

World Trademark Review Daily

Stringent criteria applied to determination of mark's well-known status Israel - Gilat, Bareket & Co., Reinhold Cohn Group

Cancellation National procedures

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In *Harman International Industries Inc v Tobishi Trade Ltd* (Application to cancel mark 175594, April 23 2012), the Israeli Trademark Office has refused to cancel the INFINITY mark for televisions, screens and projectors based on the earlier trademark INFINITY, holding that it had not been proven that the earlier mark was well known in Israel. However, she limited the specification of the later mark so as not to include goods similar to those covered by the earlier mark.

Harman International Industries Inc, a US audio and infotainment equipment manufacturer, holds two Israeli registrations for the word mark INFINITY for a variety of audio equipment in Class 9 of the Nice Classification. Registration 157601 covers:

"automobile audio navigation aid, comprising an optical disk on which digitised maps, compressed voice records and computer programs are stored, and an optical disk player which operates an artificial intelligence routing algorithm which interfaces with the driver of the automobile voice input and output, and automotive audio systems comprising radios, loudspeakers, amplifiers, and automobile cross-over circuits."

Registration 46677 covers "phonograph records and tapes for recording and reproducing sound".

A local retailer, Tobishi Trade Ltd, obtained a registration for the word mark INFINITY (No 175594) in 2006 for "televisions, projectors, TV screens and home cinema systems (all not for cars)" in Class 9.

Harman applied for the cancellation of Tobishi's INFINITY mark based on Sections 38 and 39 of the Trademarks Ordinance [New Version] 5732-1972, which provide that a party can request the cancellation of a mark on the grounds that it was not eligible for registration. One of the grounds for ineligibility invoked by Harman was that Tobishi's mark was confusingly similar to its own INFINITY mark and covered the same goods or goods of the same description (which is prohibited under Section 11(9) of the ordinance). Harman also asserted that, as a result of intensive use in Israel for over 20 years, its mark had became well known in the country in respect of audio equipment and, specifically, for amplifiers as part of home and car audio equipment. For that reason, Tobishi's mark was also ineligible for registration under Section 11(14) of the ordinance, even if the goods were not of the same description as those for which Harman's mark was registered, if the registration was liable to create a connection with Harman. Finally, Harman argued that Tobishi had applied for its mark in bad faith.

The IP adjudicator's decision was based on the principles that:

- once registered, a trademark cannot be easily cancelled; and
- in order to restrict another party's IP rights, a high degree of proof is required.

The IP adjudicator noted that, under Israeli law, the owner of a registered trademark who successfully proves that its mark is well known is likely to be entitled to protection beyond the goods for which its mark is registered; however, the IP adjudicator emphasised that such a determination must be based on solid evidence.

Section 1 of the ordinance provides that, in order to determine whether a mark is well known, the following elements, among others, shall be taken into account:

- the degree to which the mark is known in the relevant circles; and
- the extent to which the mark is known as a result of marketing efforts.

Applying stringent criteria to the evidence adduced by Harman, the adjudicator determined that Harman had failed to prove that its INFINITY mark was well known in Israel.

In respect of sales and advertising, she took into account the fact that Harman had achieved relatively small sales in Israel (IS5 million between 2003 and 2006), which were shown only for selected years without an explanation and were apparently decreasing, compared to Tobishi's sales of IS26 million for the period between 2006 and 2008. She also referred to the fact that INFINITY was not one of the marks that Harman or its local representatives tried to promote to the Israeli consumer and that Harman had ceased advertising in 2006. The IP adjudicator concluded that Harman had failed to prove that:



World Trademark Review Daily

- its mark had been used in Israel for a long time and in a extensive manner; and
- it had promoted the mark to Israeli consumers through advertising (worldwide advertising was deemed to be insufficient).

Notwithstanding her determination that Harman had failed to prove that it had invested efforts and resources in advertising its Infinity products, the IP adjudicator examined the other prong of Section 1 of the ordinance, namely whether the mark had been shown to be recognised by the relevant public in Israel. In this respect, the adjudicator had regard to the fact that other companies made use of the mark INFINITY in Israel and worldwide.

Analysing the consumer surveys adduced by the parties, the IP adjudicator preferred the survey held among the general public to that adduced by Harman, which was held among upper-middle class consumers already in possession of home cinema equipment; according to the adjudicator, that survey was not objective and reliable, due to the improper choice of questions and the selective choice of respondents. The IP adjudicator also accepted expert evidence according to which the percentage of respondents recalling the mark without assistance was negligibly low compared to other marks.

Accordingly, the IP adjudicator held that it had not been proven that Harman's INFINITY mark was well known for the relevant goods. Consequently, Tobishi's mark was allowed to remain on the register. However, the IP adjudicator held that some of the goods for which Tobishi's mark was registered (ie, "home cinema equipment", which was considered to be vague and thus not eligible for registration) were of the same description as those covered by Harman's registrations; she thus ordered that these goods be removed from the list of goods.

Orit Gonen and Sonia Shnyder, Gilat Bareket & Co, Reinhold Cohn Group, Tel Aviv

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