

Client Alert

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Case Law Update: Malaysian Court of Appeal upholds *Re Pianotist* Objective Test of Confusing Similarity in Trade Marks

The recent Court of Appeal decision of *Merck Kgaa v. Leno Marketing (M) Sdn Bhd; Registrar Of Trade Marks (Interested Party) [2017] 1 LNS 1006* considered the registrability of similar trade marks under the Trade Mark Act 1976 ("TMA") and upheld the *Re Pianotist* test of confusing similarity, which is an objective test premised on the observations of an ordinary person. The Court of Appeal also noted the consistent decisions of the Trademark Registrar and High Court, both of whom can constitute 'ordinary persons' in the objective *Re Pianotist* test.

In this case, Merck KGaA ("**Merck**") is the registered proprietor of the "Bion" mark since 1998. In 2008, Leno Marketing (M) Sdn Bhd ("**Leno**") applied to register its "Bionel" mark. When the Malaysian Registrar of Trade Marks ("**Registrar**") accepted Leno's application in 2011, Merck filed a notice of opposition on the Bionel Mark. The Registrar rejected Merck's opposition and allowed "Bionel" to proceed to registration.

On appeal to the High Court against the Registrar's decision, the High Court too rejected and dismissed Merck's opposition.

Merck then brought an appeal to the Court of Appeal, where the following issues were considered in their appeal:

1. likelihood of confusion and/or deception of the "Bionel" mark (ss. 14 and 19 of the TMA);
2. bona fide nature of the "Bionel" mark (s. 25 of the TMA); and
3. lack of distinctiveness of the "Bionel" mark (s.10 of the TMA)

The Court of Appeal approved and applied the test set out in *Re Pianotist Co Ltd [1906] 23 RPC 774* and adopted by the Supreme Court in *Tohtonku Sdn Bhd v Superace (M) Sdn Bhd [1992] 2 CLJ 1153*:

- (a) by comparison of the conflicting marks;
- (b) by considering the goods / services to which the conflicting marks are to be applied; and
- (c) by considering the type of customers of the proprietors of the conflicting marks.





By applying the *Pianotist* test, the Court of Appeal found that:

- the competing trademarks are different distinctively as "Bionel" can only be pronounced with two syllables while "Bion" has a single syllable only;
- the competing trademarks are visually different to the naked eye;
- there is generally no evidence to show how the "Bion" mark is confusingly similar; and
- the Registrar's finding that the likelihood of confusion is unlikely to arise as the products relating to the "Bion" and "Bionel" marks are marketed through two different trade channels.

Due to the reasons above, the Court of Appeal concluded that the "Bion" mark and "Bionel" mark are not confusingly similar. Hence, all three issues raised in Merck's appeal were dismissed due to their failure in showing that the two competing marks are confusingly similar.

It is also important to note that the Court of Appeal also established "*the test of whether one trade mark is confusingly similar to another trade mark is an objective one*" and "*the test here is that of an ordinary person with the appropriate literacy level*".

The Court of Appeal considered the Registrar and the High Court Judge are at least "ordinary persons" for purposes of the objective test, and found that these two conclusions are concurrent findings of fact which contributed to their finding that the competing marks are not confusingly similar with each other.