

IN THE HIGH COURT OF MALAYA AT KUALA LUMPUR

(Commercial Division)

Civil Suit No. D5 - 22IP – 76 – 2010

BETWEEN

SHAFUBAHRIM BIN MOHD

(as President and Council Member of

Persatuan Industri Komputer dan

Multimedia Malaysia (PIKOM) and

representing all members of PIKOM)

... PLAINTIFF

AND

1. EM EXHIBITIONS (M) SDN. BHD.

(Company Registration No. 903368-U)

2. WONG LEE CHEN

(I/C No. 840717-04-5102)

... DEFENDANTS

GROUND OF DECISION

Background facts

1. The plaintiff is the President and Council Member of an association known as Persatuan Industri Komputer dan Multimedia Malaysia ('PIKOM'). The plaintiff brings the claim in this present case in his capacity as the President and Council Member and representative of PIKOM and its members.

2. PIKOM is a non-profit society registered with the Registrar of Societies. It was formed in 1986 with the objective of creating an environment that is conducive to the health, prosperity and competitive nature of the information and communication technology ("ICT") industry in Malaysia.

3. PIKOM represents the ICT industry in Malaysia with its membership currently standing at over 1,000, comprising companies involved in a wide spectrum of ICT services and products which command 80% of the total ICT trade in Malaysia.

4. It is the plaintiff's case that with the substantial promotion and advertisement undertaken by the plaintiff over a long period of 15 years, the words "PC FAIR" have become associated solely with the plaintiff when used in connection with the business of organising ICT exhibitions.

5. The plaintiff has secured trade mark registration for the trade mark "PC FAIR" in Malaysia under Registration No. 98010741 in Class 41 in respect of "*computer exhibitions; computer education training services; publication of show-guides, flyers, brochures relating to computer all included in class 41*"

6. The 1st defendant is the organizer of a computer related exhibition called "PC EXPO".

7. The 2nd defendant is a shareholder and director of the 1st defendant. She is also a former employee of the plaintiff, being employed as Project Executive by the plaintiff between 01.08.2006 and 10.05.2010.

8. It is not disputed between the parties that the 2nd defendant's job function as a Project Executive was to assist in organising and marketing

the plaintiff's functions, projects and activities, including the plaintiff's "PC FAIR" Exhibition.

9. It is also not disputed that the 2nd defendant left the employment of the plaintiff at the end of April 2010 and set up the 1st defendant Company in July 2010. The main or sole business of the 2nd defendant is organising a similar ICT exhibition known as "PC EXPO". It is an agreed fact that the 1st defendant launched its first "PC EXPO" Exhibition on 29 to 31 October 2010 in Ipoh. It is also not disputed that during the months of May and June 2010, the 2nd defendant was working with another company known as Incredible Legend Sdn Bhd to organize another exhibition called "PC Show" at Berjaya Times Square, which is much smaller in scale and completely difference to the "PC FAIR" Exhibition.

10. The plaintiffs' claim against the defendants for the following causes of action :

- (i) infringement of trade mark;
- (ii) passing off;
- (iii) breach of confidential information.

11. The defendants refuted the plaintiff's claim and contended that the words "PC FAIR" are descriptive and generic. With regards to the breach of confidential information, the 2nd defendant position is that she has only used her own skill and knowledge in the industry.

Trade Mark Infringement


12. I shall turn to consider the first question whether the defendants have infringed the plaintiff's Trade Mark.

13. Section 35 of the Trade Marks Act 1976 ("the Act") states as follows :

35. *Rights given by registration.*

(1) Subject to the provisions of this, the registration of a person as registered proprietor of a trade mark (other than a certification trade mark) in respect of any goods or services shall, if valid, give or be deemed to have been given to that person the exclusive right to the use of the trade mark in relation to those goods or services subject to any conditions, amendments, modifications or limitations entered in the Register

(2) Where two or more persons are proprietors of registered trade marks which are identical or nearly resembling each other rights of exclusive use of either of those trade marks are not (except so far as their respective rights have been defined by the Registrar or the Court) acquired by any one of those persons as against any other of those persons by registration of the trade mark but each of those persons have the same rights as against other persons (not being registered users) as he would if he were the sole registered proprietor.

14. By virtue of section 35 of the Act, the plaintiffs claims to have the exclusive right to use the plaintiffs' Registered Trade Marks,  in respect of the computer exhibitions, computer education training services and publication related to computers in class 41.

15. Pursuant to section 38 of the Act, in order to establish trade mark infringement, the following conditions must be fulfilled:

- (a) the defendants is neither the registered proprietor nor the registered user of the trade mark;

- (b) the defendants used a mark identical with or so nearly resembling the plaintiff's registered trade mark as is likely to deceive or cause confusion;
- (c) the defendants was using the offending mark in the course of trade;
- (d) the defendants was using the offending mark in relation to goods or services within the scope of the registration; and
- (e) the defendants used the offending mark in such a manner as to render the use likely to be taken either as being used as a trade mark or as importing a reference to the registered proprietor or the registered user or to their goods or services.

**(see Fabrique Ebel Societe Anonyme v Syarikat Perniagaan
Tukang Jam City Port [1988] 1 MLJ 188 at 191-192 and Leo
Pharmaceutical Products Ltd A/S (Lovens kemiske Fabrik
Producktionsaktieselskab) v Kotra Pharma (M) Sdn Bhd
[2009] 5 MLJ 703 at 728-729)**

16. As I have stated earlier, the plaintiff is the owner of the trade mark comprising of the words "PC FAIR" since 18.09.1998, which registration remains subsisting. It is not disputed that the defendants' "PC EXPO" mark is used in respect of computers exhibitions and fairs. Thus the services for which the "PC EXPO" mark is used by the defendants fall squarely within the services covered by the plaintiff's registered trade mark.

17. It is also not disputed that the "PC EXPO" mark is used by the defendants in the course of their trade. The plaintiff argued that the only pertinent issue is whether there is any confusion or a likelihood of confusion between the competing marks "PC FAIR" and "PC EXPO".

18. On the contrary, the defendants contended that the words "PC FAIR" are generic and descriptive, no goodwill and reputation may arise out of those words and it cannot be distinctive of any particular trader.

19. There are a number of authorities which seems to me to be nearer to the present case. The first is **Titan (M) Sdn Bhd v. The Registrar of Trade Marks [2009] 7 CLJ 338**, where it was held that the mark "SURE LOC" mark, which was for the products of locks, amounted to a descriptive

mark. His Lordship Ramly Ali J (now JCA) said that such descriptive marks cannot be registrable as it is the property of all mankind. The Court held as follows:

"[19] The court refers to the case of Eastman Photographs Materials Co Ltd's Application [1895-9] All ER 1633, which was relied upon by the appellant, whereby Lord Chancellor (Halsbury) quoted the contents of a report on the duties of the patent office, as follows:

It is manifest that no one ought to be granted the exclusive use of a descriptive word of the quality or character of any goods. Such words of description are the property of all mankind and it would not be right to allow any individual to monopolize them and exclude others from their use. (at page 1635, para 30)..."

20. In that case, it was further held that where the word **naturally cognates or describes something that is material to the composition of the article**, it would have a direct reference to the goods or services concerned. In this respect, the Court in Titan's case (supra) refers to a number of English authorities and held that :

[30] The court is satisfied that the appellant's trade mark is not registrable under this criteria as it **clearly describes the character of the appellant's goods** viz. "a lock that will surely lock, hence safeguarding the things that has been locked". The court is guided to the case of *Burroughs Wellcome & Co's Trade Mark* [1904] 21 RPC 217 as per Vaughan William LJ at p. 226:

... when a man sits down to choose a trade mark, **his mind will naturally run on words that are more or less cognate to the articles with reference to which the mark** is proposed to be registered... for a word to be really descriptive it must **describe something which is material to the composition of the article** to which the trade mark is intended to apply

[31] Words which are descriptive or words having **direct reference to the goods or services, as to the characteristics or qualities of the goods or services, are common property and therefore cannot be monopolized by any person**. As per Lord Herschell in the case of *Eastman Photographs Materials Co Ltd's Application* [1898] 15 RPC 476:

In this circumstances it would obviously have been out of the question to permit a person by registering a Trade Mark in respect of a particular class of goods, to obtain a monopoly of the use of a word having reference to the character or quality of those goods.

Vocabulary of the English language is common property: its belongs alike to all; and no one ought to be permitted to prevent the other members of the community from using, for purposes of description a word which has reference to the character or quality of goods.”

21. It was also held in Titan’s case (supra) that, on grounds of public policy, a trade mark cannot be granted where it concerned words which other traders may legitimately desire to use. This is so even if the mark has become factually distinctive as it will not be regarded as distinctive in law. This was observed at pg 349-352 as follows:

“[33] The case establishing the point that no one trader is allowed to monopolize as a trade mark, which words other traders may wish to use, is further illustrated in Smith, Kline & French Laboratories Ltd’s Trade Mark Application [1976] RPC 511 as per Lord Diplock at p. 538:

However, long before the reference to inherent adaptability had been incorporated in the current statutes dealing with trade marks, it had been held upon grounds of public policy that a trader ought not to be allowed to obtain by registration under the Trade Marks Act

a monopoly in what other traders may legitimately desire to use

[40] In the case of *Re Smith Kline & French Laboratories Ltd's Cimetidine Trade Mark 1991* RPC 17, the court held that even if a mark is completely or highly distinctive in fact, the mark will not be distinctive in law if it consists of ordinary English words of description which other traders might want to use. As per Peter Gibson J at p. 33:

In considering whether the claimed mark is inherently adapted to distinguish, the court takes account of the likelihood that other traders may, without improper motive, desire to use the trade mark in relation to their own goods. On grounds of public policy a trader will not be allowed to obtain, by a trade mark registration, a monopoly in what other traders may legitimately wish to use....

Thus, even if a mark is completely or highly distinctive in fact, the mark will not be distinctive in law if it consist or ordinary English words of description or praise or initials which other traders might have or want to use or geographical names, unless of such incongruity with the specified goods as would not occur to other traders to use in relation to similar goods...

(see also: Smith, Kline & French Laboratories Limited v. Sterling Winthrop Group Limited [1975] 1 W.L.R. 914; and Yorkshire Copper Works Limited v. Registrar of Trade Marks[1954] 1 W.L.R. 554B)."

22. The next case is **MIFF Sdn Bhd v. Kuala Lumpur & Selangor Furniture Entrepreneur Association & Ors [2010] 1 LNS 1290**, where the plaintiff was in the business of holding exhibitions, trade fairs and shows related to furniture. In its action for, amongst others for passing-off, Azahar J (now JCA) held that the plaintiff could not deprive any other persons from using the descriptive words "Malaysia", "Furniture" and "Fair". Further, at pg 10 it was held as follows :

*"Having said that, it seems to me that the basis of the Plaintiff's claim is that it has the exclusive rights of use over **the term "MALAYSIAN INTERNATIONAL FURNITURE FAIR"** and the short hand description of **it "MIFF" in connection with and in relation to the organization and the conduct of furniture exhibition.***

*In my view, **it is the natural tendency of furniture based or furniture related business entities in our country to use descriptive factual wordings such as 'MALAYSIA' and "FURNITURE". These words, to my mind, are public source of common and geographic reference from***

which all traders in the furniture business can use to associate themselves with the furniture trade and business or the furniture exhibitions. More importantly, in the context of the present case, the wordings of MALAYSIA FURNITURE FAIR and MFF used by the 1st Defendant are incontrovertibly descriptive and commonly used to denote the nature and type of exhibitions organized in Malaysia. In my view, they are generic and common descriptive terms of the nature and location of the furniture exhibitions

Being descriptive, to my mind, there is nothing wrong with the using "MALAYSIA", "FURNITURE", "FAIR" or its abbreviation MFF to denote the kind of services or business activities that the 1st Defendant has been involved in. Indeed, PW2 when cross-examined, had agreed that the words 'furniture fair' is a fair name for descriptions of the product and event. In my view, the Plaintiff cannot be allowed to deprive others from using descriptive terms such as "Furniture", "Malaysia" and "Fair".

In any event, the Plaintiff has not established that it had already acquired secondary distinctiveness over the usage of those terms. In this context, the court has recognized the difficulty that a descriptive term has to take before it can be said to have acquired a legal and factual secondary meaning worthy of protection (see Oze Marketing Sdn Bhd v. Twenty First Century Products Sdn Bhd [1999] 4 CLJ 823)."

23. It is also clear that in order for a word to be registrable, it must not have any obvious meaning until one is assigned to it. This was so accepted in the Court of Appeal decision of **Bata Ltd v. Sim Ah Ba & Ors. [2006] 3 CLJ 393** at page 410 where the Court held as follows:

“[35] Though the aural aspect of the marks is of significance but we have to ascertain whether the appellant has acquired the exclusive right to the use of the word 'POWER'. Firstly, this word 'POWER' is not an invented word. It is in fact a generic and common word. To be an invented word it:

must not only be newly coined, in the sense of not being already current in the English language, but must be such as not to convey any meaning, or, at any rate, any obvious meaning ... It must be a word having no meaning or no obvious meaning until one has been assigned to it - Parker J in Philippart's Trade Mark[1908] 25 RPC 565.”

24. Applying the principles cited in the above authorities, in the present case, I am of the view that the words “PC FAIR” are common descriptive terms and is used by numerous traders in the computer industry. It is clear that the words “PC Exhibition” have direct reference to the characteristics of the plaintiff’s services. In my view, the words “PC Exhibition” are

descriptive and common words and therefore cannot be monopolized by the plaintiff.

25. In this regard, the defendants have adduced evidence in the course of the trial that the term "PC FAIR" has a descriptive and direct reference to the goods or services concerned i.e. being a computer exhibition.

26. It is also clear that the words "PC FAIR" have a primary dictionary meaning, being a "computer fair", which would be the first thing to come to the minds of the public. In my view, to grant such a monopoly to the plaintiff would be to deprive the public from using words that are part of the English vocabulary and the IT industry.

27. Further, I find that the plaintiff's event has always been marketed as 'PIKOM PC FAIR'. The evidence adduced by the plaintiff shows :

- a) The plaintiff's own website identifies its event as 'PIKOM PC Fair' (See **pages 403 -404, C1**);

- b) The plaintiff's own Annual Report identifies its event as 'PIKOM PC Fair' (See **pages 293 – 296, AB1**);
- c) The plaintiff's own published advertisements and launches always refers to their event as 'PIKOM PC Fair' (See **page 241, AB1; page 245, AB1; page 368, C1; and page 372, C1**);
- d) The plaintiff's showguides distributed to the public during its events also refers to the event as 'PIKOM PC Fair' (See **pages 61 – 70, C1**);
- e) PW1 himself admits that the plaintiff habitually describes its event as 'PIKOM PC FAIR' (See **paras 30 – 35, page 25, NOP; paras 15 – 20, page 92, NOP**);
- f) The plaintiff has also promoted itself descriptively as **Malaysia's Largest PC Fair** (See **page 65, AB1**) indicating that there are other **smaller PC Fairs** in the industry;
- g) Newspaper articles concerning the plaintiff's event also refers to the plaintiff's event as 'PIKOM PC Fair' (See **pages 47 – 60, AB1; and page 405, C1**).

- h) In some Chinese newspaper articles, the words “PC FAIR” had been directly translated to ‘computer fair’ in mandarin whilst leaving the name ‘PIKOM’ un-translated (See Shihua Daily article dated 02.07.2010 at **page 48, C1** together with the certified translation in **Exhibit D6**; See also the undated Chinese article at **page 55, C1** together with the certified translation at **Exhibit D7**);
- i) Various blogs have also identified the plaintiff’s event as ‘PIKOM PC Fair’ (See **pages 525 – 528, C1**);
- j) It has also been confirmed by PW1 and PW2 during cross-examination, that the plaintiff’s event will always be promoted with the ‘PIKOM’ logo; and
- k) DW1, DW2 and DW3 have confirmed that the plaintiff’s event is always promoted with the ‘PIKOM’ logo.

28. Thus, in the light of the above evidence, in my view, the plaintiff’s goodwill and distinctiveness would only reside with the name ‘PIKOM PC FAIR’ and not in the words “PC FAIR”.

29. In the case of **McCain International Ltd v. Country Fair Foods Ltd [1981] RPC 69**, which was referred to by learned counsel for the defendants, the Court of Appeal held that the term 'OVEN CHIPS' could not be seen to identify a manufacturer but only to describe the product. On the contrary, evidence had been led to show that the plaintiff's products were marketed as "MCCAIN'S OVEN CHIPS", it was the term "MCCAIN" that indicated the source of origin. The Court held at pg 73 as follows:

"A descriptive name, on the other hand, does not indicate the source of the goods, but the nature of the goods. In the present case, the name "oven chips" is a descriptive name which is not so far fetched or fanciful as to indicate that all oven chips emanate from the same source. Indeed the plaintiffs themselves appear to have recognized that the expression "oven chips" is not in itself a fancy name which indicates a single source or origin. That is why they have consistently referred in their literature and in their packaging to "McCain oven chips". In my judgment they found it necessary or prudent to do so in order to distinguish their brand of oven chips from any other brand. The expression "oven chips" in my judgment identifies the product and the name "McCain", identifies the manufacturer who is responsible for that particular brand of that product "

Further at paragraph 40, page 82 the Court said:

“...They are in my opinion primarily descriptive, though it may be imperfectly because too compendiously descriptive, and they require the prefix “McCain’s” to make them distinctive.”

30. Similarly, in the English House of Lords decision of **Horlick’s Malted Milk Co v. Summerskill (1917) 34 RPC 63**, the plaintiff had always sold its food preparation as “HORLICK’S MALTED MILK” for over 25 years. It was held that as the plaintiff had been in the habit of selling under the name “Horlick’s Malted Milk”, they could not now eliminate the word ‘Horlick’ to enforce the word ‘MALTED MILK’. It was held at **page 67** as follows:

*“The claim really is for a part of a designation which the **Plaintiffs have been in the habit of using. They have been in the habit of using the term “Horlick’s Malted Milk”. They now eliminate the word “Horlick”, and ask that the remainder of their description shall be prohibited to the Defendant. On the ground that they are descriptive words, I do not think that that can be done**”*

31. It was further held that the words “MALTED MILK” were descriptive of the article sold and that when such a descriptive name was always seen together with the name of the manufacturer, a monopoly of the name of the article cannot be acquired under normal circumstances. In those circumstances, distinctiveness only resided in the name ‘HORLICKS’. In relation to this, the Court explained as follows:

*“...when a name, truly descriptive of an article, has **always been associated with the particular name of the manufacturer**, then **a monopoly of the name of the article, apart from the name of the manufacturer, is almost impossible to acquire**...”*

32. Learned counsel for the plaintiff referred to the case of **Leo Pharmaceutical Products Ltd A/S (supra)**, in support of the plaintiff’s contention that the defendants have infringed the plaintiff’s trade mark. With respect, in my view, **Leo’s** case is not applicable to the present case as the Court in **Leo’s** case had found that the words ‘FOCIBIN’ and ‘FUCICORT’ were distinctive as they were invented words with no meaning. The same cannot be said for the words “PC FAIR”.

33. In the light of the above evidence, in my view, it would be absurd to suppose that the words "PC FAIR" indicates that all "PC" related fairs emanate from the plaintiff.

34. Further, the plaintiff has not established that it had already acquired secondary distinctiveness over the usage of those terms. This is especially so, when the plaintiff has always presented the word "PC FAIR" together with the name of the organizer PIKOM.

35. Thus, in my view, the plaintiff's trade mark cannot be distinctive and as such does not qualify the requirements of section 10 (1) (e) of the Trade Mark Act. On grounds of public policy a trader will not be allowed to obtain by a trade mark registration, a monopoly in what other traders may legitimately wish to use.

Passing off

36. I will now deal with the plaintiff's claim on passing off. The law of passing off prevents one person from misrepresenting his goods or services as being the goods or services of the claimant and also prevents

one person from holding his goods or services as having some association or connection with the claimant when this is not true.

37. It is trite law that the following elements must be proved in order to establish a cause of action for passing off :

- (a) that the plaintiff has sufficient reputation or goodwill in the mark, trade mark, get up or other indicia in question in this country;
- (b) that the actions of the defendants are likely to and/or have actually caused misrepresentation; and
- (c) that the plaintiff has suffered or is likely to suffer damage or injury to his business or goodwill as result of the defendants' misrepresentation.

(see Reckitt & Colman Products v Borden Inc [1990] 1 All ER 873; Leo Pharmaceutical Products Ltd A/S (Lovens kemiske Fabrik Produktionsaktieselskab) v Kotra Pharma (M) Sdn Bhd [2009] 5 MLJ 703 at 735; Seet Chuan Seng v Tee Yee Jia Manufacturing Pte Ltd [1994] 2 MLJ 770; Erven Warnick BV v J Townend &

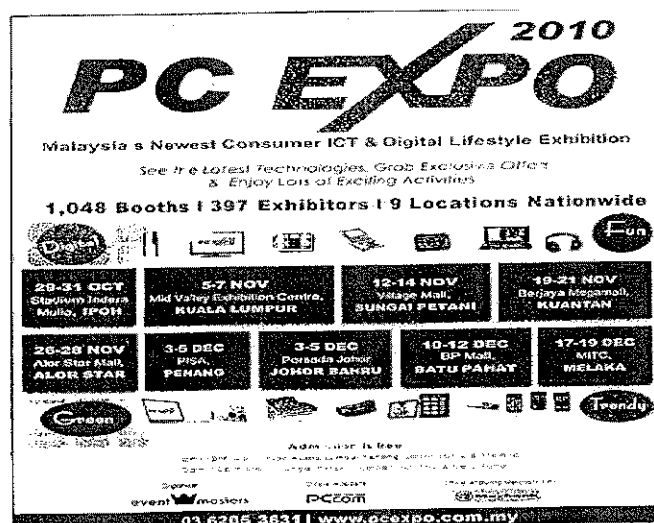
Sons (Hull) Ltd (the Advocate case) [1979] AC 731;
McCurry Restaurant (KL) Sdn Bhd v McDonald's
Corporation [2009] 3 MLJ 774)

38. On this point, the question that ought to be asked is whether the disputed mark used by the defendants, as a whole, is such that it is identical and if not whether it so closely resembles the plaintiff's registered trade mark such that it is likely to deceive or cause confusion to the public. (See: **Consitex S.A v. TCL Marketing Sdn Bhd [2008] 8 CLJ 444, Aspect Synergy Sdn Bhd v. Banyan Tree Holdings [2009] 8 CLJ 97, Re Pianotist Co's Application [1906] 23 RPC 774**).

39. Hence, the question must be assessed and only answered by comparing in its entirety both the plaintiff's mark and the 1st defendant's disputed mark. Consideration must therefore be given to words and device as a whole and not merely one element of it. It is not right to take a portion of the trade mark in question and compare it with simply another portion of the disputed trade mark. The true test is whether the totality of the trade mark is such that it is likely to cause deception or confusion (see: **DANONE**

Biscuits Manufacturing (M) Sdn Bhd v. Hwa Tai Industries Bhd [2010] 4 CLJ 711; [2010] 1 LNS 52; [2010] 8 MLJ 500).

40. For ease of reference, below is the plaintiff's trade mark and the defendants' trade mark :



PC EXPO 2010
Malaysia's Newest Consumer ICT & Digital Lifestyle Exhibition
See the Latest Technologies, Grab Exclusive Offers & Enjoy Lots of Exciting Activities

1,048 Booths | 397 Exhibitors | 9 Locations Nationwide

29-31 OCT Stadium Indira Mahlia, IPOH	5-7 NOV BISA Mid Valley Exhibition Centre, KUALA LUMPUR	12-14 NOV Yasvage Mall, SUNGAI PETANI	19-21 NOV Bagiya Megamall, KUANTAN	
26-28 NOV Akar Star Mall, ALOR STAR	3-5 DEC BISA PENANG	3-5 DEC Pondok Indah, JOHOR BANRU	10-12 DEC EP Mall, BATU PAHAT	17-19 DEC MTC, MELAKA

03 6265 3831 | www.pcxpo.com.my

41. In my view, the words "PC FAIR" and "PC EXPO" are visually and aurally different. I have also carried out a visual comparison between the plaintiff's trade mark and the defendants' disputed mark in their entireties. In comparing, my observation is that both the plaintiff "PC FAIR" trade mark and the defendants' "PC EXPO" mark differ in get-up. In relation to this, I find that the word "PC" for "PC EXPO" is in plain black and consists of a semi-italicised font. The word "PC" for "PC FAIR" on the other hand is in

white placed against a small, squarish, black background and is of a plain block font.

42. Further, the word “EXPO” for “PC EXPO” is in red and consists of a semi-italicised font as well. The letter “X” is merged to the letters “E” and “P” and its “right arm” is extended in a very unique manner. The word “FAIR” for “PC FAIR” on the other hand is placed in a slightly off-set position and consists of a paint-brush manner font. Although the word “FAIR” is also in red, the stylised fonts of both names are completely different and very distinguishable.

43. The “PC EXPO” logo will usually contain the tagline “IT’s MY Choice” directly below the word “EXPO”. The plaintiff’s “PC FAIR” logo however does not contain any tagline.

44. In addition, similar to what the plaintiff has done with the PIKOM mark, the 1st defendant’s mark, being “EVENT MASTERS” is always present in its own advertisements as well (For example, see **page 10, AB1; page 11, AB1; page 21, AB1; pages 357 – 364, C1; page 427 – 471, C1;**

pages 472 – 475, C1). Based on the manner of use by both the plaintiff and the defendants', the organizers are always identified.

45. Furthermore, the plaintiff always advertises using the "alien invasion" theme which depicts aliens and UFOs, examples of which can be seen in the plaintiff's show guides (**pages 61 – 70, AB1**), advertisements and launches. Such use has been confirmed by **DW1** (See **Exhibit D24**), **DW2** (See **Exhibit D28**), **DW3** (See **page 4, Exhibit D29**), and even **PW2** during **cross-examination**. The defendants, on the other hand, do not employ any such particular theme in its marketing. Again, this clearly shows that the surrounding circumstances in which the plaintiff's and defendants' marks are applied are significantly different and distinguishable.

46. In the light of the evidence and the authorities to which I have referred above, I am of the view that there is no danger of confusion or misrepresentation whatsoever by the defendants.

47. Further, learned counsel for the plaintiff submitted that there is misrepresentation by the defendants based on the advertising layout, floor

layouts, booking forms, balloting procedures, and venues used by the defendants.

48. It is important to note that a misrepresentation can only occur where sufficient goodwill and reputation has been proven in the first place.

49. On the evidence adduced, the Court finds that the plaintiff has failed to establish that it has any goodwill and reputation whatsoever in any of the advertising layout, floor layouts, booking forms, balloting procedures and venues used for the plaintiff's event nor that these are well known in connection with the plaintiff's trade. In fact, the plaintiff has agreed to the following facts :

a) Advertising layout:

- 1) **PW1** had confirmed during **cross examination** that the structure of the advertisement used by the plaintiff (e.g, placement of the name at the top, followed by illustrations, followed by dates and venues, followed by

sponsors and organizers) is in fact commonly used by other organizers in the industry.

- 2) **PW2** has confirmed that the arrangement of the plaintiff's and defendants' advertisement are different. **PW2** also confirmed that the structure of the advertisement used by plaintiff is commonly used in the industry;
- 3) It is also clear that the plaintiff does not use a common advertising layout in its advertisement (See **page 368, C1** compared to **page 372, C1**). As such, no goodwill and reputation can be obtained in any particular layout;

b) Floor Layout:

- 1) **PW1** has admitted that the layouts are purely to inform the public the position of the booths and is not used as a tool for advertising;
- 2) **PW2** had admitted that the layouts published in the showguides had a functional purpose and acted as

directories to guide visitors and more importantly, admitted that the public cannot identify a particular organizer based on the layout used. Furthermore, **PW2** admitted that the layout for each venue differed depending on the shape and size of the premise as well as other requirements. As such it is submitted that since the plaintiff does not use any common layout, no goodwill and reputation can be attached to the plaintiff;

c) Booking form:

- 1) **PW1** admitted that the purpose of categorizing booths by products is for a mainly functional purpose to the convenience of visitors, much like the categorization of products practised in a shopping mall (See **paras 5 to 40, page 52, NOP**);
- 2) **PW1** admitted that the categories used by the defendants are described differently than that used by the plaintiff;

- 3) **PW1** admitted that the categorization used by the plaintiff is common and can be used by any other organizer in the industry;
- 4) **PW1** admitted that the event names and organizers are sufficiently identified in both the plaintiff's and defendants' booking forms; and that the design and layout of the forms are equally different. More importantly, **DW1** also **agreed** that based on the booking forms, the public will know that these are two different events by two different organizers;
- 5) **PW2** admitted that the event name and organizer is sufficiently identified in both the plaintiff's and defendants' booking forms;
- 6) **PW2** also admitted that the purpose of categorization was functional and was similar to the categorization of products practised in shopping malls, and is even practised in other types of exhibitions as well ;

d) Balloting procedure:

- 1) **PW1** has admitted that the balloting procedure is not used as an advertising tool;
- 2) **PW1** also confirmed that only members who have paid the deposit can ballot for booths (See **paras 30, page 61 to paras 5, page 62, NOP**). On the other hand, the defendants employ a different balloting procedure whereby **DW1** confirmed that even exhibitors who have not yet paid the deposit are allowed to ballot for booths.

e) Venues:

- 1) **PW1** has admitted that the venues used by the plaintiff are venues which are popularly used by many other types of organizers for many types of events and that an organizer cannot be identified based on the venue that it uses;

- 2) **PW2** has also admitted that the venues used by the plaintiff were similarly used by various other organizers and that the public cannot identify a particular organizer based on the venues used.

50. Thus, in the light of the above evidence, I accept the submission of learned counsel for the defendants that the plaintiff does not have any goodwill and reputation in such functional elements that are admittedly used widely by various other organizers in the event industry and are not associated by the public to any particular organizer. As such, no misrepresentation or likelihood of confusion can arise therefrom.

Breach of Duty

51. I turn to consider the allegation of breach of confidential information.

52. As stated earlier, the 2nd defendant was an ex-employee of the plaintiff. The 2nd defendant had duly entered into a contract of employment with the plaintiff dated 31.7.2006 as a Project Executive ("the Contract of

Employment”). The salient terms of the 2nd defendant’s Contract of Employment are *inter alia* as follows:

- (i) The 2nd defendant’s responsibilities as Project Executive are to assist in organising and marketing the plaintiff’s functions, projects and activities, including the plaintiff’s “PC FAIR” Exhibition.
- (ii) The 2nd defendant is at all times required to keep in strict confidence all matters which is related to the plaintiff’s activities (including the development, promotion and organization of the “PC FAIR” Exhibition) which the 2nd defendant acquired knowledge of during or in the course of her employment with the plaintiff (i.e. the Confidential Information).
- (iii) The 2nd defendant is prohibited from divulging the Confidential Information directly or indirectly to non-authorised personnel except with the plaintiff’s approval.

- (iv) The 2nd defendant agrees that any breach of confidentiality will warrant immediate dismissal and the plaintiff is entitled to take legal action against the 2nd defendant to seek redress and compensation for any damage caused or loss suffered.

- (v) Upon termination of her employment, the 2nd defendant is required to return to the plaintiff all property belonging to the plaintiff including the Confidential Information and all records, files, manuals, devices, materials, used or obtained by the plaintiff, which would include for the development, promotion and/or organization of the "PC FAIR" Exhibition.

53. Of the various authorities cited to me, I have found the case of **Coco v A.N. Clark (Engineers) Ltd [1969] RPC 41** of most assistance. In that case, Megarry J. held that in order to succeed in an action for breach of confidence the plaintiff must establish to the satisfaction of the court the following three conditions, namely :

- (1) that the information which the plaintiff is seeking to protect is of a confidential nature;

- (2) that the information in question was communicated in circumstances importing an obligation of confidence; and
- (3) that there must be an unauthorized use of the information to the detriment of the party communicating it.

54. In the context of a relationship between employer and an ex-employee, the law of confidentiality has been set out clearly in the case of **Faccenda Chicken v Fowler [1985] FSR 105 at page 114** as follows:

- (1) Information which because of its trivial character or easy accessibility from public resources cannot be regarded by reasonable persons or by the law as confidential. The employee is at liberty to disclose it during his service or afterwards as he pleases, even to a competitor.
- (2) Information which the employee must treat as confidential (either because he is expressly told it is or because from the character it is obviously confidential) but which once learned necessarily remains in the employee's head and becomes part

of his own skill and knowledge applied in the course of his employer's business. So long as the employment continues, he cannot otherwise use or disclose such information. But when he is no longer in the same service, the law allows him to use his full skill and knowledge for his own benefit in competition with his former master.

- (3) Specific trade secrets so confidential that, even though may necessarily have been learned by heart and even though the employee may have left the service, cannot lawfully be used save for the employer's benefit.

55. The principles cited in the above authorities have been adopted and applied by many local cases, including the cases of **Regent Decorators (M) Sdn Bhd & Anor v Michael Chee Keng Theng & Ors [1984] 2 MLJ 78**; **Schmidt Scientific Sdn Bhd v Ong Han Suan & Ors [1998] 1 CLJ 685**; **Electro Cad Australia Pty Ltd & 2 Ors v Mejati RCS Sdn Bhd & Ors [1998] 3 CLJ Supp 196**; **Svenson Hair Center Sdn Bhd v Irene Chin Zee Ling [2008] 8 CLJ 386**; **Worldwide Rota Dies Sdn Bhd v Ronald Ong Cheow Joon [2010] 8 MLJ 297**.

56. Having considered the law, I can now attempt to apply it to the facts of this case.

57. It is the plaintiff's case that the following information relating to the "PC FAIR" Exhibition, which is confidential in nature, has been imparted to the 2nd defendant, in a circumstance of confidence during her employment with the plaintiff. In relation to this, the plaintiff is claiming confidentiality over the "Exhibitors Database", pricing information, balloting procedures and lay out plans.

58. Based on the evidence adduced, the "Exhibitors Database" contains the names of the participating exhibitors/companies of the "PC FAIR" Exhibitions over the years numbering about 850 companies; the names of two direct contact persons (known as Person in Charge, or in abbreviation, "PIC" and shown as "Contact 1" and "Contact 2" in the database) for each exhibitor/company and the contact persons' names, designations, mobile phone numbers, and email addresses.

59. On the issue of breach of confidentiality, the plaintiff submitted that the "Exhibitor Database" was collated over a long period of time and is

updated from to time based on the personal dealings PIKOM's executives have with the decision makers. It was further submitted that over the years, PIKOM has spent substantial time and efforts to collate the confidential information recorded and stored in an Excel software database. According to the plaintiff, the identities and direct contact particulars (i.e. email addresses, direct telephone numbers) of these "Person in Charge" are commonly known as "leads", which are very valuable to any business organization. The "leads" information has been collated by PIKOM through numerous "leads generation" exercises carried out over many years by PIKOM. Substantial efforts were spent on gathering the confidential information in the Exhibitor Database.

60. PW1 has testified that the "Leads information" collated by PIKOM is not available in the public domain and is only stored in PIKOM's office server which is confidential.

61 On the contrary, the defendants contended that all the information in the plaintiff Exhibitors Database can be obtained from PIKOM website or Show Guides.

62. It must be stress that during cross examination, the plaintiff has established that at least the following contact particulars are not found in the PIKOM website:

Name of company	Name of contact person appearing in Plaintiff's Exhibitors' Database (pages 1 to 56 of Bundle C4)	Contact particulars such as email address or hand phone number appearing in the Plaintiff's Exhibitors' Database (pages 1 to 56 of Bundle C4)	Name of contact person appearing in PIKOM's website (relevant pages in Bundle C4 or C1)
Advancenet technology Sdn Bhd	Wong Lee Oi	Leeoi.wong@advance net.com.my Hand phone No. 012-2842886 Please see page 1 of C4	Page 58 of C4 shows the name of Wong Kian Wei, Managing Director; no direct email address or hand phone number provided.
Mypantrade (Malaysia) Sdn Bhd	Shelly Lai	Shelly@pantrade.com.my Hand phone No. 012-6627575 Please see page 18 of C4, item 429	Page 59 of C4 shows the name of Maria Yao Li Jiun, General Manager; no direct email address or hand phone number provided.

C20 Corporation Sdn Bhd	Pei Lee	peilee@c2ocorp.com see page 4 of C4 item 90	Page 60 of C4 shows the name of Allan Kwek, General Manager; no direct email address or hand phone number provided.
MCL Berhad	Boone Ng	boone@mcl.com my hand phone No. 016-03363700 please see page 16 of C4 item 385	Page 549 of C1 shows the name of Jong Fui Ming, Marcom Manager; no direct email address or hand phone number provided.

63. The plaintiff has also adduced the following additional contact particulars which appear in the Exhibitors Database of the plaintiff which do not appear in PIKOM website at all:

Name of Company	Name of contact person appearing in Plaintiff's Exhibitors' Database (pages 1 to 56 of Bundle C4)	Contact particulars such as email address and hand phone number appearing in the Plaintiff's Exhibitors' Database (pages 1 to 56 of Bundle C4)	Name of contact person appearing in PIKOM's website (relevant pages in Bundle C1)
AMT PC Distributors Sdn Bhd	Henry Ng	henry@amt.com.my hand phone No. 016-2078112 please see page 2 of Bundle C4, item 37	Page 550 of C1 shows the name of Yang Shan Shan, Product executive; no direct email address or mobile phone number provided.
Digital Paper Sdn Bhd	Sherene Yong Alice Tan	sherene.yong@dpaper.com.my hand phone No. 012-5798433 Please see page 551 of C1 alicetan@dpaper.com.my hand phone No. 012-2895635 please see page 6 of C1, item 142	Page 551 of C1 shows the name of Rickie Liew, Managing Director, no direct email address or mobile phone number provided.

<p>LG Electronics (M) Sdn Bhd</p>	<p>Tan Khean Teik</p>	<p>kttan@lge.com hand phone No. 012-6285315 page 552 of C1 item 357 kttan@lge.com hand phone No. 012-6285315 page 15 of C4, item 357</p>	<p>Page 552 of C1 shows the name of Jung Ki Ok, Senior Manager (IT Product); no direct email address or mobile phone number provided.</p>
<p>Nation Tech Sdn Bhd</p>	<p>Chin Kim Fui</p>	<p>Kfchin@naciontech.com.my Hand phone No. 016-3317261 Please see page 553 of C1 and page 18 of C4, item 434</p>	<p>Page 553 of C1 shows the name of Cheng Heng Swee, Managing Director; no direct email address or mobile phone number provided</p>
<p>Servex (M) Sdn Bhd</p>	<p>Chen Yen Ling</p>	<p>ylchen@servex.com.my Hand phone No. 012-2019887 Please see page 554 of C1 And page 22 of C4, item 545</p>	<p>Page 554 of C1 shows the name of Kar Chin, General Manager; no direct email address or mobile phone number provided.</p>
<p>Sony (Malaysia) Sdn Bhd</p>	<p>Crystal Lo</p>	<p>Crystal.lo@ap.sony.com Hand phone No. 0122120629</p>	<p>Page 555 of C1 shows the name of Raoul Tactico Bruma, Manager,</p>

	Eddie Cheng	Please see page 555 of C1 Eddie.cheng@ap.sony.com Hand phone no. 016-6995721 Please see page 23 of C4, item 560	Marcom Dept Head; no direct email address or mobile phone number provided.
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64. It is observed that the PIKOM online directory contains general information (such as the company's name, the address, and the contact person, the designation of the person. However based on the available evidence, the PIKOM members' online directory does not contain the number of the Persons in Charge (PIC) of "PC FAIR" Exhibition in each company. On the contrary, the plaintiff's Exhibitors Database contains instead the information of these PICs (Contact 1 and Contact 2), together with their direct email addresses and mobile numbers.

65. Thus, it is very clear based on the evidence adduced at trial, that the PIKOM members' online directory is not the same as the Exhibitors Database.

66. From the evidence adduced, the plaintiff has shown that the Exhibitors Database is not accessible to the members of public. It is only open to three categories of personnel in PIKOM, the senior management of PIKOM, the finance department and the Project Executive who are tasked with the responsibilities of calling and liaising with potential exhibitors.

67. In fact, during cross-examination, DW1 admitted that persons outside the project team who is not authorized cannot have access to the Exhibits Database. The plaintiff submitted that the Exhibitor Database was built up and updated over a long period of time. It is not permissible for the 2nd and the 1st defendant to take unfair advantage of it and save her the time, trouble and expense of going through the same process in gathering the information.

68. A comparison of the names in the defendants' database (D25) with the names found in the plaintiff's Exhibitor Database, reveal that about one quarter of the names listed in "D25" were actually found in the plaintiff's Exhibitor Database.

69. It is clear from the testimony of DW2 that Exhibit D25 was created based on the information DW1 acquired during her tenure of employment with the plaintiff. Further, I find that the plaintiff have demonstrated that D25 contains information which is confidential to the plaintiff i.e. those found in its Exhibitor Database.

70. It is also pertinent to note that PW1 and PW2 has confirmed that based on the Exhibition Listing for the "PC EXPO" Exhibition, almost 80%-90% of the exhibitors comprise of the plaintiff's regular exhibitors for the "PC FAIR" Exhibition. The irresistible conclusion that can be drawn is that the defendants contacted the plaintiff's exhibitors/members to promote the "PC EXPO" Exhibition in the short period between the time she started the 1st defendant company and when she sent the introductory email out on 16.07.2010.

71. Thus, I am satisfied that based on the defendants' own evidence and admission, there is clearly evidence of misuse of the Confidential Information in the plaintiff's Exhibitor Database by the defendants.

72. On this issue, I accept the plaintiff's contention that such information despite the claim of the defendants that it forms part of DW1's stock of personal knowledge and skill, nevertheless remains proprietary and confidential to PIKOM unless it is freely accessible by the members of public and thus fall within the public domain.

73. Referring to Neill LJ's decision in **the Faccenda Chicken Ltd v Fowler and Others [1986] 1 All ER 617**, Vincent Ng J (as he then was) in the case of **Svenson Hair Center Sdn Bhd v Irene Chin Zee Ling (Supra)** said as follows :

"The duty of good faith will be broken if an employee makes or copies a list of the customers of the employer for use after his employment ends or deliberately memorizes such a list, even though, except in special circumstances, there is no general restriction on an ex-employee canvassing or doing business with customers of his former employer." (emphasis added)

Further at page 400 his Lordship held:

"Clearly, acts such as memorizing a formula or a list of the employer's customers or taking away such list by an employee for his use is improper"

and would constitute acting in bad faith. In this context it is wholly pertinent to observe that cl. 7.01(ii) and cl. 7.02(i) and (ii) (above) of the employment agreement expressly proscribes the “use of any confidential information” as well as the disclosure (“divulge”) of information.” (at page 400) (emphasis added).

74. It must be emphasized that it is not disputed by the defendants that the Exhibitors Database was only accessible to a limited group of personnel in PIKOM, namely the “PC FAIR” Exhibition project team members, the senior management of PIKOM and its finance department.

75. However, learned counsel submitted that the “Exhibitor Database” is not confidential as the plaintiff has given out information therein to some booth contractors. In relation to this, I find that only general telephone numbers and fax numbers were disclosed. Further, the disclosure of such limited information is to enable the contractors to contact the participating exhibitors directly for the purpose of carrying out the construction of the booths. As such, only limited information was disclosed and it was disclosed for a limited purpose in line of the confidentiality policy of PIKOM.

76. In this regard, the contractors were equally duty bound to maintain the confidentiality of the information. Similarly the 2nd defendant, were not at liberty to use the confidential information beyond the scope of use permitted by the plaintiff.

77. I find that the Exhibitors Database is akin to a customer list (i.e. "Business Data" or "Business Secrets"). There is a line of authorities referred to by both learned counsel for the plaintiff from overseas and from the local front wherein customer lists have been recognized as protected as confidential information.

78. In the case of **Thomas Marshall (Exports) Ltd v Guinle [1978] All ER 193**, where it was protected as confidential information held:

"...the names and telex addresses of the company's manufacturers and suppliers and their individual contacts; the negotiated prices paid by the company ..."

79. In **Schmidt Scientific Sdn Bhd v Ong Han Suan (Supra)**, it was held:

“it is my judgment that trade secrets are not limited to manufacturing processes or secret formulae but extend to information relating to the list of names and addresses of customers and suppliers, specific questions sent to the customers, cost prices, specific needs and requirements of the customers and status of on going negotiations with the customers.”

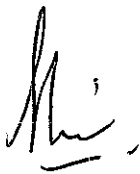
Pricing Information (Preferential Rates)

80. The plaintiff contended allege that the defendants have made use of its preferential rates. It would appear to me that no evidence whatsoever has been led to identify what are these so called preferential rates nor how the 2nd defendant even had access to such preferential rates. On the contrary, the plaintiff's witnesses have admitted that the defendants should have their own set of costings and rates and are not using the plaintiff's confidential rates (to this, **paras 20 – 30, page 103, NOP**). Therefore, there is no basis in the plaintiff's contention that the 2nd defendant has breached the confidential information in relation to pricing.

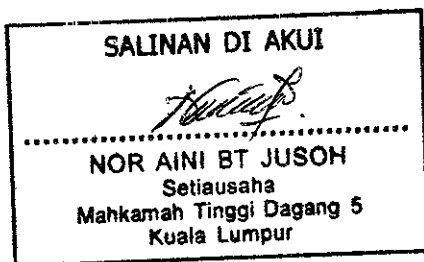
81. With regard to the plaintiff's lay out and floor plan, similarly it is my finding that the plaintiff has failed to establish evidence to prove that this document contain confidential information and that it requires protection.

Conclusion

82. Based on the above reasons, the plaintiff has failed to prove that the defendants had infringed the plaintiff's registered mark and further that the defendants had passed off the "PC EXPO" to the public as that of the plaintiff's "PC FAIR". However, I am satisfied that the 1st and 2nd defendants have breached the plaintiff's confidential information in relation to lead information in the Exhibitors Database. Thus, the plaintiff's claim in prayers 3,4,5,7,8 and 9 is allowed with costs.



Hanipah Farikullah
Judicial Commissioner
Kuala Lumpur High Court
Dated : 24 November 2011



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