

extracts accessible to the general public and should be recognized as a well-known fact. Thus GOTHA's conceptual connotation for part of the relevant public would exclude any likelihood of confusion with GOTCHA, whether it is perceived as a fanciful term or with a meaning by the English-speaking public.

Overruling the interdependence of factors principle the Court found that, despite the similarity or identity of some products, the visual and phonetic differences as well as the possible conceptual difference, were sufficient to dispel any likelihood of confusion.

Practical significance

Though one among hundreds of cases decided by the General Court over the past year, this judgment illustrates the increasing difficulty of applying clear-cut principles established by precedents to every case of CTM's. The Community trade mark legal system is dealing with numerous national trade marks and languages, along with diverse legal and cultural perspectives. At times OHIM takes too strict an administrative approach on analysing likelihood of confusion: here no average consumer—as a legal concept—in the Community would be confused and the General Court had to perform its role of judicial review and use practical approach to reach a more appropriate conclusion in order to allow these two trade marks to coexist on the register.

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doi:10.1093/jiplp/jpr011

Advance Access Publication 23 February 2011

■ 'Wintersteiger'—Austrian Supreme Court refers jurisdiction question in AdWord cases to the ECJ

'Wintersteiger' Austrian Supreme Court of Justice (OGH), case 17 Ob 8/10s, 5 October 2010

The Austrian Supreme Court of Justice (OGH) has referred a request for a preliminary ruling to the Court of Justice of the European Union (ECJ) concerning the interpretation of 'the place where the harmful event occurred or may occur' under Article 5(3) of Council Regulation 44/2001 in cases of keyword advertising.

Legal context

This is yet another AdWords case, albeit with a twist, involving the internet search engine provider Google's paid referencing service. Google operates a system called AdWords, which allows advertisements to be displayed

under the heading 'sponsored links' alongside 'natural results' in response to keywords being entered in the search engine.

The permissibility of keyword advertising, particularly by the means of so-called AdWords through the Google search engine, has been the subject of several high profile decisions: *Google France* (Joint Cases C-236/08, C-237/08 and C-238/08), *BergSpechte* (Case C-278/08), *Portakabin* (Case C-588/08) and *Eis.de* (C-91/09) which, inter alia, established that an internet reference service provider, such as Google, which offers trade marks as keywords for sponsored links might only be liable for trade mark infringement under the conditions of contributory trade mark infringement. The ECJ's precedents have also set out (some may say limited) guidelines as to when a keyword advertiser's behaviour may amount to trade mark infringement. In contrast to these recent ECJ cases, this latest referral by the Austrian OGH is not so much about whether AdWords use may amount to trade mark infringement but concerns the jurisdiction where a foreign registered trade mark is infringed by an AdWords ad which is triggered by a sign identical with a national trade mark but shown on a search engine which aims at users in a different European jurisdiction.

With trade mark infringement under §10(1) of the Austrian Trade Mark Act qualifying as a delict (the Austrian equivalent of a tortious act), the relevant legal provisions are found in Regulation 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters which, in Article 5(3), provides that a 'person domiciled in a Member State may, in another Member State, be sued... in matters relating to tort, delict or quasi-delict, in the courts for the place where the harmful event occurred or may occur.'

Facts

The claimant was an Austrian manufacturer of machines for the servicing and maintenance of skis and snowboards. The defendant produced similar machines in Germany and also sold accessories for machines of different producers and/or origin which the claimant neither produced nor authorized. The German defendant booked the claimant's registered Austrian trade mark ('Wintersteiger') as an keyword with AdWords Germany from December 2008 with the consequence that when a third party entered 'Wintersteiger' as a search term into the German search engine www.google.de, the defendant's ads, which did not include the term 'Wintersteiger', were displayed alongside the natural search results on the results page of the search engine. While advertisers on AdWords can restrict the display of ads triggered by the keywords chosen by, eg language regions, countries or even cities, Google displays ads to users, irrespective of their actual origin/location, only those ads which were

booked for the respective top-level-domain (TLD), in this case .de. The text of the ad displayed in January 2010 on google.de was as follows (translated from German into English): title: 'ski repair shop accessories'; first line: 'ski and snowboard machines'; second line: 'maintenance and repair'; Display-URL: 'URL of the defendant'.

Analysis

In respect to keyword advertising the question referred to the ECJ is whether Austrian courts should have jurisdiction in cases where non-Austrian advertisers (here German) use an Austrian trade mark as a keyword to trigger keyword advertising on non-Austrian search engines (here: www.google.de). The OGH's referral decision also provides some interesting insights into the comparatively restrictive overall approach of Austria's highest court in keyword advertising matters.

Jurisdiction question

As regards to Article 5 of the Council Regulation 44/2001 ('the courts for the place where the harmful event occurred or may occur') the question referred in *Wintersteiger* is whether Austrian courts should have jurisdiction in cases where a non-Austrian advertiser (here, German) purchases an Austrian trade mark as a keyword to trigger an ad or sponsored link on a non-Austrian search engine (here www.google.de, the German version of the Google search engine). Both Austria and Germany use German as their official language with only minor differences (e.g. January translates into 'Januar' in German and 'Jänner' in Austrian German). In its referral the OGH argues that, on the facts before it, Austria could be 'the place where the harmful event occurred or may occur'. In its referral order, the OGH suggested the following three possible answers to the ECJ:

- Option 1: national courts should only have jurisdiction if the TLD used by Google is the national one (e.g. .at for Austria) or if it is a generic one, such as .org or .com. Advertisers should therefore assure that their ads will only be displayed on the respective national version (e.g. .at, .de, .fr) of the search engine.
- Option 2: national courts should have jurisdiction in all cases where a website can be accessed ('*im Gerichtsstaat abgerufen werden kann*') from a respective country via the internet. Thus an advertiser would need to perform a world-wide trade mark clearance search before launching an advertising campaign.
- Option 3: the question of jurisdiction should be determined by reference to a number of different criteria: the language used on the website and whether the parties are competitors in the same market. The court also contemplated that the total number of hits on the

German version of the search engine might be a further point to be considered in this context.

Concerning option 3, it is perhaps a little surprising that the court did not wish to base its assessment on the number of clicks on the ad itself. The OGH further states a clear preference for answer number 3 but also mentions that a world-wide ban on the use of a term that is only registered as a trade mark in one specific country could be seen as disproportionate. The court also mentions similar pending referrals to the ECJ from the German Bundesgerichtshof in *eDate Advertising GmbH v X* (C-509/09) and the French Tribunal de grande instance de Paris in *Olivier Martinez, Robert Martinez v MGN Ltd* (C-161/10) which both concern the infringement of personal rights committed by the placing on-line of information and/or photographs on an internet site published in another EU member state by a company domiciled in that second state.

Comments on AdWords

The OGH's referral in *Wintersteiger* also provides some further insights into OGH's application of the ECJ's guidance in keyword cases after *Google France*. In particular, the OGH has stressed that the defendant's ad would without any doubt ('*zweifellos*') infringe under Austrian trade mark law since the ad failed to demonstrate clearly that it originated from a third party which was not economically related to the trade mark proprietor or an entity connected to the trade mark owner. However, as in *BergSpechte III* (17 Ob 3/10f of 21 June 2010) where the OGH had held that the fact that an advertiser had failed to rule out any likelihood of confusion by adding 'appropriate clarifying indications', the OGH in *Wintersteiger* again leaves open how advertisers should use the 95 characters available in an ad, to avoid such an ambiguity. By way of background, the ECJ had held in *Google France* and *BergSpechte* that, in cases of AdWord use, trade mark infringement would have to be assumed where the origin indication of the trade mark was affected. This applies where an advertisement is presented in such a way that the ad is misleading or so 'vague' that it 'does not enable normally informed and reasonably attentive internet users, or enables them only with difficulty to ascertain whether the goods or services referred to by the ad originate from the proprietor of the trade mark or an undertaking economically linked to it, or originate from a third party'.

Practical significance

Looking at the question of jurisdiction, it appears to the authors that there is some risk that the OGH's option 1 ('top-level-domain based approach') might lead to something of a 'jurisdiction imperialism' which could cause forum shoppers to chose Austria as their preferred

jurisdiction in keyword-advertising cases. As for option 3, it remains open from the OGH's referral question whether the list of factors should be exhaustive and/or which aspects listed should be decisive when determining the correct jurisdiction. There was some recent guidance from the ECJ in *Alpenhof* (C-144/09) which dealt with the question arising out of Art 15 of Directive 44/2001 whether the 'other party to a contract' could bring proceedings against a consumer in the courts of a Member State other than where the consumer is domiciled. There the ECJ held that proceedings against a German consumer could only be brought before German courts where the website of the Austrian claimant was found to have also targeted potential guests outside Austria. In *Alpenhof* the court found it decisive that the Austrian claimant's website included the international country telephone code for Austria (+43) as well as supplying a description how to reach the hotel by car from outside of Austria. Significantly the ECJ in para 81 of its judgment also mentioned that payment for keyword advertising for ads to be displayed on non-Austrian search engines (e.g. www.google.de) could evidence such an intent, even though this point was not included in the referral question from the Austrian court.

Regarding AdWords, in *Wintersteiger* the Austrian court follows its precedents in keyword cases (*Wein & Co* OGH 17 Ob 1/07g, 20 March 2007; *Berg Spechte III* OGH 17 Ob 3/10f, 21 June 2010) and applies a surprisingly restrictive standard in respect to trade mark infringements through keyword advertising, apparently assuming that the average Austrian internet-user is fairly unskilled, naive and fully unaware of the fact that the last line of an ad indicates the website/URL to which the ad is linked. The OGH's assumption may be contrasted with the German Bundesgerichtshof's approach which based its decision in *Beta Layout*—a case concerning the use of a company name as a keyword (I ZR 30/07, 22 January 2009)—on a more internet-savvy consumer. In *Beta Layout* the Bundesgerichtshof held that it was rather far-fetched to 'assume that internet users would establish a connection between the advertisements and the search terms entered'.

Looking at the case at hand and a recent German decision by the Higher Regional Court of Braunschweig (2 U 113/08, 24 November 2010) which openly dissents from the previous Bundesgerichtshof decision in *Beta Layout* on keyword advertising, it appears to the authors that the ECJ's recent guidance on AdWords in *Google France*, *BergSpechte*, *Portakabin* and *Eis.de* has so far not brought the long-desired legal certainty for European keyword advertisers. It increasingly appears that the ECJ's guidance in this area of the law will lead to very different interpretations from the various national courts and thus to legal uncertainty, in particular since the ECJ did not further elaborate on how to define the 'normally informed and reasonably attentive internet user'. Having said that,

despite facing some criticism, the OGH's decisions concerning keyword advertising have been consistent and observers have already noted that the *Wintersteiger* referral appears to have resulted in an increase of cease-and-desist letters in Austria for cases where an advertiser fails to rule out any possible ambiguity. As such, the OGH's consistent application of the law together with its reasoning in *Wintersteiger* has established a welcome degree of legal certainty at least for keyword advertisers in Austria.

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doi:10.1093/jiplp/jpr008

■ 'Scotch Whisky': the first Turkish geographical sign of non-Turkish origin?

Notice by the Turkish Patent Institute of a Request for Registration Relating to the Protection of Geographical Indications Pursuant to Statutory Decree No. 555, Official Gazette, Issue No. 27751, 6 November 2010

Turkey is likely to become the next country after China and Panama in which the term 'Scotch Whisky' is to be granted legal recognition, following its publication in the Turkish Official Gazette on 6 November 2010.

Legal context

An application by the Scotch Whisky Association ('SWA') to register 'Scotch Whisky' as a geographical sign in Turkey was lodged with the Turkish Patent Institute (TPI) on 2 June 2008. The application was filed under Legislative Decree No. 555 on the Protection of Geographical Signs (Official Gazette No. 22326, 27 June 1995) as amended by Law No. 4128 (Official Gazette No. 22456, 7 November 1995), Law No. 5194 (Official Gazette No. 25504, 26 June 2004) and Law No. 5805 (Official Gazette No. 27033, 23 October 2008) and the Implementing Regulations for Legislative Decree No. 555 on the Protection of Geographical Signs (Official Gazette No. 22454, 5 November 1995) as amended on 21 April 2009 (Official Gazette No. 27207). Notwithstanding the lack of a specific regime for geographical signs prior to the decree, the country has been a long-standing member of several international treaties that relate in part or exclusively to the field, including the Paris Convention, the Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods, and the TRIPS Agreement.