

Ads out of control: the CJEU reaffirms that independent third-party reproduction of infringing signs is not ‘use’ within the meaning of Article 5(1) of Directive 2008/95/EC

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On 2 July 2020, the Court of Justice of the European Union (“CJEU”) handed down another decision which interprets the mercurial concept of ‘trade mark use’. Case **C-684/19 - *mk advokaten*** is a preliminary reference concerning unauthorised use of a sign in an online advertising context. The Court reaffirmed *Daimler* (**C-179/1- *Daimler AG***) in that the notion of infringing ‘use’ does not include the reproduction of signs identical/similar to a registered mark provided by a third-party online publisher ‘on their own initiative and in their own name, on other websites’. This latest decision differs, however, from *Daimler* at least in one important respect, as will be further discussed below.

Background

The preliminary reference emerged from a German dispute between two law firms using similar signs, one of which was a registered trade mark. The junior user had stopped using the infringing signs after proceedings before the Düsseldorf Regional Court, but one of the signs, nevertheless, continued to be returned in Google search results in connection with the junior user's legal services. As a result, the trade mark owner brought further proceedings against the junior user. The latter argued that they had not employed the third-party websites to display these ads either before or after the court's prohibition on their use. The defendant pointed out that their only form of online advertising using the infringing sign was an entry in an online directory, which they had taken steps to withdraw. In line with the German case law, the Düsseldorf court imposed a fine on the junior user on the basis that it had not done enough by 'merely arrang[ing] for the advertisement appearing in that directory to be deleted' and that the subsequent Google results benefited the junior user. The junior user appealed the decision.

Controversial aspects

On appeal, the Düsseldorf Higher Regional Court noted that the German case law applied by the lower court might be incompatible with the CJEU's approach in *Daimler*. The CJEU held in that earlier case that the concept of infringing 'use' in EU trade mark law did not extend to the naming of a junior user in an advertisement on a website in association with a sign identical or similar to a registered trade mark 'where that advertisement had not been ordered or made available by the junior user or on its behalf'. This also applied when the junior user had expressly requested the operator of the website 'to remove the advertisement or the reference to the mark contained therein'. In this context, the German court sought clarification from the CJEU, asking whether 'a third party referenced on a website in an entry that contains a sign identical with a trade mark is "using" that trade mark, within the meaning of Article 5(1) of Directive 2008/95, if the entry was not placed there by the third party itself, but was reproduced by the website's operator from another entry that the third party had placed in infringement of the trade mark?'

Key points

Focusing on the junior user's lack of intention to infringe (rather than on any potential benefits it might derive from the infringing act) and applying the rationale from *Daimler*, CJEU's answer was in the negative. Hence, any independent third-

party reproduction (here, by websites appearing in Google search results) of a previous infringement was considered outside the scope of the concept of 'use' by the junior user. The facts in *mk advokaten* differ, however, from those in *Daimler* in one important aspect. In *Daimler*, the junior user (i.e. defendant) had placed the online advertisements legally by virtue of a contract to that effect with the trade mark owner. In *mk advokaten*, the trade mark owner had never consented to the junior use. Although not mentioned explicitly in the CJEU's reasoning, *mk advokaten* seems to suggest that presence or absence of initial consent of the trade mark owner is simply irrelevant when analysing whether an action can be regarded as 'use'. Additionally, the *mk advokaten* decision reinforces that defendants will only be responsible for removing infringing content which they themselves have had placed online. Beyond this, they are not deemed to be 'using' the registered mark.