

**Supreme Court refuses to reconsider decision in
DARJEELING Case**

Examination/Opposition
National procedures

Israel - Gilat, Bareket & Co, Reinhold Cohn Group

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In *Tea Board of India v Delta Lingerie SA of Cachan* (Case 10639/06, April 13 2008), the Israel Supreme Court has dismissed the [Tea Board of India's](#) petition for an additional hearing in opposition proceedings involving the trademark DARJEELING.

The Tea Board is an Indian governmental body established under the Indian Tea Act 1953 to protect the goodwill of Indian tea around the world, including the Darjeeling tea grown in West Bengal. The Tea Board's trademarks are registered in many countries, but not in Israel.

French company Delta Lingerie SA of Cachan is a lingerie manufacturer and a subsidiary of the [Chantelle Group](#). Delta has used the DARJEELING mark since 1995 for lingerie and lingerie shops. The Tea Board's opposition to the registration of DARJEELING in France and as a Community trademark failed on the grounds that there was no likelihood of confusion.

Delta applied to register the DARJEELING mark in Israel. The Tea Board opposed the application on the grounds that:

- Delta's mark was liable to deceive the public and constitute unfair competition under Section 11(6) of the [Trademarks Ordinance 1972](#) (New Version); and
- Delta's mark was ineligible for registration under Section 11(11) of the ordinance because its ordinary meaning is geographical.

The registrar dismissed the Tea Board's opposition and allowed the registration of the mark, holding that:

- there was no likelihood of confusion between the marks due to the different nature of the goods and the marketing channels; and
- there was no likelihood of confusion as to the origin of the goods (for further details please see "[Tea Board fails to prevent registration of DARJEELING for clothing](#)").

On appeal, the Supreme Court rejected the Tea Board's arguments and affirmed the registrar's decision (for further details please see "[Use of DARJEELING mark for lingerie allowed by Supreme Court](#)").

The Tea Board sought an additional hearing, relying on two principal grounds:

- The Supreme Court improperly applied the dilution doctrine by requiring an additional element of likelihood of confusion which was not discussed in the leading case of *Kardi v Bacardi Co Ltd* (Case 6181/96).
- The Supreme Court improperly narrowed the scope of Section 11(11) to circumstances

where a geographical name is connected to the origin of the goods, thereby ignoring the distinction between the broader terms of the ordinance and the narrower definition of a 'geographical indication' in the Law on Appellations of Origin.

First, the Supreme Court held that it had properly applied the dilution doctrine in accordance with the criteria set forth in *Bacardi*. Under *Bacardi*, the following requirements must be fulfilled in order to warrant a finding of dilution:

- the reputation of the company must extend across borders;
- the reputation of the mark extends beyond a specific product; and
- use of the later mark capitalizes on the goodwill of the famous trademark.

Moreover, the Supreme Court held that it had examined the likelihood of confusion separately from - and not as part of - the dilution analysis under *Bacardi*, and that it had reached its conclusion based on the facts of the case.

Finally, the Supreme Court held that its finding that a connection between a geographical name and the goods is required in order to bar registration under Section 11(11) of the ordinance did not carry sufficient weight to warrant an additional hearing. The court concluded that registration of Delta's mark would not prejudice the Tea Board's use of the name Darjeeling for tea products imported into Israel.

Relying on the principle that the importance of a legal issue does not necessarily warrant the reopening of an appellate decision, the Supreme Court refused to grant an additional hearing.

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