

Keywords, Banner Advertisements and Sponsored Links - Recent developments in trade mark infringement

The law in this area is far from clear, and is constantly developing with until recently, only one reported case in the UK which considered this issue, *Reed v Reed* in 2004. The Claimant, Reed Executive was an established employment agency who owned the 'REED' trade mark. They brought a claim for trade mark infringement against Reed Business Information, a publishing house that had moved their job ads onto a dedicated website called 'totaljobs.com', which included logos containing the word 'REED'. Whilst this amounted to trade mark infringement, the Court proceeded to analyse the potential trade mark infringement issues involved in banner advertising and the sale of keywords.

The Defendants had purchased certain keywords from search engines including the words 'jobs' and 'Reed', which when searched would trigger banner ads for its website totaljobs.com. Although these ads did not include the word REED, when clicked it took the user directly to the totaljobs.com website. At first instance the court held that a search for 'Reed' constituted trade mark infringement as it was making use of the Claimant's trade mark.

The Court of Appeal disagreed. It held that since this case involved 'similar trade mark infringement' and not 'identical mark infringement' it was necessary to show some confusion as to a trade connection between the Claimant's trade mark and the website amongst members of the public. This was "fanciful" in the Court of Appeal's opinion and therefore no infringement was found. However they reserved their opinion as to whether this would constitute infringement when identical mark infringement is alleged, and no confusion is necessary.

More recently, in *Wilson v Yahoo UK* the Judge analysed this precise issue. The Claimant, Mr Wilson, alleged that Yahoo had infringed his trade mark 'Mr Spicy', by virtue of their sale of the keyword 'Spicy' and their offering for sale of the keyword 'Mr Spicy' to various sponsors. The Judge dismissed the claim for several reasons. First, he held that the only possible use of the trade mark was by the browser entering the phrase 'Mr Spicy' as a search query. There was no possible use of the trade mark by the defendants, simply by their response to the browser's entry.

Secondly, he held that even if this would be considered 'use' by the defendant search engine, in this instance the use was of the keyword 'Spicy' which the sponsors had purchased, and not of the trade marked 'Mr Spicy'. Finally, he ruled that a trade mark owner can only object to the use of a registered trade mark, if that use will affect his own interests and the function of his trade mark, which is 'to guarantee the identity of origin of the goods and services'. The sponsored results displayed upon entry of 'Mr Spicy' did not suggest or indicate any connection between the sponsors and Mr Wilson and his 'Mr Spicy' trade mark, thus not affecting his trade mark interests.

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This decision seems to be a clear victory for search engine companies and the advertising industry. In particular, the judge's view that possible trade mark infringement was only carried out by the browser and not by the search engine is of major significance, as it means that even if Mr Wilson's mark has been registered for a wide range of classes, and even if the keyword in question was the trade mark itself, the search engine providers would not be infringing the trade mark legislation by offering them as keywords.

This approach is to be contrasted with the more restrictive approach of the French courts where several decisions had been made against Google for trade mark infringement through the sale of trademarked keywords. These decisions were referred to by Mr Wilson in the course of the case correspondence, but were not formally pleaded and therefore not considered by the Judge.

Whilst this decision may have deemed keyword and banner trade mark use as legitimate, it is most likely to come under closer scrutiny in the future, in particular if a claim were to be launched by a high profile trade mark owner. In this instance the Judge's approach may have been influenced by the fact that the trade mark was only registered in respect of food related classes, and the keyword in question was not the identical trade mark. The Claimant was self represented and did not seek permission to appeal to the Court of Appeal, who may have approached the matter differently.

By way of an aside (which we will return to in future editions) the US Court of Appeals recently found that use of a competitor's trade mark in a website's meta tags may be actionable as trade mark infringement, a decision which is at odds with other US and European decisions.

Google

Until recently, some search engine providers had taken the concerns of trade mark owners very seriously. Google, for example, had set up a trade mark infringement self regulation process, whereby upon receipt of a complaint from a trade mark owner, they would investigate any concerns and ensure that ads did not contain a trademarked term either in the content of the advertisement or as a keyword trigger. If they did, the advertiser would be required to remove the trademarked term from the advertisement or keyword list and could not use the term again.

However, interestingly, as of 4 April 2008, this policy has now changed in the UK and Ireland. Perhaps encouraged by the recent ruling in Wilson, Google have decided to expand their keyword bidding process to allow businesses to bid for keywords even if the keywords are registered trademarks. Google have also announced that they will no longer investigate any complaints made by trade mark owners in respect of third party usage of their trademarked term as keywords.

This move is extremely significant as it will enable competitors of a trade mark owner to effectively 'steal' any

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potential customers by attracting them to their own ads using the trade mark as their keyword trigger. Google have agreed, as a limited courtesy, to continue to investigate any complaints made by trade mark owners where the actual text of the advertisement contains the trademarked term.

It seems clear that this issue is far from being resolved. Whilst Google seem confident that their new approach does not conflict with existing trade mark protection, it is likely that a strong legal challenge will be mounted by the high profile trade mark owners, who will be anxious to protect their trade marks from being exploited by their competitors.

Practical Points for trade mark owners:

- Aside from the obvious advice which is to purchase your own trade mark if possible and affordable, consider carrying out regular internet searches of your trade marks on different search engines, trying different phrases and combinations, as well as carrying out occasional searches against your competitors' website to look for any use of your mark, either in the text of an advertisement or as a keyword trigger.
- If you do find infringement, consider asking the guilty party to remove the trade marks and re-submit their pages to the search engines notifying the search engines of its actions. Consider requesting an apology from the infringer's website, and a redirection to your website.
- Find out whether the search engine has a self regulation process, e.g. Google's former trade mark complaint procedure which required the removal of sponsored links if a protected trade mark was used as a keyword. Although this protection has now been limited by Google to the use of the trade mark in the advertisement text, other search engines may also offer keyword protection.
- Be careful before alleging trade mark infringement - in the UK this can result in a legal claim under the trade mark legislation for unjustified threats!
- Consider bringing an action in a more brand owner friendly jurisdiction or one where the law of unfair competition offers better protection such as France.

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