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## The view online

# To use or not to use: the relevance of website content when assessing confusion

**Legislation and case law have provided some guidance on the issue of whether a dealer of well-known brand products may use the name of the brand in its domain name. However, questions remain as to whether website content must be taken into account when assessing the risk of confusion**

Online dealers that sell well-known brand products often include the name of the brands in their domain names. This can be advantageous for both the dealer and the brand owner, since it creates more traffic to the website and gives more exposure to the brand. However, when is the use by a dealer of a (well-known) trademark in a domain name acceptable?

In principle, under Article 7(1) of the First Trademarks Directive (89/104/EEC), a trademark owner cannot prohibit the use of a trademark by a dealer in relation to goods which have been put on the market with the consent of the brand owner. Provided that a dealer uses a trademark in accordance with honest practices in industrial and commercial matters, it is free, among other things, to inform potential customers of the fact that it is selling products of a particular brand. However, a dealer may not use a (famous) trademark in its domain name simply because it is selling genuine brand products.

In the landmark case *Bayerische Motorenwerke AG (BMW) v Deenik* (Case C-63/97), the European Court of Justice (ECJ) set certain limits on the use of trademarks by dealers. The ECJ ruled that a trademark owner can prohibit the use of a trademark if it is used in a way that may create the impression that there is a commercial connection between the dealer and the mark owner. In this case, advertising by the dealer was not deemed essential to the further commercialization of the branded products.

Referring to the rule developed by the ECJ in *BMW v Deenik*, an arbitrator at the Arbitration and Mediation Centre of the World Intellectual Property Organization prohibited the use of the domain name 'nokiastore.nl' by a Dutch mobile phone reseller in *Nokia Corporation v Webcell Europe BV* (2006). The arbitrator ruled that Webcell had sufficient other means to show

that it sold genuine Nokia products. The arbitrator also concluded that:

- the average consumer was likely to believe that the domain name 'nokiastore.nl' was owned by Nokia itself; and
- the use of the domain name created the impression that there was a commercial relationship between Webcell and Nokia.

In *Mercedes-Benz v Van Meeteren* (2004) and *Subaru v Ex-dealers* (2005), the Dutch courts ruled that the dealers were not allowed to use a combination of a famous trademark and their own name in their domain name ('vanmeeterenmercedes.nl' and 'subaruvdvelde.nl'). However, what if a dealer uses a (famous) trademark in combination with other descriptive words? An interesting example is a recent Dutch case on the use of the domain name 'yonexbadminton.nl' by a reseller of badminton gear, including Yonex rackets. The reseller, Belgro, connected the domain name to its own website (www.belgro.com), on which the company name Belgro and the accompanying logo BELGRO BADMINTON WORLD appeared. Furthermore, the website included the following text: "Welcome to the webshop of Belgro, one of the 140 Yonex badminton dealers in the Netherlands." The interim relief judge of the Breda District Court ruled that it was sufficiently clear from the appearance of the website that there was no commercial relationship between Belgro and Yonex. Therefore, the court held that there was no likelihood of confusion.

This conclusion is debatable. Arguably, it could not be ruled at the interim stage that the domain name 'yonexbadminton.nl' does not create a likelihood of confusion on the part of the relevant public (it does not appear to differ significantly from signs such as SONYCOMPUTERS or DUNLOPTENNIS, for example, which seem highly likely to cause confusion).

Based on the case law of the ECJ, a likelihood of confusion must be appreciated globally, taking into account all factors relevant to the circumstances of the case. The trademark and the allegedly infringing domain name must be examined as a whole and on the basis of their overall impression.

Does this mean that the content of the website attached to the domain name must be taken into account when assessing the risk of confusion?

One must also consider aural, visual and conceptual similarities in assessing the overall impression of the trademark and the domain name. Under this rule, a likelihood of confusion may be found to exist solely on the basis of visual similarities, without taking into account the content of the website attached to the infringing domain name. However, according to the principle developed by the ECJ in *BMW v Deenik*, it is necessary to take into consideration the impression created by the way in which the mark is used. On the other hand, if the possession or registration of a domain name including the trademark is sufficient to demonstrate use of the mark, the courts will not have to consider the content of the website when assessing the likelihood of confusion.

Therefore, it appears that existing rules fail to provide guidance on the issue. Decided cases – both within and outside the Benelux – show a diversity of approaches. In some cases, the content of the website was considered to be relevant, while in others it was simply disregarded.

The *Yonex Case* is due to be heard on appeal. As the law on this point remains unclear, both parties would benefit from clearer rules. It is hoped that guidance will come from the legislature, and that brand owners and dealers will not have to wait for a case to reach the ECJ. [WTR](#)

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