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Judgment
49/1964
No.2 of 1963

IN THE PRIVY COUNCIL

ON APPEAL

FROM THE COURT OF APPEAL OF THE STATE OF SINGAPORE

B E T W E E N

WHITE HUDSON & CO. LIMITED Appellants

and

ASIAN ORGANISATION LIMITED Respondents

UNIVERSITY OF LONDON
INSTITUTE OF ADVANCED
LEGAL STUDIES
23 JUN 1965
25 RUSSELL SQUARE
LONDON, W.C.1.

78694

CASE FOR THE APPELLANTS

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The Proceedings

RECORD

1. This is an Appeal by leave of the Chief Justice from an Order of the Court of Appeal of the State of Singapore dated the 25th January 1962 which reversed the Order of Mr Justice Tan Ah Tah dated the 11th August 1961. pp.69-70

2. The Appellants White Hudson & Company Limited were the Plaintiffs and the Respondents Asian Organisation Limited were the Defendants in an Action for passing off commenced by the Appellants by Writ dated the 29th December 1958. By their Statement of Claim delivered the 13th January 1959 the Appellants claimed an injunction to restrain the Respondents from passing off or attempting to pass off and pp.56-57

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Appellants by Writ dated the 29th December 1958. By their Statement of Claim delivered the 13th January 1959 the Appellants claimed an injunction to restrain the Respondents from passing off or attempting to pass off and pp. 1-3
pp. 7-9

Record

from enabling others to pass off medicated sweets not of the manufacture of the Appellants as and for the goods of the Appellants. The Appellants also claimed damages or an account of profits and delivery up. By their Defence the Respondents denied that the get up of the Appellants' goods had become well known to the trade or public and that they had passed off or had attempted or had intended to pass off their goods as those manufactured by the Appellants.

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pp.52-56

3. The Action was heard by Mr. Justice Tan Ah Tah who on the 11th August 1961 gave Judgment for the Appellants and granted an Injunction restraining the Respondents from offering for sale, selling or otherwise dealing in medicated cough sweets not manufactured by the Appellants and wrapped with the Respondents' "Pecto" wrapping without clearly distinguishing such wrapping from the Appellants' "Hacks" wrapper: he also granted an enquiry as to damages and costs. From this Order the Respondents appealed to the Court of Appeal who by a majority Mr. Justice Buttrose and Mr. Justice Ambrose (Mr. Justice Wee Chong Jin dissenting) allowed the Appeal and discharged the Injunction granted by the Trial Judge.

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pp.56-57
pp.57-69

History

4. The Appellants are a limited company incorporated under the laws of the United Kingdom and carry on and for many yearshave carried on business as manufacturers of sweets in Southport, Lancashire. In the year 1953 their Singapore Agents, Barkath Stores Limited of 27, Tanglin Road Singapore, commenced the importation into, and sale and distribution within, Singapore of medicated cough sweets.

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The sale of the Appellants' cough sweets increased continuously from the date of first distribution until the date of the Writ herein and the sales value in 1959 was 240,030 Malay dollars effected through about 2,000 retailers in Singapore. The Appellants' cough sweets are and have at all material times been oval in shape, nearly black in colour and wrapped in orange paper bearing the name "Hacks". They are sold to retailers in tins, but the evidence established that retailers almost invariably take the cough sweets out of the tins in which they have been supplied and display them in glass jars or bottles. The Appellants' cough sweets are sold in small quantities to purchasers, being taken from the glass jars which are usually visible to customers, and there was evidence, accepted by the learned trial Judge, that both Malay-and Chinese-speaking customers normally ask for Appellants' cough sweets by the description, in their own language. "Red paper cough sweets". Until the introduction of their cough sweets by the Respondents, as described below, no cough sweets on sale in Singapore had been wrapped in orange paper and no cough sweets, howsoever wrapped, had been sold loose from glass jars.

p.15

p.16

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5. The Respondents are a limited company carrying on business at 26-B South Canal Road Singapore 1. In March 1958 they commenced to import into Singapore cough sweets which were manufactured in Holland by Red Band Confectionery Works. The Respondents cough sweets are imported in tins and sold in such tins to retailers who normally transfer them from the tins into glass

jars in which they are displayed to purchasers. The Respondents cough sweets are of similar size, shape, and colour to the Appellants' cough sweets, but were originally sold in white cellophane paper bearing the name "Pecto" and when so wrapped, they bore no resemblance to the Appellants' cough sweets. In or about May 1958 the Respondents substituted an orange wrapping paper for the white paper previously used, so that apart from such difference as may be imported by the respective names "Pecto" and "Hacks" the appearance of the two cough sweets as sold is practically identical. A person who cannot read English will not appreciate that any difference he sees in the words indicates a difference of trade origin. It was further established by the evidence that a number of retailers keep both the Appellants' cough sweets and the Respondents' cough sweets in the same glass jars and in response to order for "Hacks cough sweets" would supply a mixture of the Appellants' cough sweets and the Respondents' cough sweets.

Distinctiveness of Appellants' Get-up

6. On this issue the learned trial Judge, Mr. Justice Tan Ah Tah, found the facts as follows :-

p.53
LL 28-47

"The plaintiffs commenced to sell "Hacks" sweets in 1953, five years before "Pecto" sweets came on the market. It was the first time that medicated cough sweets were sold in loose form, and not by the tin or bottle, in Singapore. Customers therefore came to recognise the sweets by their wrappers. The vast majority of non-English speaking customers, who were unable to read the words printed on the wrappers, asked for the sweets by describing them as "red paper cough sweets". In 1953 the amount realised from the sale of "Hacks" sweets was \$24,000.

In 1957 the amount realised from such sales had risen to \$156,160. In 1959 the amount had risen still further to \$240,030. There was a large number of retailers, about 2000 in all selling these sweets in Singapore. Considering that four sweets only cost 10 cents it is obvious that an enormous number of sweets have been sold."

10 The learned Judge then found it proved that the Appellants' get-up had become distinctive of their goods.

On the Respondents' contention that the Appellants' get-up was common to the trade, the learned Judge said :

20 "On this point it is relevant to observe that medicated cough sweets were sold in loose form, as I have said, for the first time in Singapore in 1953 and that the orange coloured wrapper used for "Hacks" sweets was not imitated by any other firm or company until 1958, when it was imitated by the defendants. During the period of five years, therefore, "Hacks" sweets were the only medicated cough sweets which were sold in orange coloured wrappers in Singapore. In these circumstances there is, in my opinion, no justification for saying that the get-up was common to the trade."

p.55
LL 3-16

30 7. The Respondents also contended that by their advertisements in newspapers and cinemas and on the Wireless the Appellants intended customers to know their goods by the name "Hacks" and that, by printing the name "Pecto" on their wrappers, the Respondents had distinguished their goods from those of the Appellants. As to this, the learned Judge said :

"In considering these arguments it must be

p.55
LL.34-48

borne in mind that the majority of purchasers of the sweets are unable to read English and as there are no Chinese characters or any other Asian script on the wrappers, there is nothing to assist such purchasers to distinguish "Pecto" sweets from "Hacks" sweets. In the circumstances in which the sweets are sold such purchasers cannot associate the name "Hacks" with the plaintiffs' sweets because they cannot read English. In short, so far as non-English speaking members of the public are concerned, the get-up is all important in this case, while the name is insignificant".

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8. In the Court of Appeal Mr. Justice Wee Chong Jin, after dealing with the history of the matter, said :

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L.21
to
p.62
L.5

"As regards reputation, the Learned Judge came to the conclusion that the vast majority of non-English speaking customers, who were unable to read the words printed on the plaintiffs' wrappers asked for the plaintiffs' cough sweets by describing them as "red paper cough sweets". There is evidence on the Record that there were about 2,000 retail dealers in Singapore who sell the plaintiffs' cough sweets to the consuming public. There is evidence that these retail dealers were not only persons who sell the plaintiffs' goods to the public in shops but also persons who sell the plaintiffs' goods to the public in stalls which is a familiar sight in Singapore. There is the evidence of 2 Chinese retailers who gave evidence in a Chinese dialect, namely Hokkien, as to the number of customers per day who purchased the plaintiffs' sweets from them, that the majority of them were Chinese speaking and asked for plaintiffs' cough sweets by describing them in the Hokkien dialect in words which translated into English mean "red paper cough sweets". It is no doubt correct that there is nothing in the Record to indicate that a substantial proportion of the population of Singapore is illiterate in so far as English is concerned but it must be a matter of which judicial notice can be taken that the population of Singapore

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is almost entirely composed of Malays, Chinese and Indians with the other races comprising only a very small minority and it is therefore a fair inference to make that the vast majority of customers are non-English speaking and are unable to read the words printed on the Hacks or the Pecto wrapper".

The learned Judge then concluded as follows :

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"I am of the opinion that the finding of the learned trial Judge (who, be it remembered, had the advantage of seeing all the witnesses) that the plaintiffs have proved that their get-up became distinctive of their goods and that it was associated or identified at all material times with the plaintiffs' and no others is justified on the evidence."

p.62
LL 6-14

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9. Mr. Justice Buttrose founded his Judgment on this issue on a statement by Lord Cozens-Hardy M.R. in the case of Williams v. Bronnley (26 R.P.C. 771) "If he" (the plaintiff) "takes a colour and a shape which are common to the trade the only distinctive feature is that which he has added to the common colour and the common shape and unless he can establish that there is in the added matter such a similarity as is calculated to deceive, I think he must fail". In applying this proposition, Mr. Justice Buttrose held:

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"the Plaintiffs, in my opinion, have no right to a monopoly of orange, red or other coloured paper for wrapping sweets, cough or otherwise, because as it seems to me they are common things in, and well known feature of, the trade."

p.58
LL 42-47

In the respectful submission of the

Appellants Mr. Justice Buttrose misdirected himself in that he held that the relevant trade in this case was that in sweets in general and not that in medicated sweets, and that the common practice was to use any coloured paper for wrapping such sweets. In fact the evidence established that orange paper had never been used to wrap up any medicated sweets, other than the Appellants' cough sweets, before the Respondents' cough sweets were put on the market in 1958.

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10. Mr. Justice Ambrose based his finding that the Appellants had not established a reputation in Singapore by reason of the colour of their wrappings on the ground that in their advertisements and otherwise the Appellants had laid stress upon the words "Hacks" as indicating their goods. The Appellants admit that by advertisements they sought to establish a reputation under the name "Hacks" but submit that Mr. Justice Ambrose was wrong in holding that a trader can establish a reputation in one, and only one, distinguishing feature of his goods. The Appellants submit that a trader may, and frequently does, establish a reputation under two or more trade marks or distinguishing features used together in relation to his goods, but either of which by itself will serve to distinguish the goods as being of his manufacture

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or merchandise. In addition to this general proposition the Appellants contended and contend, and Mr. Justice Wee Chong Jin so found in his dissenting Judgment, that two special considerations obtained on the facts of this case, each of which supports the conclusion that the orange wrapping by itself could and had become distinctive of "Hacks" cough sweets.

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(a) The exposure for sale of the Appellants' cough sweets in glass jars so that, as was said by Mr. Justice Wee Chong Jin, "An intending purchaser could therefore see the get-up of the article before making a purchase".

(b) The fact that a large proportion of the purchasing public in Singapore are illiterate in the sense that they cannot read English. Mr. Justice Buttrose found that there was no evidence to support this fact but the Appellants respectfully submit that Mr. Justice Wee Chong Jin was correct in his finding that it was a fair inference to make that the vast majority of customers are non-English speaking and are unable to read the words printed on the Hacks or the Pecto wrappers.

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pp 61
and 62

11. As has been stated in Paragraph 4 above, the evidence established that many customers in Singapore who did not speak English called for the

Appellants' cough sweets in their own language as "Red paper cough sweets". This was specifically found as a fact by Mr. Justice Tan Ah Tah and accepted by Mr. Justice Wee Chong Jin, Mr. Justice Buttrose did not refer to their finding. Mr. Justice Ambrose appeared to conclude that this finding was not justified by the evidence on the ground that it was hearsay and that the finding would have had to be supported by evidence from actual purchasers. It will be submitted that it is admissible to prove how goods are described by the public by the evidence of those who deal with the public. 10

Deceptive resemblance

12. It was established by the evidence and admitted by the Joint Managing Director of the Respondents that apart from the respective names printed upon the wrappers the two sweets are practically identical. The Appellants submitted, and submit, that to illiterate purchasers (that is, purchasers who could not read Roman print) and to purchasers who order cough sweets by reference to loose cough sweets in glass jars, the difference between the respective names could not serve to displace the similarity of the orange wrapping. On this issue Mr. Justice Tan Ah Tah found: 20

"I have already stated that the vast majority of retailers display "Hacks" sweets for sale in loose form by putting them in glass jars. There are no labels on these jars and the only way in which the ordinary customer can recognise the sweets is by their wrappers. Most non-English speaking customers, as I have stated, describe the sweets as "red paper cough sweets". Evidence was given by witnesses called by the plaintiffs' to the effect that some retailers kept both "Hacks" and "Pecto" sweets in the same glass jar and displayed them for sale in that manner. One of these witnesses whose name is Abdul Wahid said that he went to a number of shops and asked for "Hacks" sweets and that at six of these shops he was sold "Hacks" and "Pecto" sweets mixed together. I accept the evidence of this witness and of the other witnesses to whom I have just referred. It is in my opinion clear from such evidence and from the other facts and circumstances which have been proved in this case that there is a probability of confusion between "Hacks" and "Pecto" sweets. I find that the similarity of the get-up of "Pecto" sweets to that of "Hacks" sweets is such as to be calculated to deceive and I am satisfied that what the defendants have done has given rise to a probability of deception".

p.54
LL 5-34

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13. The Respondents' Joint Managing Director

further admitted that he had not thought of the answer when asked "How do you expect illiterate people to distinguish between the two sweets?".

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On this, Mr. Justice Tan Ah Tah said:

"In my opinion he" (that is, the Joint Managing Director) "found himself in this difficulty because in truth non-English speaking people, who form the majority of purchasers of "Hacks", could not be expected to distinguish between the two kinds of sweets in the circumstances in which they were sold by retailers. In this connection it should be noted that neither the name "Hacks" nor the name "Pecto" is printed in Chinese Characters or any other Asian language on the wrappers."

p.54
LL 41-51

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This finding of the Trial Judge was supported

by Mr. Justice Wee Chong Jin who also considered the evidence of the Respondents' Assistant Managing Director that the Respondents had discontinued the use of white wrapping paper because the Respondents' cough sweets sweated in the heat so that the sweat showed through the paper and that it did not matter what colour was substituted for white. On this evidence Mr. Justice Wee Chong Jin commented as follows :

p. 62
L. 50
to
p. 63
L. 15

"I myself cannot help but come to the conclusion, if it was necessary to do so for the purposes of arriving at my decision in this appeal, that this change was not for the reasons as stated by the Defendants but from some motive not consistent with innocence in that they expected to derive some commercial advantage from the use of the same colour for their wrapper as that of the Plaintiffs' wrapper. Counsel for the Defendants made great stress on the fact that by printing the name Pecto on the wrapper they had done all they could to differentiate their cough sweets from the Plaintiffs but I would have thought that the most convincing proof of this would have been to use any colour but orange which could have been done at no extra cost to themselves or the manufacturers".

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14. On the issue of likelihood of deception or confusion Mr. Justice Wee Chong Jin found:

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p. 62
LL 15-38

".....there is evidence on the Record that some retailers kept both Hacks and Pecto sweets in the same glass jar and displayed them for sale in that manner, and the learned trial Judge accepted the evidence of one of the witnesses that when he went to a number of shops and asked for Hacks sweets by name that at six of these shops he was sold Hacks and Pecto sweets mixed together. The learned trial Judge on that evidence and from the other facts and

circumstances which he found to have been proved in the case came to the conclusion that there was a probability of confusion between Hacks and Pecto sweets and that the similarity of the get-up of these two cough sweets was such as to be calculated to deceive and that what the defendants had done had given rise to a probability of deception.

10 On this aspect of the case, bearing in mind, as I have said, that the learned trial Judge had the advantage of seeing the witnesses, I myself am unable to come to a different conclusion on the evidence in the Record."

15. Mr. Justice Buttrose merely stated that the evidence fell far short of establishing deception. P.59

Mr. Justice Ambrose held that by imitating the orange colour of the wrapper of the Appellants' sweets the Respondents did not invade the quasi-proprietary right of the Plaintiffs for the following reasons:- P.67

20 (a) That whether the respective wrapped sweets were compared side by side or in recollection, the difference is obvious and not concealed, since the Respondents state on their wrappers in the clearest way that they are selling "Pecto" sweets. The learned Judge, it will be submitted was wrong in holding on the facts of the case that the difference is obvious. The only difference lay in the name "Pecto" in substitution for "Hacks" and the difference would not be obvious to one who could not read English or to one who saw the sweets from a distance when displayed in a glass jar. Although a person who cannot understand English may perceive

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that the words "Hacks" and "Pecto" are different, he is unlikely to appreciate the significance of the difference, i.e. that it concerns the origin of the goods. Further, such a person will not remember the respective cough sweets by these names.

(b) Mr. Justice Ambrose accepted the evidence that a number of retailers kept both "Hacks" cough sweets and "Pecto" cough sweets in the same glass jar and sold a mixture of the two in response to an Order for "Hacks" cough sweets but stated:

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pp.68
L.42
to
p.69
L.5

"In my opinion, this evidence does not prove that the Defendants' get-up enables retail dealers to deceive the ultimate purchaser. I consider that retail dealers who mix up Defendants' sweets and Plaintiffs' sweets in a glass jar are not treating the Defendants' sweets fairly and are not showing them fairly to the ultimate purchaser. In my judgment, to supply "Hack's" sweets and "Pecto" sweets mixed when asked for "Hack's" sweets is clearly deception on the part of the retail dealers for which the Defendants are not responsible".

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The Appellants submit that the learned Judge was wrong, and inconsistent with the words of this Judgment that immediately followed, when he held that the Respondents' get-up did not enable retail dealers to deceive the ultimate purchaser. He was wrong in holding that such deception on the part of retail dealers was not something for which the Respondents were responsible.

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In the Appellants' submission the findings and reasoning on this issue of Mr. Justice Tan

Ah Tah and Mr. Justice Wee Chong Jin are correct.

Conclusions

16. The Appellants humbly submit that the majority Judgments of the Court of Appeal were wrong and ought to be reversed and that the Order of Mr. Justice Tan Ah Tah should have been affirmed for the following among other

R E A S O N S

1. Because the evidence established that the orange wrapping paper of the Appellants' cough sweets had become distinctive of the Appellants' cough sweets.
2. Because the evidence established that the orange paper wrapping of the Respondents' cough sweets was deceptively similar to that of the Appellants' cough sweets and calculated to lead to passing off.
3. Because the issues of reputation and likelihood of deception are issues of fact on which the finding of the learned trial Judge should not have been set aside.
4. Because Mr. Justice Buttrose was wrong in holding that the Appellants' orange paper wrapping was common to the trade.
5. Because Mr. Justice Ambrose was wrong in holding that the Appellants had not acquired a reputation in Singapore solely by reason of the colour of their wrapping paper.
6. Because Mr. Justice Buttrose and Mr. Justice Ambrose were wrong in ignoring or discounting the

findings of the learned trial Judge that the majority of the customers are unable to read English and ask for the Appellants' cough sweets as "red paper cough sweets".

7. Because Mr. Justice Buttrose and Mr. Justice Ambrose were wrong in holding that the evidence did not establish that purchasers were likely to be deceived by the Respondents' wrappings.

8. Because the majority judgments of the Court of Appeal were wrong and should be reversed.

9. Because the Judgments of Mr. Justice Tan Ah Tah and Mr. Justice Wee Chong Jin were correct and the Order of Mr. Justice Tan Ah Tah should be restored.

KENNETH JOHNSTON

P. STUART BEVAN

No.2 of 1963

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