

World Trademark Review Daily

Temporary injunction granted based on conceptual similarity of devices
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Confusion
Ownership changes

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In *Mul-T-Lock Ltd v Rav Bariach (08) Industries Ltd* (Case 6658/09, January 12 2010), the Supreme Court has granted a temporary injunction against use of a 'shield and torch' mark due to its conceptual similarity with the registered 'muscleman' mark.

In a multi-stage acquisition, Swedish group [ASSA ABLOY](#) acquired a large portion of the operations of Israeli company [Rav-Bariach Ltd](#), a leading manufacturer of security doors, security locks and car security systems. Rav-Bariach owned a registered device mark depicting a stylized key in the shape of a 'muscleman'. Following the acquisition, Rav-Bariach changed its name to [Mul-T-Lock Ltd](#). Mul-T-Lock continued Rav Bariach's locking products business and, subsequently, its car security systems business. The original Rav-Bariach Group retained its reinforced security doors business, which was conducted via a new company called Rav Bariach (08) Industries Ltd. Under the acquisition agreements, Mul-T-Lock and Rav Bariach had the right to use the registered 'muscleman' device in their respective area of business.

As part of its rebranding efforts, Rav Bariach adopted a new 'shield and torch' device mark (on its website, the new mark was shown on the left-hand side, while the old 'muscleman' mark appeared on the right-hand side). Rav Bariach then applied for the registration of the new mark and started using it, including in fields in which it was contractually barred from using the 'muscleman' device. Mul-T-Lock argued that the new mark was merely a simplified variation of the 'muscleman' device. It thus sought to enjoin Rav Bariach from:

- using the new mark or any mark similar to the 'muscleman' device in circumstances other than those allowed under the contract - and, in particular, in respect of locking products; and
- applying for the registration of such marks.

Mul-T-Lock sought a temporary injunction, among other things.

The district court refused to grant a temporary injunction, finding that the marks were not visually similar. Therefore, Mul-T-Lock's chances of succeeding in its claim of infringement or breach of contract did not warrant an injunction. The court noted that confusion, if any, was likely to arise from the use of the name Rav Bariach in conjunction with both marks (which was contractually allowed), rather than from the use of the new mark.

The Supreme Court granted Mul-T-Lock's leave to appeal and reversed the district court's decision. The Supreme Court reiterated that, under established law, confusing similarity should be assessed based on a comparison of the two marks in their entirety. The marks should be considered separately, and not side by side. The court also noted that confusing similarity may reside in the idea conveyed by the marks, which may lead consumers to believe that the later mark is a variation or a rebranded version of the earlier mark.

The court held that, despite a number of visual dissimilarities which would prevent consumers from believing that the new mark was a variation of the 'muscleman' mark, the marks were confusingly similar from a conceptual point of view. Such conceptual similarity gave rise to a *prima facie* apprehension that consumers would believe that both marks emanated from the same source. This conclusion was supported by the fact that:

- both marks were intended for the same market; and
- Rav Bariach continued using the 'muscleman' device in other areas of business.

The differences between the marks were insufficient to prevent a likelihood of confusion.

Noting that there was no dispute that the 'muscleman' device was well known, the Supreme Court observed that the threshold to establish a likelihood of confusion may be lower where a well-known mark is involved.

The court then addressed the issue of Mul-T-Lock's bad faith in adducing additional evidence on appeal. The court reiterated the rule that interim relief may be granted where:

- the applicant has demonstrated *prima facie* rights; and
- the balance of convenience favours the applicant.

However, interim relief may be denied due to defects in the applicant's conduct. In the present case, Mul-T-

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Lock relied on additional evidence before it had obtained leave to adduce it, in contravention of the Civil Procedure Rules 1984. Therefore, the additional evidence had been adduced in bad faith.

The Supreme Court deemed it appropriate not to deny injunctive relief altogether, but limited its scope by delaying its effect by six months. It noted that the delay could have been longer if Rav Bariach's conduct in adducing evidence on appeal had not also been defective.

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