

Search engines, metatags and keywords—New challenges in defending trade marks online

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Introduction

The authors were recently asked to advise Creative Housing Solutions Ltd. t/a Shomera and Seomra who found their trade marks “Shomera” and “Seomra” being abused online by competitors piggybacking on the goodwill associated with those terms. Two particular examples—the use of the domains *seomra.com* and *seomra.ie* by competitors—presented relatively straightforward issues and were soon resolved with the domains being transferred to Creative Housing Solutions.

However, there were also attempts to divert users who were searching for “Shomera” or “Seomra” using search engines. Both of these later instances were also resolved in favour of Creative Housing Solutions. In one case the website immediately agreed to delete various references to “Seomra”, “Shomera” and other variations in the spelling of each from its website coding and metadata. In the other instance, both Google and the other website company agreed to cease using the keyword “Seomra” for the sale of advertising.

Such attempts to divert search engine traffic present new and interesting problems for the law. In this article we discuss the international and Irish dimensions of these issues including the application of trade mark and passing-off rules.

Background: From domain Names to Search Engines

In the early days of the Internet, trade mark owners soon learned the importance of defending their marks online. The first battles took place over domain names, which were widely considered to be the key to doing business online. At that stage, search engines were in their infancy and users tended to find sites by typing the domain name directly into the browser – guessing the name if necessary.

“Cybersquatters” soon took advantage of this fact, registering domains that were identical or confusingly similar to trade marks, and either selling those names to the trade mark owner or profiting from the resulting consumer confusion.

At the outset, it wasn’t clear what trade mark owners could do to protect their names. But three separate developments soon shifted the balance in their favour. In cases such as *One in a Million*¹ and *Local Ireland Ltd. v Local Ireland-Online Ltd.*,² the courts showed a willingness to extend existing trade mark and passing-off rules to the novel area of domain names. In some jurisdictions legislation was passed to protect trade mark holders (such as the US Anticybersquatting Consumer Protection Act 1999). Most importantly from a practical point of view, domain registries started to put in place mandatory arbitration systems which provided trade mark owners with a cheap and speedy remedy. For example, in relation to .com, .org and .net domains, the Uniform Dispute Resolution Policy (UDRP) allows a trade mark owner to challenge a domain name which is “identical or confusingly similar” to their mark, provided that the existing holder “has no rights or legitimate interests” in the name, and the name “has been registered and is being used in bad faith”. At the time of writing, an action can be brought under the UDRP for just US\$1500, covering up to five domain names, with a final decision available within a few months of filing.

However, even as cybersquatting declines we find that trade mark owners now have to defend their names in a different context. As search engines become more sophisticated, users are tending to rely on them as their primary means of navigation. Rather than type in a domain name directly (or rely on a bookmark), many users will simply enter a term—such as a company name or product – into a search engine, expecting the site they are looking for to appear high in the list of results. Consequently, the importance of domain names is diminished and search engines take on a new prominence. As Nielsen puts it:

“Web users are growing ever-more search dominant. Search is how people discover new websites and find individual pages within websites and intranets. Unless you’re listed on the first search engine results page ... you might as well not exist.”³

This poses a new problem for trade mark holders—what happens when a competitor uses their trade mark in such a way that a person searching for the term will be shown a competing site in the list of results, or will be shown an advertisement for the competitor?⁴

Metatags

One way a competitor might do this is by using a metatag. This is a term embedded in a web page which is invisible to the user but which provides information to search engines. For example, an online toy shop might have the following metatags:

¹ [1998] E.W.C.A. Civ. 1272.

² [2000] I.E.H.C. 67.

³ Jakob Nielsen Alertbox, August 28, 2006 at <http://www.useit.com/alertbox/search-keywords.html> (visited September 11, 2006). See also Nielsen and Loranger, *Prioritizing Web Usability* (New Riders Press, Berkeley CA, 2006).

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<META NAME="description" CONTENT="Toy Shop"> and

<META NAME="keywords" CONTENT="toys, games, children, puzzles, educational toys">

The user will not see these terms—but as a result of the metatags the site will rank higher in any search for “toy shop”, “puzzles”, “educational toys”, etc. This creates an obvious temptation for site owners to include competitor’s trade marks in their metatags, so that, for example, a user searching for “Playboy” will also see results for other, unaffiliated, adult sites.

Keywords

Another method is to buy keywords. These are terms purchased by advertisers from search engines, in order to serve up advertising tailored to those terms (also known as “keying”, or “contextual advertising”). For example, if I purchase “Dublin lawyer” then any person entering that search will be shown my advertisement along with the other search results. Depending on the search engine, the advertisement may be included in the search results, marked as a “sponsored link” or contained in a separate portion of the page and marked as an advertisement.⁵

Again, there is a temptation for a competitor to buy a trademarked term as a keyword—a user searching for “Playboy” might in this case be shown an advertisement for competing adult sites.

The issues

At first glance the unauthorised use of trade marks as metatags or keywords might seem to be a clear infringement of the mark in question. The trade mark holder will certainly argue that the metatag or keyword improperly takes advantage of the goodwill in the trademarked term and confuses the user into believing that there is some link between the trade mark and the search results or advertisements displayed in response. It can also be argued that the search engine is itself guilty of infringement by selling the trademarked term as a keyword. In addition, the tort of passing-off may be available.

However, look more closely and the position becomes more complicated. Trade mark law was not drafted with metatags or keywords in mind, making it

difficult to bring these situations within the legislative language. There will be some situations where the trade mark use is legitimate, for example, a company which manufactures spare parts for BMW cars might be entitled to use “spare parts suitable for BMW” in its metatags.

The likelihood of consumer confusion may also be less in metatag / keyword cases as the trade mark is being used “invisibly”—that is, in a way which is not directly visible to the user, reducing the likelihood that the user will associate the search result or the advertisement with the trade mark. If a search engine faces liability for selling trademarked keywords, it may be hard to determine whether that liability is direct or merely contributory. (Some cases suggest that the search engine should not be liable for the keywords chosen by its clients.)

In addition, some would argue that provided users are not confused, presenting advertisements for competing goods alongside search results is no more objectionable than a shop placing similar products in the same aisle:

“Using trade marks for keyword banner advertising is not as sinister as it seems when compared to real life practices. In the brick and mortar world, most stores, such as supermarkets, group products together by category. Competing products appear side by side on the shelf just as they appear side by side on the web page. If a customer were to ask a store clerk, ‘Where can I find the Tylenol?’ the clerk would direct the customer to the correct aisle. There the customer will find not only Tylenol, but also the generic brand[s] of ... pain relievers – a whole array of products related to her query but not affiliated with the trade mark owner. The result is the same when the user enters the trade mark into a search engine and sees advertising for comparable products.... The consumer may decide to choose another product or stay with the original choice. Whether viewing a supermarket shelf or a web page, the consumer benefits from the adjacent display of competing products.”⁶

Consequently, the courts have struggled with these issues, and different jurisdictions have taken very different views.

US law

The United States was the first jurisdiction to tackle metatags and keywords, and an analysis of US law is of significant practical importance as most major search engines are based there. The relevant law is the federal Lanham Act which governs trade mark disputes. Under the Lanham Act, an infringement takes place where a party:

⁴ For a good general discussion of these issues see Albert and Abbati, “Metatags, Keywords, And Links: Recent Developments Addressing Trademark Threats In Cyberspace” (2003) 40 San Diego L. Rev. 341.

⁵ Indeed, Google has recently introduced a refinement of the keyword concept, by providing advertising on web pages which is tailored to the content of that page (the AdSense program). Suppose, for example, that I run a web page on a variety of topics, and I sign up with AdSense. The effect is to reserve a portion of my page for advertisements from google, selected according to the particular page. If I put up a page on car buying, the server providing the advertising will automatically detect that fact, and will (most likely) skew the advertising towards car dealerships, etc. For more details see <https://www.google.com/adsense/overview>. For our purposes, we can treat this as presenting largely the same issues as the basic keyword concept.

⁶ Shea, “Trademarks and Keyword Banner Advertising” (2002) 75 S. Cal. L. Rev. 529 at 554–555.

“use[s] in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive.” (Section 32)

Metatags

From an early stage the courts interpreted this provision as limiting—but not absolutely prohibiting—the use of trade marks as metatags by competitors.

In *Brookfield Communications v West Coast Entertainment*,⁷ the defendant used the term “Moviebuff”—a trade mark of the plaintiff—in its metatags. It argued that this was not an infringing use, as the elements of “confusion”, “mistake” or “deceit” were lacking. In particular, it argued, consumers would not be confused—it would be clear to them that they were visiting the defendant’s site rather than the plaintiff’s. The Court of Appeals, however, held that the element of confusion had to be considered not just at the time where consumers visited the site, but also at the “initial interest” stage. As the court put it:

“Nevertheless, West Coast’s use of ‘moviebuff.com’ in metatags will still result in what is known as initial interest confusion. Web surfers looking for Brookfield’s ‘MovieBuff’ products who are taken by a search engine to ‘westcoastvideo.com’ will find a database similar enough to ‘MovieBuff’ such that a sizeable number of consumers who were originally looking for Brookfield’s product will simply decide to utilize West Coast’s offerings instead. Although there is no source confusion in the sense that consumers know they are patronizing West Coast rather than Brookfield, there is nevertheless initial interest confusion in the sense that, by using ‘moviebuff.com’ or ‘MovieBuff’ to divert people looking for ‘MovieBuff’ to its web site, West Coast improperly benefits from the goodwill that Brookfield developed in its mark.” (at para.29)

The court therefore ordered West Coast to cease the use of the “moviebuff” trade mark in its metatags.

When will metatag use be permissible? In *Playboy Enterprises v Welles*,⁸ the defendant was an adult model and a former “Playmate of the Year”. She established her own website and included in her metatags various trade marks owned by the plaintiff, such as “Playboy” and “Playmate”. The plaintiff alleged that these uses were infringing or diluted their trademark, but the Court of Appeals disagreed, holding that this was a permissible, nominative fair use. The only way by which the defendant could describe herself

(without resorting to absurd circumlocutions such as “the nude model selected by Mr Hefner’s organization”) was by use of these terms; they did not suggest that she was sponsored or endorsed by the plaintiff; and her use of the terms went no further than necessary.

This last point was especially important—the court noted that she didn’t extensively repeat the terms in the metatags, and the metatags didn’t cause search engines to rank her site ahead of the plaintiff’s site. It noted that a different result might be reached otherwise.

On the other side of the line was *Horphag Research v Pellegrini*,⁹ where the plaintiff owned a trade mark for “Pycnogenol”, which it used to market a pine bark extract. The defendant operated a number of websites where he sold Pycnogenol but also an array of competing health products. In order to raise his sites’ ranking in searches for “Pycnogenol”, he repeatedly used that term both in the metatags and content of his sites. In finding that this was not a permitted fair use, the Court of Appeals stressed that the defendant had gone beyond any reasonably necessary use of the mark to a point where it was “unreasonably pervasive”, giving Internet searchers the false impression that the products sold by him were approved by the trade mark holder.

Keywords

Turning to keywords, recent US case law leans in favour of the search engine and against the trade mark holder.

In *Playboy Enterprises v Netscape*,¹⁰ the defendants operated search engines and sold keywords which included trade marks belonging to the plaintiff so that users searching on, for example, “Playboy” would be shown various adult advertisements. The plaintiff alleged that this infringed its trade mark. At first instance, summary judgment was granted to the defendant, but on appeal the Court of Appeals reversed the grant of summary judgment and held that keyword advertising was a “use in commerce” of the trade mark and could amount to an infringement.

However, the court did not find that the sale of trademarked keywords was itself infringing. Instead, it held under the Lanham Act that a likelihood of consumer confusion was required before an infringement could take place.

In this case the court accepted that there might be consumer confusion, relying on the fact that the banner advertisements in question weren’t marked as advertisements (as distinct from search results) and didn’t identify their origin (so that users might associate them with the plaintiff). However, the Court stressed that it was “not addressing a situation in which a banner advertisement clearly identifies its source with its sponsor’s name, or in which a search engine clearly identifies a banner advertisement’s source”, suggesting that trade mark keyword advertising would be

⁷ 174 F.3d 1036 (9th Cir., 1999).

⁸ 279 F.3d 796 (9th Cir., 2002).

⁹ 328 F.3d 1108 and 337 F.3d 1036 (9th Cir., 2003).

¹⁰ 354 F.3d 1020 (9th Cir., 2004).

permissible provided that steps were taken (such as labelling the advertisements) to ensure that users were not led to believe that an advertisement was endorsed by the trade mark owner.

Later cases have confirmed that suggestion. The most important decision to date is *Government Employees' Insurance Company (GEICO) v Google*,¹¹ where Google sold a trademarked term belonging to the plaintiff as a keyword—so if a user searched on the term GEICO they would be presented with advertisements for competing insurance companies. The trial court confirmed that. In this case however, unlike *Playboy Enterprises*, it was harder for the plaintiff to establish confusion as the search results presented by Google were clearly differentiated from the advertisements, which were located in a distinct part of the page and described as “sponsored links”.

On the facts presented, the court found that there was no evidence of consumer confusion where Google simply placed advertisements for competitors alongside the search results: however, there was some evidence of consumer confusion where the advertisement itself contained the term GEICO in either its heading or text. Accordingly, the litigation was allowed to proceed only in respect of advertisements containing the term GEICO; judgment was given for Google in respect of advertisements which didn't contain the term.

On foot of these decisions, the position appears to be that US search engines are free to sell trademarked terms as keywords provided that, (a) the resulting advertisements are clearly distinguished from search results, and (b) the trademarked term is used invisibly, *i.e.* it does not appear in the heading or text of the advertisement. However, more litigation on this point is pending, notably *Google v American Blind & Wallpaper Factory*,¹² which may yet restrict the sale of keywords.

The European Legal Framework

Metatags and keywords in Europe must be considered in light of EU law and in particular the Trade Mark Harmonisation Directive,¹³ and the Comparative Advertising Directive.¹⁴

Article 5 of the Trade Mark Directive provides:

1. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:
 - (a) any sign which is identical with the trade mark in relation to goods or services which are identical with those for which the trade mark is registered;

- (b) any sign where, because of its identity with, or similarity to, the trade mark and the identity or similarity of the goods or services covered by the trade mark and the sign, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association between the sign and the trade mark.

Does this prohibit metatag or keyword use of trade marks by competitors? In particular, is such “use in the course of trade?” There is no Irish authority on this point but other jurisdictions have considered the issue with very different results.

United Kingdom

It was initially assumed that metatag use was capable of being infringing, see, for example, *Roadtech Computer Systems v Mandata*.¹⁵ In that case the plaintiff and defendant were competitors in the road haulage industry, and the defendant was found to use the plaintiff's “Roadtech” and “Roadrunner” trade marks in its metatags. When discovered, the defendant admitted that this amounted to a trade mark infringement, but denied that it amounted to the tort of passing-off. On an application for summary judgment, however, the Master found in favour of the plaintiff on both the infringement and passing-off claims on the basis that this was “a deliberate, albeit unsophisticated appropriation of the Claimant's rights”. This case is of little precedential value, however, being a decision of the Master rather than a judge, and given that the trade mark infringement was admitted.

More recently, though, *Reed Executive Plc. v Reed Business Information Ltd.*,¹⁶ has muddied the waters. In this case the plaintiffs registered the word Reed as a trade mark for employment agency services while the defendants operated an online recruitment website advertising job vacancies (Totaljobs.com) which used the term Reed in their metatags and also as a keyword for Yahoo banner advertising. The plaintiffs brought an action alleging both trade mark infringement and passing-off.

Although they were successful in the High Court, the Court of Appeal found in favour of the defendants on both the trade mark and passing-off points. The court identified this as a case falling within Art.5.1(b) of the Directive, that is, involving use of a similar mark for similar services. As such, it had to be shown that there was “a likelihood of confusion on the part of the public, which includes the likelihood of association between the sign and the trademark”. Similarly, for passing-off to be established, it had to be shown that the public would be confused as between the defendant's and plaintiff's services.

¹¹ 2005 WL 1903128 (E.D.Va., 2005).

¹² N.D.Cal., (2005) WL 832398.

¹³ Directive 89/104/EEC.

¹⁴ Directive 97/55/EC, amending Directive 84/450/EEC.

¹⁵ [2000] E.T.M.L.R. 970.

¹⁶ [2004] E.W.C.A. Civ. 159.

As regards metatags, the court found that there was no such confusion, noting that a person searching for “Reed jobs” would see the plaintiffs’ site ranked higher than the defendants’, while many other irrelevant results would also be shown:

“Assuming metatag use counts as use of a trade mark, there is simply no confusion here. I confess to not following the Judge’s reasoning on the point. He said that the ‘ultimate purpose [of the metatag] is to use the sign to suggest a connection which does not exist.’ But purpose is irrelevant to trade mark infringement and causing a site to appear in a search result, without more, does not suggest any connection with anyone else.” (*per* Jacob L.J. at para.148)

On the keyword point, the court again found that there was no confusion:

“The Judge held that when the banner was triggered by the word ‘Reed’ there was infringement.... I am unable to agree with this. The banner itself referred only to totaljobs – there was no visible appearance of the word Reed at all. Whether the use as a reserved word can fairly be regarded as ‘use in the course of a trade’ or not.... I cannot see that causing the unarguably inoffensive in itself banner to appear on a search under the name ‘Reed’ or ‘Reed jobs’ can amount to an Article 5.1(b) infringement. The web-using member of the public knows that all sorts of banners appear when he or she does a search and they are or may be triggered by something in the search. He or she also knows that searches produce fuzzy results – results with much rubbish thrown in. The idea that a search under the name Reed would make anyone think that there was a trade connection ... is fanciful. No likelihood of confusion was established.” (*per* Jacob L.J. at paras 139–140)

Reed was unusual, however, in that it involved a defendant which was trading in good faith under its own name, not one who deliberately set out to manipulate search engine results or to divert consumers from the plaintiff. It was also unusual in that (unlike *Roadtech Computer Systems* and the majority of cases to date) it involved the use of similar marks in respect of similar services. Where we have the more common situation of an identical mark being used in respect of an identical service, we must apply Art.5.1(a) of the Directive, which does not require a plaintiff to show a likelihood of confusion.

Reed left open the question of whether Art.5.1(a) would prohibit such the use of metatags and keywords, but Jacob L.J. expressed some doubts on this point. As regards keywords, he indicated that, “It may be that an invisible use of this sort is not use at all for the purposes of this trade mark legislation” (at para.142), while as regards metatags he stated that they present:

“[S]everal difficult questions:

(a) First, does metatag use count as use of a trade mark at all ... Uses read only by computers may not count – they never convey a message to anyone.

(b) If metatag use does count as use, is there infringement if the marks and goods or services are identical? This is important: one way of competing with another is to use his trade mark in your metatag – so that a search for him will also produce you in the search results. Some might think this unfair – but others that this is good competition provided that no-one is misled.” (at para.149)

It is still unclear, therefore, whether UK law will treat invisible metatag and keyword use as falling within the scope of trade mark law.¹⁷

France

French law, on the other hand, has come down strongly on the side of the trade mark holder.¹⁸ A number of high profile decisions against search engines have affirmed that the sale of keywords is a trade mark use amounting to trade mark counterfeiting (and have also applied national unfair competition laws). For example, in *Google v Viaticum/Luteciel*,¹⁹ it was held that Google’s sale of the keywords “bourse de voyages”, “bourse de vols” and “bdv” was an infringement as regards the mark “bourse de vols”, and that Google should have carried out preliminary checks regarding the keywords purchased by its clients, where those marks were well known. Technical arguments made by Google as to the difficulty of filtering keywords were rejected—the court taking the view that Google had designed its system with a view to profit, and the fact that the system lacked the ability to screen out certain keywords was a matter for Google, not the court.

Similarly, in *Louis Vuitton Malletier v Google*,²⁰ it was held that Google was liable for the sale of keywords which corresponded to trade marks held by Louis Vuitton. In each case the court showed no sympathy for the argument that the primary responsibility was that of the client purchasing the keyword. It was held that it was insufficient to rely on a representation from the user that the keyword was non-infringing, and that while a search engine could not be fixed with a general obligation of monitoring all keywords purchased, nonetheless it must be able

¹⁷ The only other UK case on point is *Hesco Bastion v TFL Defence* [2004] E.W.H.C. (Ch.) 3250, where the defendant conceded that the use of metatags by it constituted both a trade mark infringement and passing-off.

¹⁸ Scott and Atallah, “Internet Keywords Unlock Doors to Litigation” (2004) 10(5) *Computer and Telecommunications Law Review* 99.

¹⁹ Versailles Court of Appeal, March 10, 2005.

²⁰ Paris Court of Appeal, June 28, 2006.

to prevent the use of keywords that are manifestly illicit, such as marks that are well known or of which it has been made aware.

Germany

German law appears to be more favourable to search engines. One commentator has summed up the majority of German cases as establishing that:

“a claim of trade mark infringement will not succeed unless the trade mark appears in the text of the advertisement and if the search engine is notified of the breach by the trade mark owner and refuses to act ... [I]nfringement should not arise as search engines are not in a position to examine whether or not keywords violate the trade mark rights of third parties, to do so would be overly burdensome for the search engine. Also, search engines are not responsible for the keywords chosen by advertisers.”²¹

As regards metatags, while there are a number of German decisions²² which take the view that the use of a competitor’s trade mark as a metatag is infringing there is also authority in the other direction.²³

The “accessories / spare parts” and comparative advertising defences

Assuming that metatag or keyword use is “a use in trade”, then a defence may be available under European law. Under Art.6 of the Trade Mark Directive, a third party may use a trade mark in the course of trade where it is “necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts” provided that this is done “in accordance with honest practices in industrial or commercial matters”.

The Comparative Advertising Directive builds on this by allowing reference to a competitor’s trade mark in comparative advertising, provided that:

- (a) it is not misleading;
- (b) it compares goods or services meeting the same needs or intended for the same purpose;

- (c) it objectively compares one or more material, relevant, verifiable and representative features of those goods and services, which may include price;
- (d) it does not create confusion in the market place between the advertiser and a competitor or between the advertiser’s trade marks, trade names, other distinguishing marks, goods or services and those of a competitor;
- (e) it does not discredit or denigrate the trade marks, trade names, other distinguishing marks, goods, services, activities, or circumstances of a competitor;
- (f) for products with designation of origin, it relates in each case to products with the same designation;
- (g) it does not take unfair advantage of the reputation of a trade mark, trade name or other distinguishing marks of a competitor or of the designation of origin of competing products;
- (h) it does not present goods or services as imitations or replicas of goods or services bearing a protected trade mark or trade name. (Article 3A)

Will either of these exceptions permit use of trade marks as metatags or keywords? Surprisingly, there appears to be only one reported decision on this topic. In the Danish case of *Melitta v Coffilter International*,²⁴ the plaintiff enjoyed a trade mark in Melitta as well as various numbers (202, 206 and 220) designating different coffee filters it sold. The defendant manufactured compatible filters and designated them on its website and in its metatags as being “Melitta compatible” and by using the same numbers.

The courts held that while metatag use was capable of being an infringement, the “accessories or spare parts” defence could apply—but only if the metatags also appeared on the page itself, not merely as hidden text. The court was also influenced by the number of times the term Melitta was repeated, suggesting that the use went beyond what was necessary to indicate the purpose of the goods and was instead intended to improperly drive up the defendant’s search ranking.

This decision indicates that the courts will closely examine any attempt to bring metatags or keywords within the scope of these defences. Invisible use of trade marks will be very difficult to justify—a use which is invisible to the user is unlikely to be either “necessary” under Art.6 of the Trade Mark Directive or to constitute “comparative advertising”. Even if the metatag or keyword does appear in the visible text, and is being used for a permitted purpose, the defendant must still show that the use is “in accordance with honest practices” (to rely on Art.6) or does not

²¹ Daly, “An Analysis of the American and European Approaches to Trade mark Infringement and Unfair Competition by Search Engines” (2006) 28(8) European Intellectual Property Review 413 at 416.

²² Munich Appeal Court decision, 6 U 4123/99, April 6, 2000, and Karlsruhe Appeal Court decision, 6 U 112/03, October 22, 2003. See also, the cases cited in de Vuyst and Bodard, “Meta Tag Litigation: An Overview And Some Policy Conclusions” (2002) 9(2) E-Law – Murdoch University Electronic Journal of Law, available at http://www.murdoch.edu.au/elaw/issues/v9n2/devuyst92_text.html (visited on August 13, 2006).

²³ Higher Regional Court of Dusseldorf decision, 20 U 104/03, February 17, 2004, cited in Daly, “An Analysis of the American and European Approaches to Trade mark Infringement and Unfair Competition by Search Engines” (2006) 28(8) European Intellectual Property Review 413 at 415.

²⁴ Discussed by Olson in (2001) 23(5) European Intellectual Property Review N58.

“create confusion in the market place between the advertiser and a competitor” or “take unfair advantage of the reputation of a trade mark” (to rely on the Comparative Advertising Directive). In particular, attempts to “spam” search engines by including multiple references to a trade mark, or uses which confuse users that a search result is affiliated with the trade mark owner, will not be permitted.

Keywords and search engine policies

Different search engines have chosen different ways of dealing with this legal landscape. Google has adopted an aggressive posture in the US market, asserting a right to sell trademarked terms as keywords, and reviewing trade mark complaints only in respect of the text of the advertisement itself. See Google Trademark Complaint Procedures:

“When we receive a complaint from a trade mark owner, we will only investigate whether the advertisements at issue are using terms corresponding to the trademarked term in the advertisement’s content. If they are, we will require the advertiser to remove the trademarked term from the content of the ad and prevent the advertiser from using the trademarked term in ad content in the future. Please note that we will not disable keywords in response to a trade mark complaint.”²⁵

Outside the US, Google has adopted a much more restrictive policy, preventing advertisers from using trademarked terms either as keywords or in the text of the advertisement:

“When we receive a complaint from a trade mark owner, our review is limited to ensuring that the advertisements at issue are not using a term corresponding to the trademarked term in the ad text or as a keyword trigger. If they are, we will require the advertiser to remove the trademarked term from the ad text or keyword list and will prevent the advertiser from using the trademarked term in the future.”²⁶

Google’s major competitor, Yahoo, has adopted a more nuanced approach. On its US site it allows advertisers to purchase trademarked terms as keywords provided that the advertiser:

“[p]resents content on its Web site that (a) refers to the trade mark or its owner or related product in a permissible nominative manner without creating a likelihood of consumer confusion (for example, sale of a product bearing the trademark, or commentary, criticism or other

permissible information about the trade mark owner or its product) or (b) uses the term in a generic or merely descriptive manner.”²⁷

In other words, trademarked terms may be purchased for purposes such as reselling the product in question, or non-commercial discussion (such as consumer criticism) of the product. Interestingly, the UK terms of use²⁸ go further and allow the purchase of keywords for the purpose of comparative advertising, even though the US terms no longer do so.

Conclusion

Where does this complicated area of law leave Irish businesses who wish to protect their trade marks? Until the Irish courts give a decision in this area, it is impossible to give a definitive answer as to whether the invisible use of trade marks as keywords or metatags will be considered to be an infringing “use in the course of trade” under s.14 of the Trade Marks Act 1996, or whether they will be regarded as misleading the public so as to constitute the tort of passing-off.

We would suggest that the better view, *pace* the decision in *Reed*, is that such use is capable of amounting to a use in the course of trade. This view would also appear to be supported by the French, German and Danish authorities we cited. If we are correct in this view, then a competitor who uses an identical mark in respect of identical goods or services (as in the *Seomra / Shomera* case) will be guilty of an infringement under s.14(1) of the 1996 Act without any need to show a reputation in the mark, a likelihood of confusion or actual damage.

However, given the uncertainty raised by *Reed*, we would recommend that a trade mark holder also bring an action in passing-off. In order to establish passing-off, it is necessary for the trade mark holder to show:

- (1) that his goods have acquired a certain reputation among the public,
- (2) that persons wishing to buy his goods are likely to be misled into buying the goods of the defendant, and
- (3) that he is likely to suffer damage thereby.²⁹

To show that consumers are likely to be misled, it will be essential to demonstrate that users are confused as the link between the trade mark searched on and the results or the advertisements presented. Although some case law takes the view that users are sophisticated enough to realise that results or advertisements aren’t necessarily linked to the search term, *Reed* and *Playboy Enterprises* suggest that confusion may be

²⁵ http://www.google.com/tm_complaint_adwords.html, visited on August 12, 2006.

²⁶ *ibid.*

²⁷ <http://searchmarketing.yahoo.com/legal/trademarks.php>, visited on August 12, 2006.

²⁸ http://searchmarketing.yahoo.com/en_GB/legal/trademarks.php, visited on August 12, 2006.

²⁹ *Reckitt and Colman Products Ltd. v Borden* [1990] 1 All E.R. 873 at 880 *per* Lord Jauncey.

shown if the competitor's site appears in the list of search results above the trade mark holder's site, while *Playboy Enterprises v Netscape* illustrates that there may be confusion if keyword generated advertisements aren't clearly differentiated from search results. In addition, it may be helpful to examine the competitor's site—if the get up and livery of the site itself is similar, that may reinforce the element of confusion.³⁰ Ultimately, the existence of confusion is a matter of fact and it may be necessary to tender expert evidence or survey results³¹ on this point.

While an intention to deceive is not an essential component of either trade mark infringement or passing-off, the courts have taken the view that an intention to deceive is potent evidence that deception is likely to occur.³² For that reason, it will also be helpful to show that a defendant intended to represent

their website as being affiliated with the trade mark, for example, by showing (as in *Horphag Research*) that the defendant has engaged in "metatag spamming" by repeatedly using the mark.

Finally, to prevent the misuse of keywords, trade mark owners should consider pre-emptively contacting search engines and requesting that the relevant term not be sold. In the case of Google, we have seen that their non-US policy prohibits the use of trademarked terms as keywords, while Yahoo's policies will also prohibit most uses of trademarks.³³ If a trade mark holder has reason to fear infringement, then prevention will be better than cure, given the continued uncertainty as to the law in this area, and the difficulties that might be faced in quantifying and recovering damages.

³⁰ Cf. *Easyjet Airline Co Ltd and others v Tim Dainty (t/a Easy Real Estate)*, unreported, Livesey Q.C. (sitting as a deputy judge), Ch. D, February 9, 2001).

³¹ See Lambert, "Survey Evidence in Passing Off and Trade Mark Litigation" (1999) 3 (2) *Irish Intellectual Property Review* 10.

³² *ibid.*

³³ Note that Google's policy goes further than the law requires and will prohibit even advertising which is permitted under the Trade Mark or Comparative Advertising Directives.