

Join us for an insightful conference on cutting-edge topics in IP & Technology Dispute Resolution. The conference will be held during Singapore Convention Week 2024 and is an Associated Event of IP Week @ SG 2024. Following the keynote addresses to be given by Justice Aedit Abdullah and Lord Justice Colin Birss, our panellists will explore key issues across 5 panels: (1) Arbitration, (2) Valuation, (3) Mediation, (4) FRAND/SEPs, and (5) AI.

Registration must be done through the Singapore Convention Week <u>website</u>. The registration fee is S\$280 (S\$250 for CIArb members).

<u>Featured Seminar: IT Law Series – Electronic Documents, Signatures and Evidence (18 July 2024, 2pm - 530pm</u>

This session provides an update on the latest legal developments regarding electronic documents, signatures, and evidence. A brief overview of the technology that underpins electronic signatures will be provided. The session will also touch on the rules of evidence which govern the disclosure of electronic signatures and documents in court.

List of Speakers in order of appearance: Chong Kah Wei (Senior State Counsel, Legislation Division, AGC) and Edmund Wong (Deputy Senior State Counsel, Civil Division, AGC), A/Prof Hannah Yee-Fen Lim (Business Law, NTU), Teo Shu Li (Senior Software Engineer, GovTech), Justice Lee Seiu Kin (Senior Judge, Supreme Court of Singapore). It concludes with a panel discussion moderated by Paul McClelland, Head of Legal, IPOS International.

Course brochure here, and sign-up link here.

Featured Videos

IPOS is glad to be part of a scheme that helped the YuHua Agritech Solar (YAS) Living Lab to engage in agriculture and aquaculture sustainably. The video explaining the relationship between sustainability and innovation & IP can be found at the following <u>link</u>.

If you know of anyone who would like to be added to this mailing list (which deals primarily with IP/IT dispute resolution in Singapore), please drop us a note at <u>ipos_hmd@ipos.gov.sg</u>. IPOS also separately maintains another mailing list for circulars, legislative amendments and other related matters which you can join by contacting <u>news@ipos.gov.sg</u>. For any comments or feedback (or to draw our attention to any interesting news we might have missed), please email <u>gabriel_ong@ipos.gov.sg</u>. Archived copies of our previous updates are available at the following <u>link</u>.

