

Case C-558/08

Portakabin Ltd and Portakabin BV

v

Primakabin BV

(Reference for a preliminary ruling
from the Hoge Raad der Nederlanden)

(Trade marks — Keyword advertising on the internet — Directive 89/104/EEC — Articles 5 to 7 — Display of advertisements on the basis of a keyword identical with a trade mark — Display of advertisements on the basis of keywords reproducing a trade mark with ‘minor spelling mistakes’ — Advertising for second-hand goods — Goods manufactured and placed on the market by the proprietor of the trade mark — Exhaustion of the rights conferred by the trade mark — Affixing of labels bearing the name of the reseller and removal of labels bearing the trade mark — Advertising, on the basis of another person’s trade mark, for second-hand goods including, in addition to goods manufactured by the proprietor of the trade mark, goods from another source)

Judgment of the Court (First Chamber), 8 July 2010 I - 6967

Summary of the Judgment

1. *Approximation of laws — Trade marks — Directive 89/104 — Right of a trade mark proprietor to oppose the use by a third party of an identical or similar sign for identical goods — Advertising on an internet referencing service — Condition of the proprietor’s right (Council Directive 89/104, Art. 5(1))*

2. *Approximation of laws — Trade marks — Directive 89/104 — Right of a trade mark proprietor to oppose the use by a third party of an identical or similar sign for identical goods or services — Advertising on an internet referencing service — Limitation of the effects of the trade mark — Condition*
(Council Directive 89/104, Arts 5(1) and 6(1))

3. *Approximation of laws — Trade marks — Directive 89/104 — Goods placed on the market in the Community or European Economic Area by the trade mark proprietor or with his consent — Advertising the resale of goods on an internet referencing service — Opposition by the proprietor — Admissibility as exceptions under Article 7(2) of the directive to the principle of exhaustion — Conditions*
(Council Directive 89/104, Art. 7)

1. Article 5(1) of Directive 89/104 relating to trade marks must be interpreted as meaning that a trade mark proprietor is entitled to prohibit an advertiser from advertising, on the basis of a keyword identical with, or similar to, that mark, which that advertiser has selected for an internet referencing service without the consent of the proprietor, in relation to goods or services identical to those in respect of which the mark is registered, where that advertising does not enable average internet users, or enables them only with difficulty, to ascertain whether the goods or services referred to by the ad originate from the proprietor of the trade mark or from an undertaking

economically linked to it or, on the contrary, originate from a third party.

Where a third party's ad suggests that there is an economic link between that third party and the proprietor of the trade mark, the conclusion must be that there is an adverse effect on the function of indicating origin. Similarly, where the ad, while not suggesting the existence of an economic link, is vague to such an extent on the origin of the goods or services at issue that normally informed and reasonably attentive internet users are unable to determine, on the basis of the

advertising link and the commercial message attached thereto, whether the advertiser is a third party vis-à-vis the proprietor of the trade mark or, on the contrary, economically linked to that proprietor, the conclusion must also be that there is an adverse effect on that function of the trade mark.

(see paras 34, 35, 52-54, operative part 1)

2. Article 6 of Directive 89/104 relating to trade marks must be interpreted as meaning that, where use by advertisers of signs identical with, or similar to, trade marks as keywords for an internet referencing service is liable to be prohibited pursuant to Article 5 of that directive, those advertisers cannot, in general, rely on the exception provided for in Article 6(1) in order to avoid such a prohibition. It is, however, for the national court to determine, in the light of the particular circumstances of the case, whether or not there was, in fact, any use, within the terms of Article 6(1), which could be regarded as having been made in accordance with honest practices in industrial or commercial matters.

(see para. 72, operative part 2)

3. Article 7 of Directive 89/104 relating to trade marks, as amended by the

Agreement on the European Economic Area, must be interpreted as meaning that a trade mark proprietor is not entitled to prohibit an advertiser from advertising – on the basis of a sign identical with, or similar to, that trade mark, which that advertiser chose as a keyword for an internet referencing service without the consent of that proprietor – the resale of goods manufactured and placed on the market in the European Economic Area by that proprietor or with his consent, unless there is a legitimate reason, within the meaning of Article 7(2), which justifies him opposing that advertising, such as use of that sign which gives the impression that the reseller and the trade mark proprietor are economically linked or use which is seriously detrimental to the reputation of the mark.

The national court, which must assess whether or not there is such a legitimate reason in the case before it:

- cannot find that the ad gives the impression that the reseller and the trade mark proprietor are economically linked, or that the ad is seriously detrimental to the reputation of that mark, merely on the basis that an advertiser uses another person's trade mark with additional wording indicating that the goods in question are being resold, such as 'used' or 'second-hand';

- is obliged to find that there is such a legitimate reason where the reseller, without the consent of the proprietor of the trade mark which it uses in the context of advertising for its resale activities, has removed reference to that trade mark from the goods, manufactured and placed on the market by that proprietor, and replaced it with a label bearing the reseller's name, thereby concealing the trade mark; and

another person's trade mark cannot be prohibited from using that mark to advertise to the public its resale activities which include, in addition to the sale of second-hand goods under that mark, the sale of other second-hand goods, unless the sale of those other goods, in the light of their volume, their presentation or their poor quality, risks seriously damaging the image which the proprietor has succeeded in creating for its mark.

- is obliged to find that a specialist reseller of second-hand goods under

(see para. 93, operative part 3)