

USING TRADEMARKS TO BUILD YOUR BUSINESS

This article is a comment on the current state of play and you should seek legal advice rather than rely on its content. No responsibility can be accepted for reliance on the comments underneath.

Trade marks are contentious at the best of times. The author's experience of sailing too close to the wind has led to some Pyrrhic victories but also much waste of time and effort. But the internet is changing everything. The law is struggling to keep up with the use of trademarks in a medium which happily ignores international boundaries and individual countries' legal systems.

Registering a trademark

Registering a trade mark in the UK is easy. Go to the Intellectual Property Office web site (www.ipo.gov.uk), fill out a short and user friendly form, pay your £200 fee (September 2010) and you have secured the right to your trade mark – as long as no-one has got there before you of course. Where things start to get interesting is when you use a third party's trademark without their permission. The position in print is reasonably established but where it gets contentious is on-line in PPC advertising, domain names, HTML keywords. Can you, for example, legitimately purchase a URL incorporating a trademark and use it to drive traffic to your web site? The short answer is that it depends, and what applies today may change tomorrow.

Google Adwords

Google started the ball rolling in 2009 with its decision to relax the use of third party trademarks in its PPC advertising in the US. This was extended to the UK last month albeit under pressure from the EU. The EU courts found that it is legitimate to use third party trademarks in Adwords advertising. In practice, there should be some link between the advertiser and the trademark. If you are a retailer or distributor the link is obvious but there may be disputes if you are selling a competing brand. The stated requirement is for advertisers to be: "a reseller, informational sites, the makers or resellers of components or parts for the goods or services related to the trademark term, or compatible components or parts for the goods and services related to the trademark term. The product or service from resellers must be on the ad's landing page and must be clearly available for purchase".

Domain names

So what about domain names? This is complicated by jurisdiction not being within one overarching organisation. Nominet is the policing body for the .uk domain name but there are other organisations responsible for different registers. There is convergence however between the requirements of Nominet and the Uniform Dispute for Domain Names Resolution Policy (UDRP). As a sweeping generalisation complying with Nominet's requirements will keep you out of trouble with the others. If someone contravenes your trademark, Nominet can order the transfer of a .uk domain name provided that you can show you have a right in the name and that it is an "abusive registration". The UDRP has a similar regulation which refers to acting in "bad faith". A registration is considered abusive if it creates an unfair advantage or is unfairly detrimental to the complainant. So, in simple terms, the purchase of a domain name using a competitor's name or trademark to create a commercial advantage such as driving traffic to your web site would be considered an abusive registration.

Keywords

If using third party trademarks in Adword's copy is OK, and using third party trade marks in domain names is **not** OK, what is the position with keywords? Well, despite the argument that using keywords in HTML code could confer competitive advantage there appears to be nothing in law to prevent their use. So the position appears to be that you can use a competitor's name or trade mark in your source code should you so wish. This may be a case of pure pragmatism – imagine monitoring and policing the 234 million internet addresses currently in use – but it is pragmatism that is endorsed by such authorities as the Google Adwords Helpdesk. But whilst it may appear attractive to piggyback on a competitor's site it may be worth considering whether this is in your best interest. Adding non related keywords may actually make it more difficult for search engines to index your site and thus reduce your site's SERPS ranking and overall visibility.

Conclusion

This is a messy area and one which is still evolving. The common sense approach would be to optimise your own site to the best of your ability before trying to get too clever.

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