Pegasus Imaging claims predatory activity by Intel causes marketplace confusion

by Bend_Weekly_News_Sources

TAMPA, Fla. â€“ Pegasus Imaging Corporation, the leading provider of digital image compression technology, today claims IntelCorporation unlawfully infringed on its registered trademark causing confusion in the marketplace and taking business from a smaller company.

Pegasus Imaging discovered Intel set up a Google AdWord campaign using its registered mark "Pegasus" in connection with its company name, "Pegasus Imaging," as not only a search phrase, but also the headline of the ad. The ad linked to Intel's own web pages selling Intel Integrated Performance Primitives that are in direct competition with Pegasus Imaging's PICTools image compression and decompression libraries. The two companies base their products on entirely separate code bases and are not associated.

Pegasus Imaging claims Intel intentionally infringed Pegasus' trademark, causing confusion in the marketplace. The use of Pegasus Imaging's mark suggested sponsorship or endorsement by Pegasus Imaging, which was not received, and likely confused consumers into believing there is an association between Intel and Pegasus Imaging.

"I was fiercely disappointed to learn Intel was intentionally using Pegasus Imaging's registered mark to promote its own image compression technology, with the result of misappropriating image compression sales from Pegasus. From the ad, it appeared that Intel had acquired Pegasus Imaging," says Jack Berlin, president of Pegasus Imaging. "We support Intel by optimizing image compression code for their processors, but our code is not based on their libraries. It was very upsetting that Intel caused confusion in the marketplace by making it appear that our libraries were associated with theirs but in fact, we compete. Business is hard enough without this type of behavior by such a dominant player in the PC arena."

Upon request by Pegasus Imaging's legal counsel, Intel did cease and desist illegal use of the registered mark "Pegasus" as a Google AdWord but has not complied with Pegasus Imaging's demand that Intel provide an accounting of traffic generated by the Google AdWords campaign using the Mark. Pegasus Imaging claims unspecified damages as a result of this infringement and is now forced to consider its recourse options, including further legal action.