Unauthorised Use of Trade Marks on the Internet: How can trade mark law help? The UK Perspective

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Options

- **Civil proceedings:**
  - primary infringers
  - intermediaries

- **Domain Name Complaints**
  (UDRP, Nominet, etc.)

- **Law enforcement agencies:**
  inc. **criminal proceedings**

- **Private criminal prosecution**

- **Self-regulatory mechanisms:**
  search engine de-indexing, abuse report systems, etc.

- **Interception of goods sold online by Customs Authorities:**
  e.g. small consignments procedure

- **ISPs** - Takedown letters / possible leverage on ISP’s T&Cs / **blocking injunctions**

- **Payment Disruption**
What are we going to cover?

The UK perspective:

1. Direct liability - keyword advertising and website uses

2. Indirect liability - blocking injunctions against ISPs

1. Domain names – passing off?
Legal Framework

**EU law:**
- Trade Mark Regulation 207/2009/EC
  (as amended by EU Regulation 2015/2424)
- e-Commerce Directive 2000/31/EC

**UK specific law:**
- Trade Marks Act 1994
  (implementing EU Directive 2008/95/EC)
- Common law: **passing off** action
Case law

Direct Liability
Direct liability

**Google France cases**
(Joined CJEU cases C-236/08, C-237/08 and C-238/08, 23 March 2010)

- Adword = ‘trade mark use’

- An advertiser who bought a keyword the same or similar to a trade mark could be liable for infringement if the advertisement did not enable an average internet user to ascertain whether the goods or services referred to originated from the owner of the trade mark or an undertaking economically connected to it
Cosmetic Warriors -v- Amazon.co.uk Ltd

Advertisement Type #1

Lush Soap at Amazon.co.uk
www.amazon.co.uk/lush-soap
amazon.co.uk is rated *****
Low prices on Lush Soap
Free UK Delivery on Amazon Orders.

X

www.see-redd.com
Cosmetic Warriors -v- Amazon.co.uk Ltd

Advertisement Type #2

Bomb Bath at Amazon.co.uk
www.amazon.co.uk/bomb+bath
amazon.co.uk is rated *****
Low prices on Bomb Bath
Free UK Delivery on Amazon Orders.
Cosmetic Warriors -v- Amazon.co.uk Ltd

Website Use #1: Drop down menu
Website Use #2:
Repeat of consumer request and related searches
Cosmetic Warriors -v- Amazon.co.uk Ltd

Website Use #3: Brands List
Cosmetic Warriors -v- Amazon.co.uk Ltd

Key Points

Sponsored ads without third party mark

- Generally not a problem:
  - consumers familiar with sponsored ads
  - used to seeing ads from competitors

≠ Interflora -v- M&S?
- ‘the network effect’
- retrial

Website uses: search function

- Free competition and access to technological developments vs
  - IP rights

Trade Mark Functions

- Infringing uses affected following functions:
  - Origin
  - Advertising
  - investment

Relevance of unavailability of LUSH goods: LUSH as generic indicator

What if goods were available?
Case Law

Indirect Liability
Indirect liability

Google France cases
(Joined CJEU cases C-236/08, C-237/08 and C-238/08, 23 March 2010)

- No trade mark use by Google
- An ISP not liable for infringement merely because it stored the keyword and used it to organise the display of advertisements
- Unless it played an active role (= had knowledge of or control over what the advertiser was doing)
- Or unless it had failed to act expeditiously once aware of infringing activity
Blocking injunctions against ISPs

- Cartier & Ors -v- BSkyB Ltd & Ors [2016] EWCA Civ 658
- Cartier & Anor -v- BT Plc & Ors [2016] EWHC 339 (Ch)

Retail broadband services providers

Orders to block access by subscribers to websites advertising / selling infringing goods
Blocking injunctions against ISPs

ROLE OF ISPS

**NO** wrongdoing
**NO** infringement of TMs
**NO** common design with counterfeiters
**NO** general duty to ensure services are not used by operators of infringing website(s)

_Inevitable and essential actors in the website operators’ infringing activities_
Blocking injunctions against ISPs

**THRESHOLD CONDITIONS FOR GRANT OF ORDER**

1. Is the ISP an ‘intermediary’?
2. Are the operators of the target website infringing the trade marks?
3. Do the operators use the ISP’s services to infringe the trade marks?
4. Does the ISP have actual knowledge of this?
Blocking injunctions against ISPs

IS IT JUST AND CONVENIENT TO DO SO?

Relief must

1. Be necessary
2. Be effective
3. Be dissuasive
4. Not be unnecessarily complicated or costly
5. Avoid barriers to legitimate trade
6. Be fair and equitable and strike a fair balance between fundamental rights
7. Be proportionate
Open Issues

- Expensive remedy
- Availability of pan-EU orders?
- Who pays for implementing order?
- Impact of Brexit
- Future effectiveness
Case law

Domain Names
Domain Names

RBS Group

VS

Yoyo.Email Ltd

rbsbank.email
rbs.email
natwest.email
coutts.email
Domain Names

RBS Group → Successful UDRP Complaint: transfer order → Yoyo.Email Ltd

- Domains transferred
- Application to High Court for declarations:
  - setting aside of WIPO’s decision
  - not infringement
  - entitlement to recover domains

Yoyo.Email Ltd v RBS Group Plc [2015] EWHC 3509 (Ch)
Can High Court set aside Panel’s Decision?

Clause 4(k) UDRP – Availability of Court Proceedings

"The mandatory administrative proceeding requirements set forth in Paragraph 4 shall not prevent either you or the complainant from submitting the dispute to a court of competent jurisdiction for independent resolution before such mandatory administrative proceeding is commenced or after such proceeding is concluded [...]"

- Clause 4(k) does not give rise to a separate cause of action
- High Court not entitled to act as appeal or review body in relation to UDRP decisions
Does registration of domain name constitute passing off?

YES

- Mere registration makes a misrepresentation
- Passing off occurs at the point of registration
- Not necessary to consider registrant’s intended use and steps it would take to avoid confusion
- Not necessary to conclude whether registration of domain names was, by itself, an instrument of fraud

Passing off claim or UDRP complaint?
THANK YOU FOR LISTENING!

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