



BNA International Inc.

World Intellectual Property ReportTM

[Advanced Search](#) | [Search History](#) | [Saved Searches](#)

SEARCH ALL

Go

[Search Tips](#)

World Intellectual Property Report: All Issues

Go: [Browse Contents](#)

 [+ Add to Favourites](#)  [Split Screen](#)

[← Previous](#) | [Next →](#)

[World Intellectual Property Report: All Issues](#) > [2009](#) > [11/01/2009](#) > [Around the World](#) > [FRANCE](#) > [Paris Court Fines eBay for Counterfeiting Trademarks Through Keyword-Based Ads](#)

Paris Court Fines eBay for Counterfeiting Trademarks Through Keyword-Based Ads

PARIS — The Paris Court of First Instance (TGI) has found eBay guilty of “counterfeiting” the trademarks of four perfume companies by using them in keyword advertisements. (*Kenzo v. eBay*, TGI Paris, September 18, 2009)

In the ruling, which appears to be at odds with a recent Opinion of the European Court of Justice's Advocate General in a similar case, the court ordered eBay to pay plaintiffs €80,000 in damages and interest.

The decision preceded by four days the AG's Opinion in a suit by LVMH against Google that could influence the ultimate outcome of the eBay case if that goes to appeal as expected, a Paris-based practitioner told *WIPR*.

The Paris court accepted some of the arguments of the four perfume subsidiaries — Christian Dior, Kenzo, Givenchy, and Guerlain — but it rejected several others, in particular, the majority of the €4 million they demanded in damages. The companies said that 40 keywords used by eBay constituted trademark infringement, and, in addition to damages, they asked the court to impose a €10,000 fine per day eBay continued to use the keywords.

The court agreed that five of the keywords constituted brand counterfeiting because, it said, eBay had bought them to promote its own site. It ordered the company to cease using them immediately, imposing a €1,000-per-day fine for every day the company violated the order. However, the court found eBay not liable for the other 35 keywords, because they had been purchased by affiliates and not directly by eBay Inc. and eBay International, the companies named in the suit.

“Even when it is shown clearly that [eBay Inc. and eBay International AG] make an economic profit from commercial links generated [by trademark keywords], which contribute to promoting their sites, that is not alone adequate to prove their liability if they did not themselves choose the disputed keywords and that eBay doesn't itself use,” the court said.

Possible Conflict With ECJ?

In the Google case, the Advocate General concluded that Google does not infringe European Union trademark law when it allows advertisers to buy keywords corresponding to registered trademarks, even if the search engine might ultimately lead to trademark violations (*see WIPR, October 2009*). However, the AG said that Google may be liable for running advertisements that offer trademark infringements via products offered on the company's AdWords advertising space.

“The Advocate is saying that trademark holders' monopoly on trademarks is limited in scope, and should not affect the activity of search engines,” said Olivier Haas, a Paris-based attorney specializing in new technologies at Franklin. He added that if the ECJ elects to follow the advice of the AG, which it normally does, its ruling would probably contradict that of the TGI. “And assuming eBay appeals the case, which is likely, the Paris Court of Appeals would probably take the ECJ's ruling into account. We will have to wait to see,” he said.

Meanwhile, Haas said, if trademark holders ultimately fail to win against eBay, Google and similar companies in France on trademark-infringement grounds, they could still elect to pursue them under standard liability provisions. “They would have to prove willful misconduct, or tort, but it is possible. Proving trademark infringement seemed to be the easier task, but now it is proving to be more complicated than initially thought,” he said.

Follow these links for other recent articles related to:

Topics:

[Trademarks](#)

Countries:

[France](#)