

## Two Horses, No Confusion: The Ferrari vs Wee Power Trademark Dispute in Malaysia

By Shee Shu Wen

Italian luxury sports car manufacturer **Ferrari S.p.A.**, world-renowned for its iconic **prancing horse** emblem and the immense goodwill attached to its brand, unfortunately failed in its attempt to block a Malaysian energy drink company from registering a **twin-horse logo**. Our firm had the privilege of representing Ferrari throughout the proceedings, from the trademark opposition before MyIPO to the subsequent appeal at the High Court.

The dispute began in 2016 when Ferrari opposed **Sunrise-Mark Sdn Bhd**'s application, arguing that the twin-horse device was confusingly similar to its iconic prancing horse emblem. Despite Ferrari's long-established reputation and extensive protection for its horse-related mark, MyIPO applied the "**word talk principle**" and decided in favour of Sunrise-Mark. MyIPO held that the marks were not visually or conceptually similar and that the parties operated in completely different markets.

Dissatisfied, Ferrari appealed to the High Court seeking to overturn MyIPO's decision, to preserve the integrity of its emblem (a symbol closely guarded for decades).

Despite Ferrari's formidable global reputation and the principled basis for its objections, the High Court affirmed MyIPO's decision, allowing Sunrise-Mark's "**WEE POWER**" logo to proceed to registration. Below is a breakdown of the Court's reasoning.

### 1. No Likelihood of Confusion Under Section 14(1)(a), Trade Marks Act 1976

Section 14(1)(a) of the Trade Marks Act 1976 prohibits the registration of marks likely to **deceive or cause confusion** to the public. The Court relied on principles from *Tohtonku Sdn Bhd v Superace (M) Sdn Bhd* and *Ortus Expert White Sdn Bhd v Nor Yanni bt Adom*, employing both:

- the **side-by-side comparison test**, and
- the **imperfect recollection test**.

Ferrari's registered mark comprises a **single rearing horse**. Sunrise-Mark's mark shows two rearing horses facing each other, a prominent "**W**" between their heads, and the words "**WEE POWER**" beneath the device.

The Court found that the only similarity was the presence of horses, which was insufficient to create confusion among consumers.

### 2. Side-by-Side Comparison: No Visual or Conceptual Similarity

When comparing the marks directly, the Court highlighted several differences:

- Sunrise-Mark's logo features **two horses**, not one.

- The horses face each other, unlike Ferrari's solitary horse.
- A large stylised "**W**" separates the two horses.
- The words "**WEE POWER**" appear prominently beneath.

Ferrari argued that the word "**POWER**" was disclaimed and should not be considered, citing *British-American Tobacco Co Ltd v Tobacco Importers & Manufacturers Ltd*. The Court disagreed, clarifying that disclaimers affect **legal protection scope**, not the **visual perception** of a mark. Consumers still see the full logo, disclaimer or not.

Ferrari also contended that "**WEE**" is a common English word meaning "very small" or "very early" and therefore non-distinctive. The Court rejected this argument, finding that "**WEE**" originated from the founder's name and therefore satisfied **distinctiveness** under Section 10(1)(a) TMA 1976.

### **3. Imperfect Recollection Test: No Real-World Risk of Mistaken Identity**

Under the imperfect recollection test, the Court assessed how an average consumer with ordinary memory perceives a mark in everyday settings (not with perfect attention). Even applying this more flexible standard, the Court concluded there was no plausible likelihood of confusion.

It said that ordinary consumers would not confuse Sunrise-Mark's mark with Ferrari's mark, especially given the distinctive branding and the entirely different product categories involved. The two logos create entirely different **commercial impressions**, and the distinctive features in the **WEE POWER** mark would prevent even hurried consumers from associating it with Ferrari.

### **4. Different Goods, Different Markets, No Overlap**

The Court also considered the market context:

- **Ferrari** caters to a high-end automotive audience, with its mark used on luxury vehicles and related merchandise.
- **Sunrise-Mark** sells mass-market energy drinks available in supermarkets and convenience stores.

The goods do not compete, the consumer bases do not overlap, and there is no realistic expectation that ordinary consumers would associate an energy drink with a supercar manufacturer. Because the general impression conveyed to consumers was markedly different, the Court held that the **WEE POWER** mark was unlikely to lead the public into believing it originated from, or was associated with, Ferrari.

### **Conclusion**

The High Court ultimately found no likelihood of deception or confusion, affirming MyIPO's original decision. Ferrari's opposition was dismissed, and Sunrise-Mark's **WEE POWER** trademark was permitted to proceed to registration.

While the outcome was not in Ferrari's favour, this case reaffirms a key principle of trademark law: **even a globally famous brand cannot succeed in preventing another trademark's registration without demonstrating a real likelihood of confusion.**

Reputation alone, though influential, is not determinative. The overall impression of both marks, the strength of the alleged similarity, the proximity of goods, and the supporting evidence all carry significant weight in obtaining a favourable judgment.

Ferrari's challenge, although ultimately unsuccessful, underscores the vigilance with which internationally known brands must continue to protect the exclusivity and integrity of their trademarks across diverse markets.