

**Passing off established in GOLD marks case**  
**Israel - Gilat, Bareket & Co, Reinhold Cohn Group**  
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Confusion  
Passing off

In *SA Ferromat Trade and Services (1994) Ltd v AS Snir Ltd* (Case 4322/09, August 3 2009), the Supreme Court has held that use of the trademark GOLD 55 for a fuel system cleaner did not infringe the registered trademark GOLD LABEL for identical goods. However, use of the GOLD 55 mark on packaging similar to that of the plaintiff was found to constitute passing off.

SA Ferromat Trade and Services (1994) Ltd imports a fuel system cleaner sold under the registered trademark GOLD LABEL. Ferromat sought to enjoin AS Snir Ltd from marketing a fuel system cleaner under the mark GOLD 55 in packaging similar to its own, alleging trademark infringement and passing off. The district court refused to grant an injunction and Ferromat appealed.

The Supreme Court held that there was no trademark infringement. The court concluded that the marks were not confusingly similar when considered in their entirety - especially in light of the fact that the common element 'gold', a laudatory term, was unlikely to be entitled to significant protection.

However, the court held that Ferromat had shown a *prima facie* case of passing off, as it had demonstrated that:

- it had goodwill in the GOLD LABEL mark; and
- there was a likelihood of confusion under the broader test of passing off, which looks beyond the similarity of the marks.

The court noted that while the word 'gold' and the shape of the packaging might not be unique by themselves, their conjunction on the parties' products could result in confusion among consumers. Taking into account the imperfect recollection of consumers, the court concluded that the similarities between the marks and the packaging would not necessarily be counterbalanced by their differences. The court also rejected the argument that the relevant consumers in this case were not the end users but professionals, who were unlikely to be confused.

The court thus issued an injunction in favour of Ferromat and ordered that Snir pay approximately €7,000 in legal costs.

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