

Israel

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1. Legal framework

National

The laws governing trademarks in Israel are as follows:

- the Trademarks Ordinance [New Version] (5732-1972);
- the Trademarks Regulations 1940;
- the Trademarks Regulations (Appeal before the Supreme Court) (5748-1987);
- the Trademarks Order (Protection of Industrial Property) 1934;
- the Merchandise Marks Ordinance 1929, as amended;
- the Merchandise Marks Regulations 1935;
- the Law for the Protection of Appellations of Origin and Geographical Indications (5725-1965);
- the Appellations of Origin Regulations (Procedure for Registering Israeli Appellations of Origin) (5726-1966);
- the Appellations of Origin Regulations (Procedure for Registering Foreign Appellations of Origin) (5727-1967);
- the Appellations of Origin Regulations (Procedure before Appeal Committee) (5727-1966); and
- the Protection of Symbols Law (5735-1974).

International

Israel is also a signatory to the following international treaties:

- the Paris Convention for the Protection of Industrial Property (1883), Stockholm (1967);
- the Agreement on Trade-Related Aspects of Intellectual Property Rights;
- the Nice Agreement on the International Classification of Goods and Services (1957), Stockholm (1967); and
- the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (1958), Stockholm (1973).

2. Unregistered marks

Protection

Under the Trademarks Ordinance, no one is entitled to institute any proceedings for the infringement of a trademark that is not registered in Israel, with the exception of trademarks that are well known in Israel.

Unregistered marks are protected primarily under the Commercial Wrongs Law (5759-1999), which provides for the tort of passing off. The law prohibits a dealer from causing consumers to believe that the goods or services which it offers are those of another dealer or otherwise associated with another dealer.

Other laws which are applicable for the protection of unregistered marks are:

- the Consumer Protection Law (5741-1981), which also allows dealers to sue their competitors for breaching their duties under the law against deception of public consumers;
- the Law of Unjust Enrichment (5741-1981), which has been developed to accommodate situations of unfair competition, and particularly the unfair use of another's goodwill;
- the property laws, which may be used to prevent the misappropriation of goodwill; and
- the Merchandise Marks Ordinance, when read in conjunction with the tort of breaching a statutory duty as prescribed under the Civil Wrongs Ordinance.

Use requirements

The duration of use is not the sole criterion for establishing goodwill in an unregistered mark: the intensity and nature of the use, as well as the nature of the mark, are also taken into consideration. There is no hard and fast rule as to the quantum of use required and each case is decided according to its specific facts.

3. Registered marks

Ownership

Any person wishing to obtain the exclusive right to use a mark as a trademark in manufacture or in trade may apply for registration. Someone other than the mark owner may be authorized to apply for a trademark as a registered user (referred to in the statute as an 'authorized person'). In case of rival claims for the same mark or for confusingly similar marks, priority of use is taken into consideration. In case of honest concurrent use or other special circumstances which, in the opinion of the registrar of trademarks, make it proper to do so, the registrar may permit the registration of trademarks which are identical or closely resemble each other for the same goods or description of goods by more than one owner, subject to any conditions and limitations the registrar may impose.

Scope of protection

Protected: A trademark may comprise letters, numerals, words, devices or other signs, or any combinations thereof, whether two-dimensional or three-dimensional, which are capable of distinguishing the owner's goods or services from those of others. Marks may be registered in any language. Certification and collective marks may be registered.

Not protected: The following cannot be registered as trademarks:

- marks that refer to some connection with the president of the state or his household, or to presidential patronage, or marks from which any such connection or patronage might be inferred;
- flags and emblems of the state or its institutions, flags and emblems of foreign states or international organizations, and any marks resembling these;
- public armorial bearings, official signs or seals used by any state to indicate control or warranty, any marks resembling these, and any marks from which it might be inferred that the owner enjoys the patronage of or supplies goods or renders services to a head of state or a government, unless it is proved to the registrar that the owner is entitled to use the mark;
- marks in which any of the following terms appear: 'patent', 'patented', 'by royal letters patent', 'registered', 'registered design', 'copyright', 'to counterfeit this is forgery' or words to such effect;
- marks that are or may be injurious to public order or morality;
- marks that are likely to deceive the public, contain a false indication of origin or encourage unfair trade competition;
- marks that are identical or similar to emblems of exclusively religious significance;
- marks on which the representation of a person appears, unless that person's consent has been obtained – in the case of the representation of a deceased person, the registrar will request the consent of the person's survivors unless, in his opinion, there are reasonable grounds not to do so;
- marks that are identical to another's earlier trademark that has been registered in respect of the same goods or services, or that so closely resemble such an earlier trademark as to be calculated to deceive;
- marks comprised of numerals, letters or words that are in common use in trade to distinguish or describe goods or classes of goods, or which bear direct reference to the character or quality of the goods, unless the mark has a distinctive character as defined in the law;
- marks whose ordinary signification is geographical or a surname, unless represented in a special manner or unless the mark has a distinctive character as defined in the law;

- marks identifying wines or spirits that contain a geographical indication, if such wines or spirits did not originate in that geographical area;
- marks that are identical or confusingly similar to a well-known trademark, even if that mark is not registered in respect of the goods for which it is well known or in respect of goods of the same description; and
- marks that are identical or similar to a well-known registered trademark, even if used for different goods or services, if the mark for which registration is sought might suggest a connection between the designated goods and those of the registered trademark owner, and the latter might be harmed by such use.

The registrar may also refuse a trademark application where the mark is identical to or resembles the name or business name of another person, or contains a name identical to or resembling another's name or business name, if the mark is likely to deceive the public or to cause unfair competition.

4. Procedures

Examination

Trademark applications must be filed with the registrar. Each application is examined to ascertain whether the mark is eligible for registration.

A search is first conducted to determine whether the mark is identical to an earlier trademark registered for the same goods or description of goods, or so closely resembles such an earlier trademark as to be likely to deceive.

Applications are searched in chronological sequence; however, an applicant may request that the examination of its application be advanced, provided it submits with the request an affidavit or declaration stating the grounds for such request.

In determining whether a trademark is distinctive, the registrar may, in the case of a mark in actual use, take into consideration the extent to which such use has rendered the mark distinctive with respect to the goods for which registration is sought.

If an applicant fails to comply with the registrar's requirements within three months, the registrar will give the applicant notice in writing; if the applicant still has not complied with the requirements within three months of notification, the registrar may regard the application as void. Further extensions may be granted if requested before the end of the second three-month period.

After acceptance, the registrar will publish the application in the *Trademarks Journal*.

Opposition

Within three months of publication of the trademark application, anyone may give written notice of opposition to the registrar. The opposition period will rarely be extended, except when requested with the applicant's consent. However, an opponent can submit a short notice of opposition and subsequently file a detailed statement of case after obtaining an extension. If the applicant files a counter-statement, the opponent will file evidence in support of the opposition and the applicant will subsequently file counter-evidence. The evidence is filed in the form of one or more affidavits.

Unless otherwise agreed by the parties, a hearing will be held before the registrar (or an IP adjudicator). During the hearing, cross-examinations and re-examinations take place. Following the hearing (and possibly in the course of the hearing) each party submits its summations (briefs) and a decision is issued.

A final decision in opposition proceedings is final and binding between the parties, and neither party can reopen the issue unless the

factual circumstances change (eg, an earlier mark on which the opposition was based is abandoned). Decisions of the registrar may only be appealed to the Supreme Court; thus, a ‘final decision’ means either an unappealed decision of the registrar or a decision, on appeal, by the Supreme Court.

Registration

If no opposition is filed within the three-month opposition period, or if an opposition is dismissed, the registrar will register the trademark, unless the application was published in error.

Trademarks and service marks are registered in respect of specific goods or services, classified under the Nice Classification system. Separate applications are required for goods and services in different classes.

Cancellation/surrender

Cancellation of a registered trademark may take place in the following instances:

- on the grounds that the mark was ineligible for registration in the first place or unfairly competes with another entity in Israel (except in bad-faith cases, a five-year limitation period applies, beginning from the date of issue of the registration certificate);
- in the case of so-called ‘*telle quelle*’ registration, on the grounds that the corresponding home registration no longer exists; or
- in case of surrender by the mark owner.

The registrar may cancel the entry of a trademark in the Trademark Register at the request of the registered owner.

In theory, an application for cancellation of a registered trademark may be submitted either to the registrar of trademarks or to the Supreme Court, sitting as High Court of Justice; but as a matter of practice, all applications are made to

the registrar in the first instance and transferred to the High Court of Justice on appeal only.

Revocation

In case of revocation for non-use, the applicant for cancellation must show that there was no good-faith intention to use the mark in connection with the goods for which it is registered and there has been no good-faith use of the mark in connection with those goods, or that there has been no such use in the three years preceding the cancellation application.

Instances of no good-faith use of the mark include the following:

- use of the mark in Israel in advertising only; and
- cancellation of an authorization to use the mark given to a local manufacturer (unless the authorization is cancelled following infringement of conditions or because the mark owner intends to manufacture itself the goods for which the mark is to be used, or to grant authorization to use the mark to another manufacturer in Israel).

Invalidation

There are no specific provisions which empower the registrar to invalidate *ex officio*, and it is unclear whether the Trademark Registry is authorized to invalidate a registration without third-party interference.

5. Enforcement

Various courses of action are available in order to enforce a trademark right. The enforcement measures are not complex and the timeframe varies for each course of action.

The difference between the enforcement of registered and non-registered rights lies in the burden of proof. While it is not necessary to

show that a mark enjoys goodwill if it is registered, it is necessary to prove the goodwill that an unregistered mark has acquired.

Civil proceedings: In order to enforce a trademark right, a civil action based on trademark infringement may be filed. The timeframe for obtaining a judgment in legal civil proceedings is between two and three years.

In order to enforce a trademark right, it may also be possible to file an application for an interim injunction. An interim injunction may be obtained within two to three months. It is also possible, in clear-cut cases, to obtain an *ex parte* interim order as well as an *Anton Piller*-type order for search and seizure. An application for an interim injunction should be accompanied by evidence in the form of an affidavit, including evidence of the trademark and the goodwill it has acquired.

Criminal proceedings: According to Section 60 of the Trademarks Ordinance [New Version] and Section 3(2) of the Merchandise Marks Ordinance, trademark infringement may constitute a criminal offence; thus, the enforcement of trademark rights is also possible by implementing criminal proceedings by filing a private criminal complaint with the court, and possibly an application for a criminal search and seizure order.

It may take several days to obtain a criminal search and seizure order. The timeframe for obtaining a court sentence in criminal proceedings is approximately two years.

Approach to police IP unit: Another criminal enforcement measure is to approach the IP unit of the police requesting it to initiate an investigation and issue a search and seizure order for the infringer's premises. The police investigation and the execution of the search and seizure order may subsequently result in the

initiation of criminal proceedings by the state against the infringer.

Execution of a search and seizure order by the police IP unit may take place within several days of the filing of the complaint.

Criminal and civil enforcement measures can be conducted simultaneously.

Border measures: Under the customs IP procedure, as set out in Section 69A of the Trademarks Ordinance and Section 200A of the Customs Ordinance, the owner of an Israeli registered trademark may apply to Customs with a request to detain the release of a shipment of goods which infringes its trademark.

Such an approach must be executed in writing and should include:

- a copy of the relevant trademark registration certificate;
- a sample of the original goods bearing the trademark;
- all possible information about the infringing goods and their origin, including pictures, descriptions, the identity of the importer and, if possible, the approximate arrival date of the shipment and the port where the shipment is due to arrive; and
- an undertaking for indemnification to cover possible unjustified damages that may be caused to the importer as a result of the detention of the goods, as determined by a competent court.

Customs will notify the trademark owner upon the arrival of a shipment of goods that are suspected of infringement. The trademark owner should notify Customs within three working days as to whether the goods are indeed infringing; if so, it should file a bank guarantee in a sum to be determined by Customs according to the value of the shipment. The trademark owner should then file a lawsuit (a regular

action, without applying for interlocutory injunction) with the court within seven working days of providing the bank guarantee.

Customs conducts random checks of shipments arriving in Israel, and may approach trademark owners where a shipment which is suspected of infringement arrives in the country.

The owners of unregistered marks cannot approach Customs for protection.

In addition, Customs is authorized to conduct criminal investigations in accordance with the Customs Ordinance and the Merchandise Marks Ordinance, and may detain infringing goods where their import constitutes a criminal offence.

Approach to commissioner of consumer protection: Trademark rights may also be enforced through administrative measures in cases of consumer deception according to the Consumer Protection Law, which empowers the commissioner of consumer protection to initiate investigations and take measures to enjoin deception. This administrative route is very rarely applied.

6. Ownership changes – legalization requirements

A trademark application or registration may be assigned with or without the goodwill of the business concerned in the goods for which it has been registered. Assignments should be recorded. A certification or collective mark may not be assigned, except with the consent of the registrar. The documents required are a deed of assignment and power of attorney from the assignee. No notarization or legalization is required.

7. Areas of overlap with related rights

Trademark rights may to a certain extent co-exist with copyright with respect to a logo that has artistic merit, or with an industrial design with respect to a three-dimensional mark.

8. Online issues

The owners of both registered and unregistered marks may enjoin the unauthorized use of their marks on the Internet, whether as part of a domain name that is in actual use or on web pages. No ruling on metatags has been made to date.

It is recognized that the mere registration of a domain name which includes a competitor's trademark, without use of that domain name, would amount to a tort under Section 3 of the Law of Commercial Wrongs (Civil Case (Tel Aviv) 1627/01).

