

EIP

Keyword advertising and trademark infringement: The Advocate General's opinion

A few years ago, Google decided to allow businesses in the US and in the European Union to buy Google AdWords consisting of their competitors' registered trademarks so that anyone can bid on a keyword to trigger sponsored links in Internet search results, even if that keyword is a registered trademark, and regardless of who that trademark belongs to.

It was not long before the Court of Justice of the EU (CJEU) was asked to rule on whether the practice amounted to infringement of the registered trademark and last year the CJEU decided in the Google France case that the practice is lawful as long as the use does not create any confusion as to the origin of the products being thus promoted.

So where does this leave the trademark proprietor? Is he entitled to prohibit keyword advertising only where the advertisement does not enable the internet user to identify origin? Is he in a better position if his registered trademark has a strong reputation? These were some of the questions put to the CJEU by Mr Justice Arnold, an English IP judge, in relation to a case where the well known retailer Marks & Spencer is being sued by the owner of the Interflora trademark for buying and using the keyword Interflora in promoting its online floristry.

Advocate General Jääskinen (AG) has just issued his opinion and, not unsurprisingly, takes the view that use of registered trademarks as keywords not only can constitute trademark infringement (which is in line with the CJEU Google France decision) but that it actually does so in this case. His reasoning is that "origin" in the context of the Interflora trademark indicates a network of independent flower sellers who deliver in their locality. Consumers seeing Marks & Spencer in the results of their Internet search

on "Interflora" might well be confused into believing that M&S is a member of the Interflora network.

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The AG stated that for prohibiting such use there must be confusion as to origin of products or any likelihood of association between the entities. For example, in this case, if Interflora weren't a network of which Marks & Spencer could potentially have been a part, there would unlikely be any trademark infringement.

Interflora is, in addition, a very well known mark with a powerful reputation and the AG concluded that the trademark proprietor can also object to such use where it benefits from the power of attraction, reputation or prestige of the registered mark, and exploits marketing effort expended by the proprietor although he cautioned that such apparent "free-riding" may be justifiable in genuine comparative advertising.

It is arguable that use of competitors' trademarks is invariably done to benefit from some power of attraction of the mark so that this wide formulation of trademark protection is likely to be welcomed by proprietors of trademarks with repute, if the CJEU reaches the same conclusion.

Whilst the requirements remain challenging for establishing trademark infringement in relation to keywords for marks without a strong reputation, the position for marks with a reputation may become relatively easier, if the CJEU follows the AG's advice.