

Germany: May product search on Amazon amount to trademark infringement by Amazon?

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The Higher District Court of Cologne held in preliminary injunction proceedings that use of a distinctive trademark on amazon.de for displaying other comparable products not originating from the trademark owner may be a trademark infringement (decision of 20 November 2015 on Case 6 U 40/15).

The case concerned a practice of Amazon on its German online shopping platform amazon.de. When users searched on amazon.de for certain products which were not offered, as results of the search under certain circumstances alternative products by third parties were shown.

The claimant is owner of the Community trademarks "NEEDforSEAT" and "MAXNOMIC" for gaming chairs. It does not sell its products via amazon.de and wanted to stop Amazon from showing competitors' products when entering *Maxnomic* and *need for seat* in the search field on amazon.de. It requested a preliminary injunction with the District Court Cologne which was issued and upon appeal by Amazon partially, with respect to *Maxnomic*, confirmed by the Higher District Court Cologne.

- MAXNOMIC

For *Maxnomic* both Courts confirmed a trademark infringement. Amazon could not

convince the Court that it was not using the signs itself in a trademark manner, but was comparable with a search engine provider in relation to the keywords chosen by its customers. The Court held that the difference was that Amazon used the marks for referring the customers to its own commercial offer. The user was expecting that there was some kind of link between the search term entered and the search results displayed on amazon.de. This was also a reasonable expectation as the algorithm developed by Amazon took into account user behavior, such as for example alternative products purchased by users after having searched unsuccessfully for a certain product on amazon.de. It also did not matter for the Court whether the alternative products shown in the search results were own or third party's marketplace offers, because it was rather coincidence whether the alternative products displayed were Amazon's own or third party offers.

The Court was also convinced that the use of the identical mark for identical products had an adverse effect on its function to indicate origin. It held that the way in which the alternative offers were displayed was so vague that the average consumer could not see whether the goods would originate from the trademark owner or from unrelated third parties. The search for MAXNOMIC only produced results originating from unrelated third parties. The consumer would not expect this. Even though the different products displayed in the search for MAXNOMIC contained other trademarks in their product titles, without a particular information for instance by stating: *"Your search had no result. The following articles may also interest you: ..."*, the consumer could still believe that the trademark owner and the company offering the alternative products were somehow related.

- need for seat

With respect to the attacked use of *need for seat* (without quotation marks), the Higher District Court denied a trademark infringement and lifted the preliminary injunction. Amazon could show that - when entering *need for seat* without quotation marks in the search fields - search results appeared which at some place in the article description contained the words "need", "for" and "seat" separately. The Higher District Court already doubted that the use of the search terms would under these circumstances amount to trademark use by Amazon. Further, according to the Court this practice had no adverse effect on the trademark's function to indicate origin. Consumers knew that - when entering *need for seat* without quotation marks - they could not only expect search results which displayed the entire phrase jointly. This use was according to the Court also

allowed as mere descriptive use under Section 23 of the German Trademark Act.

This decision is the final word on the preliminary injunction proceedings. It remains to be seen whether it is accepted as final and binding order or whether main proceedings between the parties will follow.