



## **Study Guidelines**

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### **2022 – Study Question**

#### **Trade Marks and the Internet and Social Media**

##### **Introduction**

- 1) The use of, or reference to, another party's trade marks in some manner on the internet has become ubiquitous. Such use or reference may include, for example, use in the context of keyword advertising, metatags, hashtags, ranking in a platform search, domain name registration, app names, and resale of goods via online marketplaces. Similarly, social media sites have rapidly evolved into essential marketing tools for many businesses and also the use of trade marks on social media by third parties, e.g. by influencers or in (re)tweets, is abundant.
- 2) The online use and protection of trade marks (e.g. monitoring misuse and establishing infringement) raise new challenges. The question arises whether the current trade mark laws are still a good fit.

##### **Why AIPPI considers this an important area of study**

- 3) With the ever increasing importance of the internet and social media, AIPPI considers it appropriate to consider how the challenges referred to above should best be addressed.

##### **Previous work of AIPPI**

- 4) AIPPI has adopted relevant resolutions in 1998 and 2001. In the Resolution on Q143 – “Internet domain names, trademarks and trade names” (Rio de Janeiro, 1998), AIPPI resolved, inter alia, that the use of a trade mark as part of a domain name on the internet for offering goods and/or services may be sufficient to constitute trade mark infringement.

In the Resolution on Q164 – “The Use of Trademarks and other Signs on the Internet” (Melbourne, 2001), AIPPI resolved:

*"1. The problems raised by the clash between the ubiquity of cyberspace and the territoriality of intellectual property rights with respect to the use of marks and other distinctive signs on the Internet must be approached and solved on a global level. It is acknowledged that the WIPO draft provisions (SCT 6/7 Prov. 1) constitute a pragmatic and useful effort to reach such a solution. AIPPI welcomes the general principle of commercial effect as embodied in the draft provisions, notwithstanding the need for further clarification and discussion on the way in which this principle should be implemented.*

*2. When assessing the infringement of intellectual property rights by the use of a sign on the Internet, national authorities should take into account whether the use of that sign has an actual or threatened commercial effect in the territory concerned.*

*3. The same test should be applied when assessing the acquisition and maintenance of rights in distinctive signs, and in respect of acts constituting unfair competition or similar torts in the commercial sphere.*

*4. Courts should be aware of the territorial reach of their competence, and should limit their decisions concerning the use of signs on the Internet to measures which do not unduly restrict activities which are legitimate in respect of the countries to which they are directed, provided that they only have commercial effect there and are not committed in bad faith."*

5) AIPPI has furthermore looked at trade mark rights and their use in respect of the internet and social media on numerous occasions as a topic for panel sessions including:

- 2021 Online Congress: “Guilty or not guilty: platform liability & safe harbours”
- 2020 Online Congress: “The fight against online counterfeiting: how can rights holders, platforms and authorities work together”
- 2020 Online Congress: “#trademarks #the new reality: trademarks on social media”
- 2012 Seoul Congress: “Trademark implications of keywords and metatags”
- 2011 Hyderabad Congress: “Twitter®, Facebook® and other social networks – implications on trademark and domain name protection”

- 2010 Paris Congress: “The conflict between keyword advertising and trademarks”
- 2009 Buenos Aires Congress: “Trademarks and the Internet”

### **Scope of this Study Question**

- 6) This Study Question will explore in what ways trade marks are used on the internet and social media which may constitute trade mark infringement and what differences, if any, there are between online trade mark protection and traditional offline trade mark protection.
- 7) Technical issues such as how to make use of various technologies to discover, monitor or stop trade mark infringement on the internet and social media are out of the scope of this Study Question.
- 8) This Study Question concerns issues related to trade mark infringement. It does not address any use requirements for trade mark registration or maintenance, nor other trade mark invalidity grounds.
- 9) The issue of conflicts between trade marks and domain names (addressed in the Resolution on Q143) will not be discussed in this Study Question.

### **Discussion**

- 10) One of the issues encountered in respect of trade mark use on the internet or social media is in which jurisdiction the use is taking place and, in other words, in which jurisdiction a trade mark owner can invoke its rights against that use. For example, a trade mark which is approved for registration in China cannot be enforced in the UK, unless the right holder has also acquired a trade mark right in the UK. The access coverage of the internet and social media is generally broader than or different from the protection coverage of a trade mark right.
- 11) In a trade mark infringement case in China (*Shi Ling Jun v. Shenzhen Allmax Technology Co., Ltd.*<sup>1</sup>), the second instance court took into consideration the factor of commercial effect and held that although the Chinese consumers could open the defendant’s website ([www.allmaxchina.com](http://www.allmaxchina.com)) in China and view the information of the suspected infringing products there, this website was only in English and the target customers of the defendant were consumers in foreign countries and it did not sell products in China. Thus, the use of the concerned trade mark on the defendant’s website had no commercial effect in China. In

<sup>1</sup> (2016) Yue 03 Min Zhong No. 3707.  
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Europe, the Court of Justice of the European Union (CJEU) held in *AMS Neve*<sup>2</sup> that an EU trade mark court would have jurisdiction in the United Kingdom under the *forum delicti commissi* doctrine (place where the infringement took place) if it finds that it is apparent, based on the content of the website operated in Spain, including details of the geographic areas to which the seller is willing to dispatch the product, that the advertising and offers for sale were targeted at consumers or traders in its territory.

- 5) Another issue regarding trade mark use on the Internet and social media is related to keyword advertising/ranking services, which allow the keyword buyer (or someone else it allows the use of the keyword) to be displayed prominently among the search results or in the ranking list. Such is a common occurrence in search engines and online market platforms. This can be problematic if such a keyword is another party's trade mark.
- 6) The decision *1-800 Contacts, Inc. v. Lens.com*<sup>3</sup> in the USA concerned a dispute regarding the question whether or not a certain keyword advertisement infringed a trade mark right. The plaintiff and the defendant in this case were direct competitors. The plaintiff had found out that the defendant's name appeared in the Google search results when searching for "1-800 Contacts" and the cause of this was the fact that the defendant's marketing affiliate had purchased "1800contacts" and other close variations as keywords for Google searches. The District Court held that although a defendant's purchase of search engine keywords could amount to use in commerce under the Lanham Act, the mere purchase of such keywords did not give rise to trade mark liability. On appeal, the 10th Circuit affirmed that use of the keywords did not give rise to a likelihood of confusion. The plaintiff thus failed in its claim of trade mark infringement in this case.
- 7) In China however, the Chongqing 5<sup>th</sup> Intermediate People's Court established trade mark infringement in a similar case. In the case of *Chongqing Jujiao Human Resource Services Co., Ltd. v. Qianjing Network Information Technology Co., Ltd. & Beijing Baidu Internet Science and Technology Co., Ltd.*<sup>4</sup> (2017), the plaintiff sued the defendants for trade mark infringement as the name of one of the defendants appeared in the front of the search results for the plaintiff's registered trade mark in the Baidu search engine (run by the other defendant, Beijing Baidu Internet). The court considered that the plaintiff and one of the defendants (Qianjing), were direct competitors and held that this defendant took unfair

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<sup>2</sup> CJEU 5 September 2019, ECLI:EU:C:2019:674 (*AMS Neve*).

<sup>3</sup> 722 F.3d 1229 (2013).

<sup>4</sup> (2017) Yu 05 Min Chu No. 377.

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advantage of the reputation and goodwill of the plaintiff's registered trade mark. Qianjing's behaviour weakened the association between the plaintiff and its registered trade mark and the function of the trade mark to distinguish the plaintiff's services from others. It also increased the search cost for the plaintiff's consumers. Therefore, trade mark infringement was established. For the other defendant, Beijing Baidu Internet, the court held that it should not bear liability since the keywords were added by the purchaser, i.e., the defendant, Qianjing, itself, and Beijing Baidu Internet had handled the matter with a reasonable and prudent duty of care.

15) In the EU, the CJEU ruled<sup>5</sup> that the proprietor of a trade mark is entitled to prevent a competitor from advertising – on the basis of a keyword which is identical with the trade mark and which has been selected in an internet referencing service by the competitor without the proprietor's consent – goods or services identical with those for which that mark is registered, where that use is liable to have an adverse effect on one of the functions of the trade mark. Such use:

- adversely affects the trade mark's function of indicating origin where the advertising displayed on the basis of that keyword does not enable reasonably well-informed and reasonably observant internet users, or enables them only with difficulty, to ascertain whether the goods or services concerned by the advertisement originate from the proprietor of the trade mark or an undertaking economically linked to that proprietor or, on the contrary, originate from a third party;
- does not adversely affect, in the context of an internet referencing service having the characteristics of the service at issue in the main proceedings, the trade mark's advertising function; and
- adversely affects the trade mark's investment function if it substantially interferes with the proprietor's use of its trade mark to acquire or preserve a reputation capable of attracting consumers and retaining their loyalty.

In the same decision, the CJEU ruled that the proprietor of a trade mark with a reputation is entitled to prevent a competitor from advertising on the basis of a keyword corresponding to that trade mark, which the competitor has, without the proprietor's consent, selected in an internet referencing service, where the competitor thereby takes unfair advantage of the distinctive character or repute of the trade mark (free-riding) or where the advertising is detrimental to that

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<sup>5</sup> CJEU 22 September 2011, ECLI:EU:C:2011:604 (*Interflora/Marks&Spencer*).  
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distinctive character (dilution) or to that repute (tarnishment). Advertising on the basis of such a keyword is detrimental to the distinctive character of a trade mark with a reputation (dilution) if, for example, it contributes to turning that trade mark into a generic term. By contrast, the proprietor of a trade mark with a reputation is not entitled to prevent, inter alia, advertisements displayed by competitors on the basis of keywords corresponding to that trade mark, which put forward – without offering a mere imitation of the goods or services of the proprietor of that trade mark, without causing dilution or tarnishment and without, moreover, adversely affecting the functions of the trade mark with a reputation – an alternative to the goods or services of the proprietor of that mark.

- 16) In addition to the traditional measures for handling trade mark infringement, the major online market platforms provide their own dispute resolution services for trade mark disputes. They have generally put a notice-and-take-down-mechanism in place (though the conditions may differ). However, other relevant services, if any, relating to trade mark protection available on various platforms may differ from each other greatly. For instance, Amazon allows trade mark right holders to enroll their trade mark registrations or applications in their “Amazon Brand Registry” which will enable self-monitoring and other services, but no similar service is offered on the Alibaba IP Protection Platform.
- 17) Yet another question concerns use of trade marks by social media influencers (“internet celebrities”). It has become very common for companies to hire influencers to promote their products, as influencers have a large number of followers who often buy whatever the influencers recommend. This is called “influencer marketing”. Should influencers under circumstances be liable for trade mark infringement in relation to the products and services they endorse orally or in writing? There have been cases in which influencers have been sued together with the manufacturers of the concerned products. An example is the US case *Petunia Products v. Molly Sims*. In this case, supermodel and influencer Molly Sims was paid to blog about the “Brow Defining Boost” product for beauty company Rodan & Fields. Rodan & Fields’ competitor Petunia owns the registered trade mark BROW BOOST and sued both Rodan & Fields and Molly Sims. Petunia claimed that Molly Sims is liable for trade mark infringement, unfair competition and false advertising because her blog post had mentioned Brow Defining Boost by name. Molly Sims requested the court to dismiss the claims against her. On 6 August 2021, U.S. District Judge Cormac Carney ruled largely against Sims<sup>6</sup>, refusing to dismiss the direct trade mark infringement claim and

<sup>6</sup> Case No.: SACV 21-00630-CJC (ADSx)(*Petunia Products, Inc. v. RODAN & FIELDS, LLC, MOLLY SIMS, and DOES 1 TO 20*).  
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the unfair competition claim. The decision signals that influencers may be held liable for trade mark infringement in connection with the products they promote.

***You are invited to submit a Report addressing the questions below.***

### **Study Report**

By Juhani SINKKONEN, Chair, Lotta AHOVAARA, Anna BAND, Janne ERKKILÄ, Emilia HODGE, Miranda HÖYKINPURO, Melina JOHANSSON, Marianna KARJANLAHTI-PERINI, Susanna NISSO, Silva PELTOLA, Hanna POHJOLA

## **Questions**

### **I. Current law and practice**

*Please answer the below questions with regard to your Group's current law and practice.*

- 1) In your Group's current laws or regulations, are there any provisions that specifically concern trade mark protection on the internet or social media? Please answer YES or NO. If YES, please list these.

YES.

Section 10 of the Finnish Trade Marks Act (2019/544) provides that the publisher of a dictionary, encyclopedia, textbook or other similar publication shall, at the request of the proprietor of the registered trade mark, ensure that the trade mark is not disclosed in the publication without stating that the trade mark is registered. The obligation to notify may be deemed to have been fulfilled when the ® symbol is affixed to the trade mark. Pursuant to the second subsection of Section 10, this also applies to the distribution of a publication via a computer network or other electronic means.

Section 64 of the Trade Marks Act concerns suspension orders. Pursuant to Section 64 the court may, when considering an infringement of a trade mark, at the request of the trade mark proprietor, suspend the use of the trademark, server or other service provider (intermediary) under threat of a fine (suspension order). The suspension order must not be regarded as unreasonable when considering the rights of the alleged infringer, the intermediary and the trade mark proprietor and it must not jeopardize the right of a third party to send and receive messages. The suspension order may be temporary.

- 2) Is there any authority in the country or region of your Group which deals with trade mark infringement matters on the internet or social media, which is different from the authority for traditional off-line trade mark infringement matters? Please answer YES or NO. If YES, please specify which.

NO

- 3) Is there any special mechanism/procedure available in the country or region of your Group to handle trade mark infringement matters on the internet or social media? Please answer YES or NO. If YES, please clarify which.

YES

Section 64 of the Trade Marks Act concerns suspension orders. Pursuant to Section 64 the court may, when considering an infringement of a trade mark, at the request of the trade mark proprietor, suspend the use of the trademark, server or other service provider (intermediary) under threat of a fine (suspension order). The suspension order must not be regarded as unreasonable when considering the rights of the alleged infringer, the intermediary and the trade mark proprietor and it must not jeopardize the right of a third party to send and receive messages. The suspension order may be temporary.

- 4) What ways of use of a trade mark on the internet and social media might constitute trade mark infringement if there is no permission from the trade mark owner? Please choose one or more answers from the following choices:

a) use to sell a product or service online;

YES

b) use as a keyword (in a search engine or ranking at a platform);

YES

c) use as a metatag;

YES



d) use as a hashtag;

YES

e) use in a review posting;

YES

f) use as the name of a social media account or an online shop name;

YES

g) use for a comparison;

YES

h) use to endorse or promote another party's product or service;

YES

i) other, namely...

- 5) Are there any different tests applying to online trade mark infringement compared with traditional off-line trade mark infringement? Please answer YES or NO. If YES, please state which.

YES. The Finnish AIPPI Group notes that the same rules apply and, in principle, there are no different tests applying to online trade mark infringement compared with traditional off-line trade mark infringement. However, the case law of the CJEU ([C-236/08 to C-238/08, Google France](#) and [C-323/09 InterFlora](#)) has clarified the interpretation of the criteria for trade mark infringement in the context of use of keywords in internet referencing services as explained in paragraph 15) of this study question, namely:

The proprietor of a trade mark is entitled to prevent a competitor from advertising – on the basis of a keyword which is identical with the trade mark and which has been

selected in an internet referencing service by the competitor without the proprietor's consent – goods or services identical with those for which that mark is registered, where that use is liable to have an adverse effect on one of the functions of the trade mark. Such use:

- adversely affects the trade mark's function of indicating origin where the advertising displayed on the basis of that keyword does not enable reasonably well-informed and reasonably observant internet users, or enables them only with difficulty, to ascertain whether the goods or services concerned by the advertisement originate from the proprietor of the trade mark or an undertaking economically linked to that proprietor or, on the contrary, originate from a third party;
- does not adversely affect, in the context of an internet referencing service having the characteristics of the service at issue in the main proceedings, the trade mark's advertising function; and
- adversely affects the trade mark's investment function if it substantially interferes with the proprietor's use of its trade mark to acquire or preserve a reputation capable of attracting consumers and retaining their loyalty.

The CJEU further ruled that the proprietor of a trade mark with a reputation is entitled to prevent a competitor from advertising on the basis of a keyword corresponding to that trade mark, which the competitor has, without the proprietor's consent, selected in an internet referencing service, where the competitor thereby takes unfair advantage of the distinctive character or repute of the trade mark (free-riding) or where the advertising is detrimental to that distinctive character (dilution) or to that repute (tarnishment). Advertising on the basis of such a keyword is detrimental to the distinctive character of a trade mark with a reputation (dilution) if, for example, it contributes to turning that trade mark into a generic term. By contrast, the proprietor of a trade mark with a reputation is not entitled to prevent, inter alia, advertisements displayed by competitors on the basis of keywords corresponding to that trade mark, which put forward – without offering a mere imitation of the goods or services of the proprietor of that trade mark, without causing dilution or tarnishment and without, moreover, adversely affecting the functions of the trade mark with a reputation – an alternative to the goods or services of the proprietor of that mark.

6) What factors are taken into account when assessing whether there is jurisdiction regarding the use of a trade mark online (on a website or app)? Please choose one or more answers from the following choices:

- a) whether the consumers in your country or region can access the website or app;

YES.

However, the mere access to a website or app does not establish jurisdiction: "...the mere fact that a website is accessible from the territory covered by the trade mark is not a sufficient basis for concluding that the offers for sale displayed there are targeted at consumers in that territory..." (C-324/09, L'Oréal, para 64). If consumers cannot access a website or app, this would rule out that a Finnish court would have jurisdiction.

- b) whether the server of the website or app is located in your country or region;

NO

This applies regardless of whether the infringement claim is based on an EUTM or a national trademark: "...the effectiveness of those rules would be undermined if they were not to apply to the use, in an internet offer for sale or advertisement targeted at consumers within the EU, of a sign identical with or similar to a trade mark registered in the EU merely because the third party behind that offer or advertisement is established in a third State, because the server of the internet site used by the third party is located in such a State or because the product that is the subject of the offer or the advertisement is located in a third State." (C-324/09, L'Oréal, para 63; claim based on an EUTM); "...the place of establishment of that server cannot, by reason of its uncertain location, be considered to be the place where the event giving rise to the damage occurred for the purpose of the application of Article 5(3) of Regulation No 44/2001." (C-523/10, Wintersteiger, para 36; claim based on national TM).

- c) whether the website or app uses a local language of your country or region;

YES.

- d) whether the website or app allows to pay in the local currency of your country or region;

YES.

This may be taken into account along with other criteria in considering whether a Finnish court has jurisdiction. It does not however solely establish jurisdiction because the euro currency is used in several EU Member States and a possibility to pay in euros does not alone indicate the website or app provider's intent to direct advertising specifically to the Finnish target group.

- e) whether goods/services are delivered to consumers in your country or region by the user of the trade mark on that website or app;

YES

- f) whether there is any business facility of the user of the trade mark in your country or region;

YES

If the infringement claim is based on an EUTM registration, the place of establishment of the defendant in any EU Member State is the secondary basis of jurisdiction, if the defendant does not have domicile in any EU Member State (EU Trade Mark Regulation Art. 125(1)). Also, if the infringement claim is based on a national trade mark against an advertiser using a keyword identical with a trademark on a search engine website operating under a country-specific top-level domain name of another Member State, the infringement claim can be brought in the court of the Member State of the place of establishment of the advertiser (C-523/10, Wintersteiger, para. 38, Brussels I Regulation Art. 7(2), where the harmful effect may occur).

- g) whether there are any promotional activities targeting consumers in your country or region by the user of the trade mark;

YES

- h) other, namely

A Finnish court has jurisdiction if the infringement claim is based on a Finnish national trade mark and the trade mark is used as a keyword on a search engine website (such as Google) operating under a country-specific top-level domain of another EU Member State (C-523/10, Wintersteiger, para. 29, Brussels I Regulation Art. 7(2), where the harmful effect occurred).

- 7) a) Can the use of another party's trade mark as a keyword in keyword search advertisement services<sup>7</sup> without the trade mark owner's permission infringe that trade mark? Please answer YES or NO.

YES

- b) If YES, under which conditions is trade mark infringement established?

First condition is that the keyword is used for commercial activities for commercial benefit. In addition, the infringement is based on traditional assessment of 1) *identity*; or 2) *likelihood of confusion* (the disputed keyword is identical or similar to the earlier trade mark and the marketed goods/services are similar or identical to those covered by the earlier trade mark); or in relation to well-known trade marks, assessment of so-called 3) *link between the marks* (the disputed keyword is identical or similar to the earlier trade mark despite of the identity or similarity of goods/services in question and the use of later mark means taking unfair advantage of the distinctiveness, or the repute of the earlier trade mark or such use is detrimental to the distinctiveness, or the repute of the earlier trade mark).

In addition, conditions referred to the earlier case-law from the EU level are assessed. These include, among others, 1) whether the advertisement does not enable an average internet user, or enables that user only with difficulty, to ascertain whether the goods or services referred to therein originate from the proprietor of the trade mark or an undertaking economically connected to it or, on the contrary, originate from a third party (C-236/08–C-238/08, Google France, C-323/09, Interflora and C-278/08, BergSpechte), 2) whether the use is liable to have an adverse effect on one of the functions of the trade mark (C-323/09, Interflora) and 3) whether the use is detrimental to the distinctive character of a trade mark with a reputation (dilution) if, for example, it contributes to turning that trade mark into a generic term (C-323/09, Interflora).\*

<sup>7</sup> Keyword search advertisement refers to such an advertisement wherein the information about the keyword buyer or any party the buyer appoints appears alone in the search result or in the front or at a prominent position of the search results when one conducts the search with such keyword.  
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- 8) a) Do one or more online market platforms in the country or region of your Group<sup>8</sup> provide services to stop trade mark infringement on their platform? Please answer YES or NO.

YES

b) If YES, what services are provided? Please tick the below boxes that apply (in the comment box you may specify if these differ for different platforms):

- notice and take-down
- shop-shut down
- initiative policing and investigation of trade mark infringement
- authentic products verification
- trade mark recording system
- other, namely... **unauthorized use of third party IPR prohibited in the T&C, keyword spamming prohibited in the T&C, search and report tools for the brand owners to detect possible infringing goods by themselves.**

**There are differences between the services provided by the platforms. All the platforms provide notice and take-down services. Shop-shut down service is provided by all the platforms whereas the service is regarding deletion of a username and/or an account. None of the Finnish platforms provide authentic products verification or trade mark recording system.**

- 9) a) According to your Group's current laws and practice, can a social media influencer bear liability for his or her endorsement of a product or service infringing another party's trade mark? Please answer YES or NO.

YES

b) If YES, under which conditions is trade mark infringement established?

**There is no case law in Finland where a social media influencer has borne liability for his or her endorsement of a product or service infringing another party's trade mark.**

**However, the Finnish Group's assessment is that such trade mark infringement may be established under Section 6(1) of the Trade Marks Act provided that:**

<sup>8</sup> Herein "online market platforms in the country or region of your Group" refers to those local online market platforms or those international ones that operate in your country or region.  
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- 1) The influencer's use of the trade mark takes place in the course of trade (involving e.g. the use of the sign in goods, offering goods or services and marketing); AND
  - a. With this respect the Finnish AIPPI Group notes that:
    - i. the CJEU has confirmed e.g. in case [C-206/01 \(ARSENAL\)](#) that a prerequisite for the use of a trade mark in the course of trade is met where the use takes place in context of commercial activity with a view to economic advantage and not as a private matter (para. 40). Further, the broad definition of the concept of "use in the course of trade" is confirmed in the Finnish legal literature, and the definition has been considered to cover any activity aimed at obtaining economic benefit or increasing sales (Pihlajarinne, Taina: *Tunnusmerkin suoja verkkotunnuskäytössä* (2009), p. 129);
    - ii. marketing is generally considered to cover a wide variety of actions such as sales promotion of a product and general corporate image advertising ([Government Bill 32/2008](#), p. 19) and marketing includes the mere mentioning of a product name or the presentation of an image if it is for sales promotion (Supreme Court decision 2005:40 docket no. S2003/754, para. 7). Therefore, the Finnish Group considers that influencer's use of a mark in his or her endorsement of a product or service can be considered as taking place in the course of trade, and in particular as marketing.
- 2) The sign used meets the requirement of identity, likelihood of confusion or unfair advantage of a trade mark with reputation within the meaning of Section 5 of the Trade Marks Act.

In addition, any product/service comparison made by a social media influencer may result in the influencer's liability for trade mark infringement under Section 6(2) of the Trade Marks Act, presuming that the plaintiff shows that:

- 1) Such conduct is considered as comparative advertising contrary to Section 2a of the Unfair Business Practices Act (1061/1978); AND
- 2) The sign used meets the requirement of identity, likelihood of confusion or unfair advantage of trade mark with reputation within the meaning of Section 5 of the Trade Marks Act.

Even though social media influencer may be held liable for trade mark infringement, the Finnish Group recommends that the company whose product or service is endorsed by the influencer is also named as a defendant in the infringement action.

## II. Policy considerations and proposals for improvements of your Group's current law

- 10) Could your Group's current law or practice relating to the use by third parties of trade marks on the internet and social media be improved? If YES, please explain.

YES.

More case law would be welcome. That would help to assess the application of the general infringement criteria under different factual circumstances and thereby improve legal certainty. At some point, codification of such practice could be considered.

It could be considered, preferably on the EU level, whether some sort of an online dispute resolution mechanism could be provided for taking down infringing materials from market places and other platforms. That could provide an efficient way to adjudicate cases in which notice and take down processes provided by the market places and other platforms do not lead to the desired results.

- 11) Are there any other policy considerations and/or proposals for improvement to your Group's current law falling within the scope of this Study Question?

### **III. Proposals for harmonisation**

*Please consult with relevant in-house / industry members of your Group in responding to Part III.*

- 12) Do you believe that there should be harmonisation in relation to trade mark protection on the internet and social media? Please answer YES or NO.

**YES.**

*If YES, please respond to the following questions without regard to your Group's current law or practice.*

*Even if NO, please address the following questions to the extent your Group considers your Group's current law or practice could be improved.*

- 13) Should there be any provisions that specifically concern trade mark protection on the internet or social media? Please answer YES or NO.

**YES.**

- 14) Should there be any authority to deal with trade mark infringement matters on the internet or social media, which is different from the authority for traditional off-line trade mark infringement matters? Please answer YES or NO.

**YES.** Some kind of simpler and more cost-efficient alternative procedure should be created to deal with taking down infringing materials from market places and other platforms. The decision should be subject to appeal before the court.

- 15) Should there be any special mechanism/procedure to handle trade mark infringement matters on the internet or social media? Please answer YES or NO.



YES. Please see measures referred to under questions 1, 10 and 14.

- 16) What ways of use of a trade mark on the internet and social media should constitute trade mark infringement if there is no permission from the trade mark owner? Please choose one or more answers from the following choices:
- a) use to sell a product or service online;
  - b) use as a keyword (in a search engine or ranking at a platform);
  - c) use as a metatag;
  - d) use as a hashtag;
  - e) use in a review posting;
  - f) use as the name of a social media account or an online shop name;
  - g) use for a comparison;
  - h) use to endorse or promote another party's product or service;
  - i) other, namely.....

All of the above, provided that the preconditions for trade mark infringement are met. The Finnish study group understands that the mere lack of permission from the trade mark holder does not constitute a trade mark infringement.

- 17) Should there be any different tests applying to online trade mark infringement compared with traditional off-line trade mark infringement? Please answer YES or NO. If YES, please state which.

NO.

There should not be any different tests applying to online trade mark infringement compared with traditional off-line trade mark infringement. The Finnish AIPPI Group considers that the same legal rules should apply to both online and offline infringements and that these rules should also be technology neutral so that they endure time and future development (of technology). Naturally, the assessment criteria must take into account the characteristics related to the online use of trade mark, which will give rise to evolvement of case law and practice that will provide a basis for future assessment.

- 18) What factors should be taken into account when assessing whether there is jurisdiction regarding the use of a trade mark online (on a website or app)? Please choose one or more answers from the following choices:
- a) whether the consumers in the country or region can access the website or app; YES.
  - b) whether the server of the website or app is located in the country or region; NO – the location of the server can be anywhere and does not tie the

dispute sufficiently to a particular country. Also, finding out the details of the location may be impossible for the complainant.

- c) whether the website or app uses a local language of the country or region; YES – this should be taken into account in addition to other criteria but this may not solely be enough to establish jurisdiction as a country may have several languages as local languages and those languages may be spoken as main languages in other countries as well.
- d) whether the website or app allows to pay in the local currency of the country or region; YES – this should be taken into account in addition to other criteria but this may not solely be enough to establish jurisdiction as a certain currency may be used in many countries (e.g. the euro is used in many EU Member States).
- e) whether goods/services are delivered to consumers in the country or region by the user of the trade mark on that website or app; YES – along with g), this should be a key criteria in determining jurisdiction.
- f) whether there is any business facility of the user of the trade mark in the country or region; YES – this should be taken into account in addition to other criteria if they point to the country where the user has a business facility.
- g) whether there are any promotional activities targeting consumers in the country or region by the user of the trade mark; YES – along with e), this should be a key criteria in determining jurisdiction.
- h) other, namely.....

- 19) a) Should the use of another party's trade mark as a keyword in keyword search advertisement services<sup>9</sup> without the trade mark owner's permission infringe that trade mark? Please answer YES or NO.

YES.

- b) If YES, under which conditions should trade mark infringement be established?

Under same conditions that apply for all types of trade mark infringements.

- 20) a) Should online market platforms provide services to stop trade mark infringement on their platform? Please answer YES or NO.

<sup>9</sup> Keyword search advertisement refers to such an advertisement wherein the information about the keyword buyer or any party the buyer appoints appears alone in the search result or in the front or at a prominent position of the search results when one conducts the search with such keyword.

YES.

b) If YES, what services should be provided? Please tick the below boxes that apply:

- notice and take-down
- shop-shut down
- initiative policing and investigation of trade mark infringement
- authentic products verification
- trade mark recording system
- other, namely .....

All of the above for effective enforcement of trade mark rights in an online environment. Market places could require more systematic procedures for authentic product verification. Shop-shut down should be possible for mala fide operators. Online market platforms should provide those services that they can provide reasonably (what they are required to do by law should be considered very carefully).

- 21) a) Should a social media influencer bear liability for his or her endorsement of a product or service infringing another party's trade mark? Please answer YES or NO.

YES.

b) If YES, under which conditions should trade mark infringement be established?

The trade mark infringement should be established under the following conditions:

- 1) The influencer's use of the trade mark takes place in the course of trade (involving e.g. the use of the sign in goods, offering goods or services and, especially, marketing); AND
  - a. This threshold should not be very high due to the broad definition of the concepts of "use in the course of trade" and "marketing". However, in this assessment, particular attention shall be paid on the relevance of economic benefit gained through the use of the trade mark and influencer's level of engagement to such use. That is, if influencer's responsibility is only e.g. the sole publication of a ready-made advertisement (compared to publisher who only publishes a print advertisement in a magazine; or to a website hosting provider or an operator of online marketplace who only publish the content on the website [see e.g. [C-324/09 L'Oréal](#)]), the influencer should not be responsible for trade mark infringement for this reason alone.
- 2) The sign used meets the requirement of identity, likelihood of confusion, unfair advantage of a trade mark with reputation or other conditions constituting infringement e.g. under unfair competition rules.

Other

- 22) Please comment on any additional issues concerning any aspect of trade marks and the internet and social media you consider relevant to this Study Question.

Please indicate which industry/cultural sector views provided by in-house counsel are included in your Group's answers to Part III.

Fashion and gaming and trademark licensing industry sector views by in-house counsel are included in the Finnish AIPPI Group's answers to Part III.