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# Keyword Disputes

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# TM Law Refresher

- ◆ Plaintiff's prima facie case of TM infringement
  - Ownership of valid TM
  - Infringement
    - ◆ Trademark use in commerce
    - ◆ Likelihood of consumer confusion
      - Many courts consider "initial interest confusion"
      - LOCC should depend on ad content that consumers see



# TM Law Refresher

## ◆ Selected defenses

- Descriptive fair use (15 U.S.C. §1115(b)(4))
- Nominative use
  - ◆ Product not readily identifiable without referencing TM
  - ◆ Took only what was necessary
  - ◆ No implied sponsorship/endorsement
- Functionality
- Limit on remedies against printers/publishers (15 U.S.C. §1114(2))



# Search Engine Cases (US)

- ◆ Three cases reject argument that keyword-triggered ads aren't TM use in commerce
  - Playboy v. Netscape, GEICO v. Google, Google v. American Blinds
- ◆ Split case law on whether triggered ads create likelihood of confusion
  - Playboy v. Netscape: yes
  - GEICO v. Google: no (if TM not referenced in ad copy)
- ◆ Few reported cases against advertisers
  - Bayer cases, Netbula, Innovator



# Adware Cases (US)

- ◆ Four cases against vendors have reported decisions
  - All three WhenU cases say WhenU does not make TM use in commerce
  - 2002 Gator case implicitly concludes others
- ◆ Many lawsuits have settled
  - Gator has settled dozens of cases
  - Virtually all cases against advertisers have settled
    - ◆ Exception: Weightwatchers case



# Search Engines v. Adware

FOR PURPOSES OF TM "USE,"  
WHAT'S THE DIFFERENCE  
BETWEEN SEARCH ENGINES  
AND ADWARE?

- ◆ WhenU didn't sell TMs as keywords
- ◆ But cases can't be reconciled



# The Legislative Battle

- ◆ Utah Spyware Control Act (13-40-102 to 13-40-301)
  - Can't use adware to display TM-triggered pop-up ads
  - Consumer consent to software irrelevant
  - TM infringement is element of cause of action
- ◆ Alaska anti-adware law (SB 140)
  - Can't use adware to display TM-triggered pop-up ads
  - Consumer consent to software irrelevant
  - TM infringement not required
  - Passed legislature but not yet sent to governor



# One Academic's Perspective

- ◆ The keyword “problem” is overhyped
  - Keywords don't tell us enough about consumer intent
  - Triggering occurs too early in search process
- ◆ We must not overly restrict keyword usage
  - Lower search costs improve social welfare
  - Future technologies will need to use keywords to reduce search costs
- ◆ One possible compromise
  - Keyword triggering, alone, isn't TM infringing
  - Ad copy + website can be TM violation or false advertising





# Case Citations

## Search Engine Cases

- ◆ Bayer v. Custom School Frames, 259 F. Supp. 2d 503 (E.D. La. 2003)
- ◆ Bayer HealthCare v. Nagrom, 2004 WL 2216491 (D. Kan. 2004)
- ◆ Google v. American Blinds, 2005 WL 832398 (N.D. Cal. 2005)
- ◆ GEICO v. Google, 330 F. Supp. 2d 700 (E.D. Va. 2004)
  - Subsequent oral ruling Dec. 15, 2004
- ◆ Netbula v. Distinct, 212 F.R.D. 534 (N.D. Cal. 2003)
- ◆ Novak v. Overture, 309 F. Supp. 2d 446 (E.D.N.Y. 2004)
- ◆ Playboy v. Netscape, 354 F.3d 1020 (9th Cir. 2004)
- ◆ Reed Elsevier v. Innovator, 105 F. Supp. 2d. 816 (S.D. Ohio 2000)

## Adware Cases

- ◆ 1-800 Contacts v. WhenU, 2005 WL 1524515 (2d Cir. 2005)
- ◆ Washingtonpost v. Gator, 2002 WL 31356645 (E.D. Va. 2002)
- ◆ U-Haul v. WhenU, 279 F. Supp. 2d 723 (E.D. Va. 2003)
- ◆ Weightwatchers.com v. Dietwatch.com, 2002 U.S. Dist. LEXIS 11872 (S.D.N.Y. 2002)
- ◆ Wells Fargo v. WhenU, 293 F. Supp. 2d 734 (E.D. Mich. 2003)