

EU court backs Google in Louis Vuitton case

LUXEMBOURG: Europe's top court largely backed Google on Tuesday, 23 March 2010, in its battle against French luxury product maker Louis Vuitton and others which argued trademarks are being violated by the US Internet giant.

"Google has not infringed trade mark law by allowing advertisers to purchase keywords corresponding to their competitors' trade marks," read a judgment by the European Union's Court of Justice.

However, Google can be held responsible, the court said, if "having obtained knowledge of the unlawful nature" of advertisers' activities, "it failed to act expeditiously to remove or to disable access" to the advertising.

The companies were hoping to avoid having to pursue rogue online traders, for example of fake designer handbags, every time they appear.

The case concerns Google's lucrative practice of accepting money from a clothes retailer, for example, to ensure their company appears among Internet search results when a particular designer brand is keyed in

This happens through Google's "AdWords" system that allows advertisers to buy keywords corresponding to registered trademarks.

The advertiser's often less well-known name will appear along with the designer brands they have piggy-backed under the heading "sponsored links", and that is where the likes of LVMH (Louis Vuitton Moët Hennessy) have cried foul.

While Google can be pursued for not acting quickly enough once it is aware of fraudulent activity, the onus following the judgment, is now firmly on advertisers to allow consumers "easily to establish from which undertaking the goods or services covered by the ad in question originate."

The Luxembourg-based court said subsequent disputes are "for the national court to assess, on a case-by-case basis."

The French court hearing the case, the Cour de Cassation, had asked the European Court to rule.

Source: AFP