

# World Trademark Review *Daily*

**Maker of purple-packaged pills fails to prevent competitors from selling pills in purple packs**      **Unfair use**  
**Israel - Gilat, Bareket & Co., Reinhold Cohn Group**      **Passing off**

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In *Dexxon Ltd v Agis Commercial Agencies Ltd* (CC 1242/08, June 3 2012), the Tel Aviv District Court has dismissed an action filed by the manufacturer of prescription contraceptives marketed in purple packs against competitors using the colour purple for their product.

In 2003 plaintiff Dexxon Ltd, an Israeli pharmaceutical company, launched a prescription contraceptive under the name Feminet. The pills, which were white, were sold in purple boxes, which contained purple blister packs with contrasting blisters. The lettering on the packs contained a stylised spiral element. The marketing campaign in 2006-2007 played on the Hebrew word for 'purple' and made extensive use of the colour purple. Due to advertising restrictions on prescription drugs introduced in 2007, the plaintiff advertised the product to the public as "the purple pill", without using the name Feminet. Feminet accounts for 12% of the contraceptives market.

In 2008 defendants Agis Commercial Agencies Ltd (an Israeli pharmaceutical company) and [Bayer Schering Pharma AG](#) (a German pharmaceutical company) launched a contraceptive pill in Israel under the name Lodene, which was sold in specially developed purple packaging with a spiral design element, created by the Israeli defendant. Lodene was identical to a Bayer contraceptive that was already on the market, but was lower-priced so as to compete for a local tender held by the Israeli Defence Forces (IDF). The defendants' product is primarily sold to the IDF.

The plaintiff sued the defendants on the grounds of passing off and unjust enrichment for using the colour purple, arguing that, in the circumstances, it was entitled to prevent competitors from using that colour. The plaintiff argued that the advertising restrictions made the colour of the packs and the associated campaign a distinguishing sign of its product. The plaintiff emphasised that the two products (low-hormone, low-priced contraceptives) were aimed at the same target audience (ie, younger women). In their defence, the defendants pointed out, among other things, that the colour purple was associated with women's products and was used in the industry before the plaintiff launched its product. Moreover, the plaintiff had rejected the defendants' offer to change the shade of their product and the spiral motif of the design.

With regard to passing off under the Commercial Torts Law (5759-1999), the court held that the plaintiff sought to have a monopoly over a colour; in fact, given that the shade of purple used for the two products was different, the plaintiff effectively sought to expand this monopoly to all shades of purple for contraceptives.

The court further held that the Supreme Court's reasoning in *Unilever Plc v Segev* (CA 8441/04 [2006]) and *Mul-T-Lock Ltd v Rav Bariach Industries Ltd* (LCA 6658/09 [2010]) - which concerned the likelihood of confusion between marks sharing a common idea but having different graphical elements - could hardly be expanded to the present case, which involved use of the same colour. The judge emphasised that reputation in a colour may be recognised only in exceptional cases. It held that the "copying" of a colour, unlike the copying of a product design, cannot by itself indicate reputation, as the range of colours is limited - and, particularly, the range of colours associated with specific products or services (eg, purple and pink for women's products). The court distinguished the 2003 *Kodak* case, in which the yellow colour was proven to have become, through years of use, associated with Kodak's products and, therefore, to have acquired a secondary meaning. It also referred to the dismissal of a claim brought by a Nestlé subsidiary against a Unilever subsidiary to enjoin it from using the colour gold for ice-cream.

The court then proceeded to examine whether the plaintiff had proved that it had a reputation in the colour purple for contraceptive pills among the relevant public. It held that the plaintiff had failed to prove that it had a reputation among the relevant consumers, as:

- the consumer survey submitted by the plaintiff did not contain questions that could show consumer recognition of the pills at issue; and
- the plaintiff's marketing campaign was short-lived due to advertising restrictions.

The court also doubted whether the fact that 86% of physicians identified the 'purple pill' with Feminet was relevant to passing off, as it accepted the defendants' evidence that the majority of the relevant consumers do not influence physicians in prescribing a specific pill. The court held that, even assuming that reputation among physicians was relevant, there was no likelihood of confusion, including in communications between physicians and patients.

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With regard to unjust enrichment, the court reiterated that, while copying a product that is not protected by the IP laws may constitute unjust enrichment (ie, enrichment not based on a lawful right at the expense of another), not all types of copying meet the 'unlawfulness' requirement under the Unjust Enrichment Law (5739-1979) so as to constitute actionable unjust enrichment. It held that the defendants were not enriched at the plaintiff's expense, as their product was marketed to the IDF under a tender process, and no likelihood of confusion existed between the parties' products. Moreover, the defendants' conduct did not meet the 'unlawfulness' criterion, as the defendants had, at most, copied the colour of the plaintiff's product packaging, but in a different shade. The choice of such colour did not arise from considerations of unfair competition but, rather, from its association with women's products. The court concluded that the Unjust Enrichment Law should not be relied upon to obtain a monopoly over the colour purple, which the plaintiff would be unlikely to obtain through the trademarks legislation.

The court thus dismissed the plaintiff's claim in its entirety; it awarded costs in the amount of IS50,000 and attorneys' fees in the amount of IS150,000 against the plaintiff.

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