

Privy Council Appeal No. 2 of 1963

White Hudson & Co. Limited - - - - - *Appellants*

v.

Asian Organisation Limited - - - - - *Respondents*

FROM

THE COURT OF APPEAL OF THE STATE OF SINGAPORE

**JUDGMENT OF THE LORDS OF THE JUDICIAL COMMITTEE OF
THE PRIVY COUNCIL, DELIVERED THE 16TH NOVEMBER 1964**

Present at the Hearing:

LORD GUEST.

LORD PEARCE.

LORD UPJOHN.

[Delivered by LORD GUEST]

This is an appeal by leave against an order of the Court of Appeal of the State of Singapore reversing the order of Mr. Justice Tan Ah Tah. The appellants were the plaintiffs and the respondents were the defendants in an action for passing off brought by the appellants. By their statement of claim the appellants claimed an injunction to restrain the respondents from passing off or attempting to pass off and from enabling others to pass off medicated sweets not of the manufacture of the appellants as and for the goods of the appellants. The facts as found by the trial judge were as follows.

The appellants carry on business as manufacturers of sweets in England. From 1953 medicated cough sweets manufactured by the appellants were sold through their agents in Singapore. Each sweet is wrapped in a red coloured cellophane wrapper on which is printed the name "Hacks" and a list of ingredients. Although the sweets are imported into Singapore in tins, when they are received by retailers they are usually displayed for sale in glass jars, from which containers the sweets are sold loose sometimes in very small quantities.

The respondents are a company incorporated in Singapore and carry on business there as *inter alia* manufacturers' agents. In March 1958 they began to import into Singapore medicated cough sweets manufactured in Holland. These sweets are of similar size and shape and colour to the appellants' sweets. Originally they were wrapped in white cellophane paper, but from May 1958 each sweet was wrapped in a red coloured wrapper on which was printed the name "Pecto" and a list of ingredients. The wrapper was very similar to that used by the appellants on their sweets. The only reason given by the respondents' managing director for the change was that the white paper sweated on the sweets and that this showed through the white paper. The respondents' sweets are normally transferred by retailers from tins into glass jars in which they are displayed for sale, and like the appellants' sold loose.

When the appellants commenced to sell "Hacks" sweets in 1953, this was the first time that medicated cough sweets had been sold in loose form and not in tins. The trial judge has found "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'." As there was no label on the glass jars in which the sweets were displayed, the only way in which these customers could recognise the sweets was by their wrappers.

The sales of the appellants' sweets amounted in 1953 to \$24,000, in 1957 to \$156,160, and in 1959 to \$240,030. There were about 2,000 retailers selling these sweets in Singapore, and as four sweets cost about 10 cents it is apparent that between 1953 and 1958 a great quantity of sweets had been sold.

The essence of a passing off action is that A is not entitled to represent his goods as the goods of B or enable someone else to do so. (*John Brinsmead & Sons Ltd. v. Edward George Stanley Brinsmead* (1913) 30 R.P.C. 489 per Buckley L.J. 511.) The first matter which a plaintiff must prove in a passing off action is that the get up of his goods has become distinctive of these goods and that it was associated or identified with them. This is a question of fact and upon this the appellants have the finding of the trial judge in their favour. Their Lordships are satisfied that the trial judge was justified in so finding. The fact that non-English speaking customers were in the habit of asking for "red paper cough sweets" shows clearly that to these customers the get up of the red coloured wrapper had become associated or identified with the appellants' goods. An attempt was made by the respondents to show that the red coloured wrappers were common to the trade. This attempt failed, as it was clear on the evidence that prior to 1953 no wrapper similar to that used on the appellants' sweets had ever been used on sweets whether medicated or otherwise in Singapore, and from 1953-1958 the appellants' sweets were the only sweets so wrapped which were sold in Singapore.

The second matter which in order to succeed the plaintiffs must establish is that in the circumstances there is a probability of confusion between the goods of the plaintiffs and of the defendants. This again is a question of fact. Important evidence was given for the plaintiffs and accepted by the trial judge that some retailers in Singapore displayed both "Hacks" and "Pecto" sweets in the same jar. Further evidence was given by a witness who visited six shops in Singapore. He asked for "Hacks" sweets and he was on each occasion given "Hacks" or "Pecto" sweets mixed together. It may well be that to an English speaking customer the word "Pecto" on the respondents' sweets would be sufficient to distinguish their sweets from those of the appellants. But according to the trial judge the majority of purchasers of these sweets are unable to read English and accordingly "Pecto" is not sufficient to distinguish the respondents' goods.

As the trial judge succinctly expresses it, "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". The Courts will have regard to conditions existing in foreign markets and to the type of customers (*Johnston v. Orr Ewing* (1882) 7 A.C. 219).

Upon this evidence the trial judge found that the similarity of the get up of "Pecto" sweets and "Hacks" sweets is such as to be calculated to deceive. No case of actual deception was proved, but this is not necessary. In their Lordships' view this finding of the trial judge was fully justified on the evidence.

Upon these findings the trial judge made an order restraining the respondents from offering for sale or otherwise dealing with medicated cough sweets not manufactured by the appellants and wrapped with the "Pecto" wrapper without clearly distinguishing such wrapper from the appellants' wrapper.

The Court of Appeal (Buttrose and Ambrose JJ., Wee J. dissenting) reversed the decision of Tan Ah Tah J. The majority of the Court of Appeal held that there was nothing in the wrapper which constituted a peculiar—a novel or capricious design—as a distinguishing feature of the sweet. In their Lordships' view it is not necessary that the design should be novel, provided the get up is distinctive of the appellants' goods and has been identified with them. The majority also thought that the appellants were claiming a right to a monopoly of coloured paper wrappers, but this is not the order which the appellants were granted. Moreover, in their Lordships' view the Court of Appeal fell into error in rejecting as inadmissible evidence which had

rightly been accepted by the trial judge, and upon this view they held that the appellants had failed to prove their case of passing off.

Their Lordships express their entire satisfaction with the opinion of Tan Ah Tah J. and agree with his conclusion. They prefer the dissenting judgment of Wee J. to the opinions of the majority of the Court of Appeal.

For these reasons their Lordships will report to the Head of Malaysia their opinion that the order of the Court of Appeal of the State of Singapore, dated 19th January 1962 should be set aside with costs, and the order of Tan Ah Tah J., dated 11th August 1961 restored, and that the respondents should pay the costs of the appeal.

In the Privy Council

WHITE HUDSON & CO. LIMITED

v.

ASIAN ORGANISATION LIMITED

DELIVERED BY
LORD GUEST

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