

## HYPOTHETICAL CASES CONCERNING THE USE OF TRADEMARKS ON THE INTERNET

The Member States of the SCT are asked to answer the following questions on the basis of their national law. The questions may be answered on the basis of the sample answers, additional comments, references to precedents etc., would be most welcome. If a particular situation has not yet been decided under your national law, an indication to that effect could be given, or the question could be answered according to how courts of your country would probably decide the case.

### I. GENERAL JURISDICTION AND APPLICABLE LAW

1. P, a company based in country W, has registered its trademark "GTI" in three countries W, X and Y. D, a company based in country Z, has registered the domain name "gti.com" for an Internet search engine which offers its services free of charge as a strategy for attracting advertising. The web site and the advertisements displayed on it are in a language widely used and understood on the Internet. The web site is regularly visited by Internet users from all over the world. P argues that by registering the domain name "gti.com", D has infringed its trademarks in countries W, X and Y. P wants to sue D to obtain an injunction preventing any further use of the domain name "gti.com", as well as damages.

a) *General Jurisdiction.* On the basis of your national law, which country's courts would have jurisdiction to decide over the infringement of all rights owned by P?

- ☐ The courts of the country where the defendant (D) has its place of business (i.e. country Z)
- ☐ The courts of the country where the plaintiff (P) has its place of business (i.e. country W)
- ☐ The courts of the countries where the rights were established (i.e. countries W, X and Y)
- ☐ Other (please specify)

b) *Applicable Law*. On the basis of the rules of your country's private international law, which law or laws would the court have to apply in order to decide the merits of this case?

- ☐ For each right the law of the country in which it is registered, i.e. the law of country W, X and Y
- ☐ The lex fori, i.e. the law of the country in which the court is located
- ☐ The law of the country where the defendant is located, i.e. country Z
- ☐ The law of the country where the plaintiff is located, i.e. country W
- ☐ Other (please specify)

## II. ADVERTISING

2. A car manufacturer (D) who is based in country Z, runs a web site on which it advertises its cars in a language widely used and understood on the Internet. On this web site, D displays the trademark "GTI" which he has registered in country Z. D's cars cannot be ordered through the web site. For some economic reasons, the cars are not available on the market in your country (W) even though dedicated customers have been able to purchase one abroad and import it into your country (W). In your country (W), however, the trademark "GTI" is owned by a different car producer (P). P wants to file suit against D for trademark infringement, demanding an injunction against D's use of the trademark "GTI" on its web site.

a) *Jurisdiction*. Would the courts in your country have jurisdiction?

- ☐ Yes
- ☐ No
- ☐ Other (please specify)

b) *Infringement*. Would D's use of the trademark "GTI" on its web site be regarded as an infringement of P's trademark on the basis of your national trademark law?

- ☐ Yes
- ☐ Yes, but the court would have to limit the effect of its decision to my country (W)
- ☐ No
- ☐ Other (please specify)

c) *Disclaimers*. If your answer to question a) or b) is "yes", would your answer be different if D had, on its web site, added a phrase saying "the cars are not available in country W"?

- ☐ Yes
- ☐ No
- ☐ Other (please specify)

d) *Maintenance of Trademark Registrations*. If P but not D had registered its trademark "GTI" in your country (W), could its use on the web site maintain its trademark registration under your national trademark law?

- ☐ Yes
- ☐ No, the trademark could be cancelled for non-use after a certain period of time
- ☐ Other (please specify)

### III. MAIL ORDER

3. D offers books on the Internet under its trademark "GTI" which is registered in country Z. The language of the web site is widely used and understood on the Internet; it is, however, not the official language of your country (W). P has registered the trademark "GTI" in your country (W) and uses it for its chain of book stores. P wants to sue D for trademark infringement in a court of your country (W).

a) *Jurisdiction*. On the basis of your national law, would courts in your country (W) have jurisdiction over the dispute?

- ☐ Yes
- ☐ No
- ☐ Other (please specify)

b) *Infringement*. Would D's activities be regarded as an infringement of P's trademark under your national trademark law?

- ☐ Yes
- ☐ Yes, but the court would have to limit the effect of its decision to my country (W).
- ☐ No
- ☐ Other (please specify)

c) *Relationship with a Particular Country.* If you have answered question a) or b) with "no", would your answer be different if D had actually sold a substantial number of books to customers located in your country (W)?

- ☐ Yes
- ☐ No
- ☐ Other (please specify)

d) *Disclaimers.* If your answer to question a) or b) is "yes", would your answer be different if D had, on its web site, added a phrase saying "no orders are accepted from persons located in country W", and if D had actually refused orders by customers holding credit cards from banks located in your country (W)?

- ☐ Yes
- ☐ No
- ☐ Other (please specify)

e) *Maintenance of Trademark Registrations.* If D but not P had registered its trademark "GTI" in your country (W), could its use on the web site maintain its trademark registration under your national trademark law?

- ☐ Yes
- ☐ No, the trademark could be cancelled for non-use after a certain period of time
- ☐ Other (please specify)

f) *Maintenance of Trademark Registrations.* If your answer to question e) was "no", would your answer be different if the enterprise had actually sold a substantial number of books to customers located in your country?

- ☐ Yes
- ☐ No, the trademark could be cancelled for non-use after a certain period of time
- ☐ Other (please specify)

#### IV. DELIVERY OVER THE INTERNET

4. The trademark "GTI" is owned in country Z by company D and in your country (W) by company P. Both companies are producing computer software. The trademark is not registered in any other country of the world. Company D operates a web site from which its software can be downloaded and on which its trademark "GTI" is displayed. Payments can be effected on the Internet by credit

card. The text displayed on the web site is in a language widely used and understood on the Internet. Company P wants to sue D in order to demand an

injunction against any further use of the trademark "GTI" on the Internet and for damages.

a) *Jurisdiction*. On the basis of the law of your country, would courts in your country (W) have jurisdiction over D?

- ☐ Yes
- ☐ No
- ☐ Other (please specify)

b) *Infringement*. Would D's activities be regarded as an infringement of P's trademark under your national trademark law?

- ☐ Yes
- ☐ Yes, but the court would have to limit the effect of its decision to my country (W).
- ☐ No
- ☐ Other (please specify)

c) *Relationship with a Particular Country*. If your answer to question a) or b) is "no", would your answer be different if D's web site has been visited by a substantial number of Internet users from servers located in your country (W), and if customers holding credit cards from banks in your country (W) have downloaded software?

- ☐ Yes
- ☐ No
- ☐ Other (please specify)

d) *Disclaimers*. If your answer to question a) or b) is "yes", would your answer be different if D had, on its web site, added a phrase saying "no orders are accepted from persons located in country W", and if D had actually refused orders by customers holding credit cards from banks located in your country (W)?

- ☐ Yes
- ☐ No
- ☐ Other (please specify)

e) *Conflicting Rights*. Company P has been successful against D and now itself runs a web site on which it offers its software for downloading under its trademark "GTI". The web site is in a language widely used on the Internet. It has been visited by a substantial number of Internet users based in country Z, and some transactions have been effected using credit cards issued by banks in country Z. Now company D wants to sue P in country Z seeking an injunction against P and damages. On the basis of the law of your country, would D be successful?

- ☐ Yes
- ☐ Yes, but the court would have to limit the effect of its decision to the country in which the infringed right was protected, i.e. to country Z
- ☐ No
- ☐ Other (please specify)

f) *Maintenance of Trademark Registrations*. If P was only using its trademark "GTI" on its web site under the circumstances outlined in question e), could such use maintain its trademark registration in your country (W) under your national trademark law?

- ☐ Yes
- ☐ No, the trademark could be cancelled for non-use after a certain period of time
- ☐ Other (please specify)

g) *Maintenance of Trademark Registrations*. If your answer to the previous question is "no", would your answer be different if the web site has been visited by a number of Internet users from servers located in your country (W) and if customers holding credit cards from banks in your country (W) have downloaded software?

- ☐ Yes
- ☐ No, the trademark could be cancelled for non-use after a certain period of time
- ☐ Other (please specify)

## VI. ASSOCIATIVE USE

### 1. Metatags and invisible html. code

5. The trademark "GTI" is registered in your country for P, a producer of coffee makers and coffee filters. D runs a web site on which it advertises its coffee filters stating that these filters fit "the range of GTI coffee filter brewers." The web site has been created in such a way that it is listed as the first search result when someone enters the trademark "GTI" into a frequently used search engine. The reason for this is that D has repeated the sentence "Attractively priced and packed Coffee Filters fitting the range of GTI Coffee Filter Brewers" several times among the metatags or in the invisible html. code of its web site. On the basis of the law of your country, would a court enjoin D from using the trademark "GTI" in such a way?

- ☐ Yes, this would be regarded as an infringement of the trademark "GTI"
- ☐ Yes that would be regarded as an act of unfair competition
- ☐ No, this would be regarded as legitimate use of the trademark "GTI"
- ☐ Other (please specify)

### 2. Sale of keywords

6. The trademark "GTI" is registered in your country for P, a cosmetics producer. D runs an Internet search engine. When the trademark "GTI" is entered into D's search engine, P's web site is listed and above the list of search results appears, clearly separated from it, a banner advertisement for a retailer selling cosmetics over the Internet (C). The reason for this is that D has linked the advertisement to the trademark "GTI" and sold it to C who wants to target Internet users looking for "GTI" cosmetics. On the basis of your national law, would P be successful in court with its claim to enjoin D from "selling" its trademark to advertisers?

- ☐ Yes, this would be regarded as an infringement of the trademark "GTI"
- ☐ Yes this would be regarded as an act of unfair competition
- ☐ No, this would be regarded as legitimate use of the trademark "GTI"
- ☐ Other (please specify)

### 3. Fair use, non-commercial use

7. A retailer (D) sells toys over the Internet. D uses the trademark of a major toy producer (GTI) as a subdirectory in its URL (<http://www.D.com/GTI.html>). On this web page, information about toys bearing the trademark "GTI" is offered and the trademark "GTI" is displayed. The toys can be ordered through D's web site. On the basis of your national trademark law, could GTI enjoin P from using its trademark in the subdirectory of its URL and displaying it on its web page?

- ☐ Yes, this would be regarded as an infringement of the trademark "GTI"
- ☐ Yes, this would be regarded as an act of unfair competition
- ☐ No, this would be regarded as legitimate use of the trademark "GTI"
- ☐ Other (please specify)

8. The "GTI Owners Association" is a non-commercial organization of owners of cars produced by the car manufacturer P under the trademark "GTI". On the basis of the law of your country, could P enjoin this association from displaying the trademark "GTI" on its homepage which does not contain any commercial text?

- ☐ Yes, this would be regarded as an infringement of the trademark "GTI"
- ☐ Yes, this would be regarded as an act of unfair competition
- ☐ No, this would be regarded as legitimate use of the trademark "GTI"
- ☐ Other (please specify)

9. "GTI Bank" has registered its trademark in your country. D runs a web site under the domain name "ihategti.com" which contains critical statements about "GTI Bank". On the basis of your national trademark law, would "GTI Bank" be successful with its claim for an injunction against D?

- ☐ Yes, this would be regarded as an infringement of the trademark "GTI"
- ☐ Yes, this would be regarded as an act of unfair competition
- ☐ No, this would be regarded as legitimate use of the trademark "GTI"
- ☐ Other (please specify)