



Google Changes Trade Mark Policy Following ECJ Decision

September 2010

Google has recently announced changes to its Adwords trade mark policy following the decision of the ECJ in Google France that could further erode the rights of trade mark owners to prevent unauthorised use of their trade marks.

Background

Advertisers and trade mark owners are probably already aware of the potential for infringement through Google advertising using so-called AdWords. This is the name of a service under which Google sells keywords to advertisers so that, in the results of a search containing the purchased keyword, an advertisement containing a link to the advertiser's website appears as a "sponsored link". The advertiser pays per-click or per page impression.

This scheme can result in advertisers paying for keywords that are registered to third parties as trade marks. Use by the advertisers of such marks either as keywords or in the text of the actual advertisement that is triggered by the keyword could potentially amount to trade mark infringement and/or passing off.

Change in Google Trade Mark Policy

Keywords

From 14 September 2010, Google will extend its existing policy in the UK, Ireland and North America of **not** investigating complaints based on keywords alone to most of mainland Europe.

However, one important change to this policy which will affect UK as well as other European rights holders and advertisers is that Google will now carry out a "limited investigation as to whether a keyword in combination with particular ad text is confusing as to the origin of the advertised goods and services". This is expressly stated to be in response to the Google France decision where the ECJ held that advertisers might be held liable for trade mark infringement, if an advertisement makes it difficult for reasonably attentive internet users to discern whether the advertised goods and services originate from the proprietor of the trade mark being used as a keyword or the advertiser. (The decision is discussed in detail in our April 2010 briefing "[Google Adwords: Uncertainty Reigns Despite Ruling from ECJ](#)".)

Google cites examples of what ads will be permitted, provided they are not confusing, as:

- ads using a trademarked term in a descriptive or generic way, such as not in reference to the term as a trade mark;
- ads for competing products or services;

- ads for informational sites about a product or service corresponding to the trade mark;
- ads for resale of the trademarked goods or services; and
- ads for the sale of components, replacement parts, or compatible products corresponding to a trade mark.

Ad text

Another important change which affects only the UK, Ireland and Canada (bringing them into line with the US) is that Google is now limiting the extent to which the use of trademarked terms in ad text can be prevented. Whereas previously Google was readily prepared to take down any ad in these regions making unauthorised use in the ad text of a 3rd party trade mark, its policy is now changing so that it will only carry out a "limited investigation of reasonable complaints". Furthermore, Google will **not** now uphold complaints about the following:

- ads which use the term in a descriptive or generic way, and not in reference to the trade mark owner or the goods or services corresponding to the trade mark term;
- ads which use the trade mark in a nominative manner to refer to the trade mark or its owner, specifically the following:

- Resale of the trademarked goods or services: The landing page of the ad must sell (or clearly facilitate the sale of) the goods or services corresponding to a trade mark term. The landing page must also clearly demonstrate that a user is able to purchase the goods or services corresponding to a trade mark.

OR

- Sale of components, replacement parts, or compatible products corresponding to a trade mark: The landing page of the ad must sell (or clearly facilitate the sale of) the components, replacement parts, or compatible products relating to the goods or services of the trade mark. The landing page must also clearly demonstrate that a user is able to purchase the components, parts, or compatible products corresponding to the trade mark term.

OR

continued

- Informational sites: The primary purpose of the landing page of the ad must be to provide informative details about the goods or services corresponding to the trade mark term. Additionally, the landing page may not sell or facilitate the sale of the goods or services of a competitor of the trade mark owner.

In the case of resellers and retailers of components, replacement parts, or compatible products, the landing page must be primarily dedicated to the sale or facilitation of the sale of the goods or services corresponding to the trade mark. The landing page may not be dedicated to the goods or services of a competitor of the trade mark owner.”

It is interesting to note that Google's investigations of the use of a trade mark in ad text will extend to the landing page that the ad links to. In contrast, it seems that investigation into whether a keyword is confusing will only consider the keyword and the ad text it triggers, and not the corresponding landing page.

Comment

On balance these policy changes are unlikely to be welcomed by trade mark owners in the UK.

Although it will now again be possible for rights holders to complain about the unauthorised use of their trade marks as keywords in the UK, the reality is that they are only likely to convince Google to prevent such use on the basis that it is confusing where the trade marks are also used in the ad text itself in such a way to suggest that the advertiser may be supplying the goods or services of the

proprietor. Rights holders were always able to complain about such ads (and to have the ads disabled) on the basis of Google's prior zero-tolerance approach to the use of trade marks in ad text, so to that extent there is no change.

However, in fact it is now much more difficult for trade mark owners to complain about the use of their trade marks in ads being served up in the UK. The zero-tolerance approach has gone, and in the absence of corresponding keyword use, Google will only carry out a "limited investigation of reasonable complaints". This begs the questions of "How limited?" and "What does Google consider to be reasonable?"

Moreover, it is also clear that Google will allow some use in circumstances which it does not consider to be confusing. By and large these circumstances mirror the lawful use of 3rd party trade marks for purely descriptive non-trade mark use, or to identify the goods (or component parts or spares for such goods) or services of the trade mark proprietor in accordance with honest business practices. Nevertheless it remains a backward step in the protection Google is prepared to afford to rights holders, who will no doubt feel uneasy at Google's willingness and ability to effectively police this policy and respond to complaints in a timely and satisfactory manner.

Of course Google's policy is not determinative of whether use of a 3rd party trade mark by an advertiser is or is not trade mark infringement or passing off. For advice on this please contact a member of the Intellectual Property team.

Intellectual Property



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