

Santa Clara University

Keyword Advertising Updates

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Trademark Owner v. Search Engine

- 6 pending lawsuits against Google (down from 12+)
 - Google won Rosetta Stone case; written opinion pending
 - Rescuecom and Parts Geek gave up
- Google transferred Flowbee and Parts Geek cases to ND Cal per its AdWords contracts
- Google ECJ opinion
 - Keyword vending ≠ use in commerce
 - E-commerce Directive covers keyword vending

Trademark Owner v. Advertiser

- Caselaw remains anarchistic but...
- ...good news for defense in US
 - Fair Isaac v. Experian: judge says keyword ad buys wasn't likely to confuse consumers
 - College Network v. Moore Educational Publishers: Jan. 2009 jury ruling for advertiser, upheld by 5th Cir.
 - Tiffany v. eBay: ad copy and triggering were nominative uses
- ...less good news in EU
 - Google ECJ opinion: keyword ad must enable average internet user to determine source of goods

Suggestions...

- ...for Trademark Owners

- Take advantage of keyword sellers' TM policies
- Contractually restrict affiliates (and others?) from competitive bidding
 - Compare Video Professor v. Amazon
- Make good investment decisions
 - 800-JR Cigar: defendant's gross revenues = \$345
 - Storus: defendant got 1,347 clicks in 11 months
 - King v. ZymoGenetics: defendant got 84 clicks
 - 1-800 Contacts: \$1.1M legal fees against Lens.com
- Don't be duplicitous

- ...for Advertisers

- Competitive keyword advertising as a Prisoners' Dilemma
- Consider “negative matching” competitive TMs