

World Trademark Review *Daily*

**Former restaurant owner fails to enjoin use of mark for new restaurant
Israel - Gilat, Bareket & Co, Reinhold Cohn Group**

**Confusion
Cancellation
Passing off**

June 21 2010

In *Dahan v Azran* (Civil Case 5306-08, May 10 2010), the district court has refused to grant injunctive relief to the owner of the mark ATNACHTA, who had formerly operated a restaurant in Jerusalem under that name, against a party operating a restaurant under the same name in another city.

The plaintiff, the owner of the stylized word mark ATNACHTA (meaning 'break' or 'pause' in Aramaic), operated a restaurant under that name in Jerusalem from 1990 to 2000. In 2007 the defendant opened a restaurant under the same name in another Israeli city. The plaintiff brought suit against the defendant, alleging:

- infringement of his registered trademark;
- misappropriation of goodwill;
- unjust enrichment; and
- other causes of action.

The plaintiff sought damages and injunctive relief.

In his defence, the defendant argued that the plaintiff had not made use of the mark since the sale of his restaurant in 2000. The defendant thus relied on Section 41 of the [Trademarks Ordinance 1972](#), which allows the cancellation of a mark on the grounds of non-use during the three years preceding the application for cancellation. The defendant further argued that:

- the registered mark and his restaurant's logo were visually different; and
- there was no likelihood of confusion, as the restaurants were located in different parts of the country.

The defendant also invoked his freedom of occupation.

The district court first examined whether Section 41 could be invoked as a defence. The court cited at length the Supreme Court's case law on the right of access to the courts, the freedom of occupation and the importance of guaranteeing the accuracy of the register. In light of the facts of the case (ie, non-use of the mark in the absence of special circumstances), the district court decided that the defendant had properly invoked Section 41 as a defence.

The court then considered whether there was a likelihood of confusion among consumers, regardless of whether the plaintiff made use of his mark. The court noted that the names of the restaurants were similar, but not confusing due to:

- their descriptive nature;
- the differences in their visual presentation; and
- the fact that the relevant public was different for each restaurant.

Weighing proprietary rights against the freedom of speech, occupation and competition, the court concluded that there was no likelihood of confusion and that injunctive relief was inappropriate.

With regard to passing off, the court held that, since the plaintiff's restaurant had closed many years ago, and no use had been made of the mark to promote its recognition among consumers, the plaintiff had failed to establish goodwill in the name for passing off purposes.

The court thus dismissed the case, refused to grant injunctive relief and damages to the plaintiff, and awarded costs in the amount of IS6,000 against the plaintiff.

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