

World Trademark Review Daily

Wrangler obtains injunction against use of W-shaped stitch
Israel - Gilat, Baret & Co, Reinhold Cohn Group

Confusion
Passing off

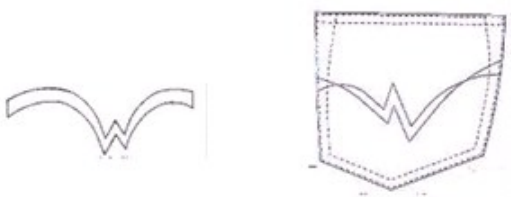
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In *Wrangler Apparel Corp v Crocker 1991 Fashion Systems Ltd* (CC (TA Distr) 1999/05, September 11 2011), the Tel Aviv District Court has held that use by a local jeans retailer of a W-shaped stitch constituted trademark infringement and passing off in respect of [Wrangler Apparel Corp's](#) registered W-shaped stitch.

Wrangler, a multinational jeans manufacturer, has used for many years a W-shaped stitch on the back pockets of its jeans as a trademark. The mark was allegedly chosen as it represents the first letter of its name. Wrangler claimed that the mark had an international reputation, which extended to Israel. In Israel, the mark has been registered since 1984 (the application was filed in 1980) for 'Western style' dungarees, jackets and shirts in Class 25 of the [Nice Classification](#) (Registration 50909):



Crocker 1991 Fashion Systems Ltd, a large local retailer, used a certain stitch pattern on the back pockets of its jeans, which Wrangler argued was misleadingly similar to its mark. Crocker had registered two stylised trademarks in respect of its stitching - Registration 101612 (registered in 1998, applied for in 1995) and Registration 118244 (registered in 2000, applied for in 1998), which both covered clothing, footwear and headgear in Class 25:



Wrangler brought suit against Crocker, alleging trademark infringement of its well-known mark, passing off, misappropriation of goodwill and unjust enrichment. Wrangler claimed that Crocker's use of its mark on jeans back pockets created confusion, including post-sale confusion, and diluted Wrangler's trademarks. Wrangler sought an injunction, accounting and damages in the amount of IS1 million.

Crocker argued, among other things, that its marks were stylised devices expressive of movement, and not necessarily expressive of the letter 'W'. Therefore, they were not confusingly similar to Wrangler's mark, the likelihood of confusion being further diminished by the fact that Crocker's products are sold under the mark CROCKER, which is well known in Israel.

Wrangler adduced survey evidence according to which 40% of the respondents identified Crocker's mark with Wrangler.

Section 1 of the [Trademarks Ordinance \(New Version\) \(5732-1972\)](#) provides as follows:

"'Infringement' means the use by a person not entitled thereto:

(1) of a registered trademark, or of a mark resembling such a trademark, in relation to goods in respect of which the trademark is registered, or to goods of the same description;

[...]

(4) of a well-known trademark which is registered, or a mark similar thereto, in respect of goods not of the same description, provided that such use could indicate a connection between such goods and the proprietor of the registered trademark, and the proprietor of the registered trademark might be harmed as a result of such use.

With regard to trademark infringement, the court held that:

- there was considerable similarity between the two W-shaped stitch marks; and

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- given the imperfect recollection of consumers (who cannot compare the products side by side), such similarity was confusing.

The court thus concluded that Crocker had infringed Wrangler's registered mark.

'Passing off' is defined in Section 1(a) of the Commercial Torts Law (5759-1999) as follows:

"(a) A business shall not cause the goods he sells or the services he offers to be mistaken for the goods or services of another business or related to another business."

In light of Wrangler's reputation in its products (as proved by consumer polls, among other things), Crocker was held to have committed passing off.

The court rejected Crocker's objections to the consumer polls adduced by Wrangler on the grounds that the respondents should have been shown the products in their entirety (each party's products bears the party's name), and not just the pockets. On the basis of Wrangler's poll, the court held that a large portion of the Israeli consumer public identified jeans with a W-shaped stitch on their back pocket with Wrangler.

The court held that the likelihood of confusion was not diminished by the presence of the CROCKER marks on the jeans, as an ordinary consumer was not expected to locate additional trademarks after seeing a W trademark, and would also not encounter both parties' products side by side. Moreover, the presence of a manufacturer's name did not necessarily negate a likelihood of confusion between the original products and those of the infringer.

The court held that use that amounted to trademark infringement and passing off could not be deemed "lawful use" for the purpose of unjust enrichment. The claim of dilution was rejected as irrelevant to the facts. The court also held that Crocker's managing owner was personally liable due to his personal involvement in the choice and design of the infringing mark.

The court dismissed Crocker's argument that Wrangler was estopped due to its failure to oppose the registration of Crocker's marks or sue for over 10 years. Instead, it accepted Wrangler's version that Crocker's use of the mark came to its knowledge only shortly before the suit.

The court issued an injunction against Crocker's use of its W-shaped stitch, ordered an accounting and, in the absence of evidence as to damage, awarded IS250,000 in court-assessed damages and punitive statutory damages (statutory damages of up to IS100,000 being available for passing off), plus legal costs in the amount of IS100,000.

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