

Around the World

GERMANY

Use of Third Party's Tradename as Metatag Considered as Infringement, Says German Federal Supreme Court

Case No. I ZR 183/03 "IMPULS" – Decision of May 18, 2006

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In its appeal decision, the German Federal Supreme Court ("Bundesgerichtshof") has stated that the use of the plaintiff's tradename "Impuls" as a metatag infringes the plaintiff's rights. Until now, such an application of the law has been highly disputed in Germany in court decisions as well as in literature because a metatag has not been considered as use in trade since metatag use is generally not visible to the internet user.

In this case, however, the German Federal Supreme Court takes another view for the following reasons:

- a) The word "Impuls" used as metatag is identical with the plaintiff's tradename which is protected according to Sec. 5 (2) 1) of the German Trademark Act.
- b) The field of business of the plaintiff and the defendant is identical (comparison of insurance tariffs).
- c) The word "Impuls" is used by the defendant to denominate the services and, hence, as a sign for distinguishing the own services from those of other companies.
- d) It is not important that the search word corresponding to the metatag used by the infringer will not be visible to the internet user on the website called up. What is decisive is that the search word keyed in influences the search result and the internet user will be led to the website in which the metatag is used. Therefore, the metatag has the purpose of referring the internet user to the services offered by the defendant.
- e) A risk of confusion of the public may already result from the fact that the internet user, aware of the plaintiff's tradename and keying it in as a search word, has in its search result a link to the defendant's website which also offers the same services. Therefore, the internet user may mistake at a first glance the defendant's services for those of the plaintiff. It is not important if the internet user has to reckon with a lot of hits when keying in a general term such as "Impuls" (English: "impulse") and, after a deeper look into the defendant's website, gets aware of the fact that it is not the plaintiff's homepage.
- f) The defendant may not claim the legitimate use of the plaintiff's sign according to Sec. 23 (2) of the German Trademark Act. Such a use as a metatag may be allowed if a third party's sign is used as a metatag to indicate that the goods/services of several companies (the signs of which are used as metatags) are compared on that website in a way allowed by unfair competition law. The use of the sign as a metatag to simply attract internet users to the website does not fall under the comparative advertisement allowed under Sec. 6 of the German Unfair Competition Act.