

# Ads, marks and avoiding trouble

## Practitioners from the United States and Europe discuss the trademark issues involved in advertising

There are few brand owners that can get by without using some form of advertising these days. However, to begin a campaign without considering the trademark implications of what you are doing is profoundly dangerous and could lead to problems that are very expensive to rectify.

Experts from five jurisdictions – Julia Anne Matheson and Douglas Rettew of Finnegan in the United States; Micael Montinari and Francesca Besemer of Italy's Portolano Colella Cavallo; Ebba Hoogenraad and Maarten Haak of Hoogenraad & Haak in the Netherlands; Rafi Azim-Khan based in the UK offices of Pillsbury Winthrop Shaw Pittman; and Ilse Rohr of CMS Hasche Sigle in Germany – discuss some of the current issues facing companies at the point where advertising and trademark rights meet.

### When developing an advertising campaign, at what point in the process should marketing people consult with trademark experts? What role can a trademark professional play?

**Julia Anne Matheson:** The best approach is to involve a trademark attorney as soon as a company and its advertising agency make the initial cut of possible marks or taglines, or develop a script for a comparative advertisement referencing a competitor's products or brands. It makes no sense to spend money on focus group testing and other research only to find out later that the mark or tagline is not available. Nor does it make sense to move forward and shoot a commercial that may render the company liable for a false advertising claim.

Because trademark rights in the United States generally derive from use (ie, common law rights), not merely from

registration (as in many other jurisdictions), any reliable availability search should include an analysis of the records of the US Patent and Trademark Office (USPTO), as well as state trademark registries, common law databases (including industry publications and online databases), and domain names. The focus should be not only on marks with a similar visual appearance or pronunciation, but also those that convey a similar meaning or overall commercial impression. A knowledgeable trademark practitioner can bring his or her familiarity with governing case precedent and USPTO practices to the table in evaluating the potential risks posed by adoption of a mark, tagline or campaign before too much is invested.

**Micael Montinari:** IP rights and advertising regulations are closely connected. So, it is advisable for marketing people who are developing an advertising campaign in Italy to consult IP experts first.

In particular, the advice would be to avoid the following risks:

- using designs and/or distinctive signs that are similar or the same as those of other companies, especially competitors;
- using competitors' trademarks or those of other companies in an unlawful way, especially with regard to comparative advertising;
- denigrating competitors' activities; and
- making misleading advertisements about the quality of marks without the necessary authorizations.

IP advice is also recommended because rules regarding advertising in Italy are very complex due to the large number of both legislative and administrative acts regulating the matter.

Furthermore, the concept of advertising is very extensive. In this respect, administrative case law and the Antitrust Authority's decisions cover, among other things:

- brochures and technical manuals, if they contain advice that might influence a consumer's economic decisions;
- distinctive signs, such as emblems, trademarks or letterheads, as these may be deemed sufficient in themselves to promote a company's business activities, depending on the context in which they are used; and
- packaging materials.

**Rafi Azim-Khan:** Many years' practical experience has confirmed that it is, without question, a false economy and sometimes fatal for marketing teams not to involve legal (particularly, trademark and marketing law) experts at the drawing board stage, before embarking on an advertising campaign.

It is not just the trademark protection aspects but all aspects of the claims and marketing strategy that must be considered to identify:

- what legal pitfalls exist;
- what one's competitors might try to do in response; and
- what areas might cause problems and risk intervention by the regulators.

I was involved in one multi-country new product launch (and subsequent global legal battle – the *Gillette v Wilkinson Sword* razor wars) where substantial proactive work with the marketing teams on claims, testing, substantiation data, brand protection and marketing strategy before launch was repaid many times over as the client was able to fight off successfully and repeatedly many attacks as its key competitor sought to kill off the new product at launch. Just one courtroom loss or the cost of a failed launch in one country would have dwarfed the cost of getting the claims and marketing strategy right from the start.

Unfortunately, too often the legal team is excluded until too late in the process and/or brought in to firefight problems that have arisen. Sometimes it is too late, with the advertiser finding itself being sued for trademark or some other

infringement (and on the receiving end of a potentially large damages claim and costs) or having problems with regulators such as the Office of Fair Trading (OFT), the Advertising Standards Authority (ASA) and Trading Standards (all of which can have an injunctive effect of stopping the campaign), and/or suffering brand/reputational damage and the wasted costs associated with a withdrawn campaign/product recall.

Input should also be sought on compliance with other laws, including the EU Unfair Commercial Practices Directive (2005/29/EC) and the Misleading and Comparative Advertising Directive (2006/114/EC) (introduced in the United Kingdom via the Consumer Protection from Unfair Trading Regulations 2008 (CPRs) and Business Protection from Misleading Marketing Regulations 2008 (BPRs)). These recently swept away many of the existing laws governing pricing, product descriptions, misleading and comparative advertising, sales and trading activity.

**Maarten Haak:** Campaign designers would be well advised to seek guidance as soon as they decide to depict someone else's mark or refer to a particular mark. A trademark can easily be infringed. The advertiser also runs risks if products bearing marks are shown during the photo-shoot – for example, a television, clothing or cars. It is wise to recognize this at an early stage and use other (unbranded) products, or edit the images in Photoshop, accordingly. One could also ask permission, but this is often costly.

The trademark expert will be of great value for trademark developers: the mark should not, of course, be too descriptive, as this limits the scope of protection. Also, a purely descriptive mark would naturally be quite ill-advised, as no trademark

protection would be available in such a situation, unless the mark had already become well established. The trademark expert may assist with the combining of marketing objectives – that is, the ease with which the general public recognizes the type of product – and legal requirements.

Finally, the trademark expert may help prevent the use of the mark as a generic term. 'Spa' (mineral water) and 'Walkman' are well-known Benelux examples of this scenario. And TomTom is now taking action to avoid becoming a generic term for GPS navigation systems. Early contact between the marketing department and the trademark expert can ensure that any problems that are likely to arise are kept to a minimum.

**Ilse Rohr:** In my experience marketing people tend to contact trademark experts too late. Marketing people often believe that a trademark is free for use if they cannot find an identical mark in a search on the Internet. They are not always aware that before using a mark it is necessary to conduct thorough searches on the trademark registers. This is the only way to learn about protected trademarks which are fully in force despite not having been used by the trademark owner. It is very important to avoid such pitfalls before advertising the trademark on a large scale.

When it comes to comparative advertising, it is extremely important to consult with not only trademark experts, but also experts on unfair competition. Since both fields of law are closely linked to each other, I cannot imagine a lawyer being an expert in trademarks without being an expert in unfair competition at the same time.

Special attention needs to be paid to advertisements offering services in relation to certain products. If such an advertisement contains wording which is

misleading in regard to the relationship between the brand owner and the service provider this would be an illicit trademark use. As far back as 10 years ago, the European Court of Justice (ECJ) decided that a provider of repair services for BMW cars could not use the mark BMW in a way that may create the impression that there was a commercial connection between it and the trademark proprietor, and in particular that the reseller's business was affiliated to the trademark proprietor's distribution network or that there was a special relationship between the two undertakings.

**Which administrative bodies are authorized to regulate advertising in your jurisdiction? What powers do they have?**

**RAK:** The ASA is the "established means" referred to in the relevant legislation (CPRs, BPRs and Enterprise Act 2002) and administers a number of codes which are drawn up by the advertising industry itself through the Broadcast Committee of Advertising Practice and the Committee of Advertising Practice. However, there are other industry-specific regulators. The Financial Services Authority regulates financial promotions. PhonepayPlus regulates premium rate telephone lines. The Proprietary Association of Great Britain has a code for the marketing of over-the-counter medicines. The Direct Marketing Association also has a code on direct marketing.

Nevertheless, the regulator which advertisers are most likely to come across is the ASA. The power and scope of the ASA has been on the increase. Not only does the ASA now cover both broadcast and non-broadcast, it is taking a more proactive approach to investigating ads and is looking to get better cooperation from the media to

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have ads pulled (which can have the practical effect of an injunction). It has also used its powers to refer advertisers to the OFT for enforcement action by way of court order (eg, Ryanair in 2008). The ASA may also impose a pre-vetting requirement for future adverts and is being used more aggressively now by competitors to attack rivals (via filed complaints).

The OFT and Trading Standards police and enforce the new rules introduced by the CPRs and BPRs, either through self-regulatory frameworks like the ASA or by bringing civil and criminal enforcement action through the courts.

**Ebba Hoogenraad:** Self-regulation is well developed and widely used in the Netherlands. The Dutch Advertising Code Authority has established an entire body of rules that are laid down in the Dutch Advertising Code ([www.reclamecode.nl](http://www.reclamecode.nl)). It contains stipulations such as a prohibition on misleading statements and requirements relating to conformity with good taste and decency, and the ad must not undermine confidence in advertising. In addition, there are many specific advertising codes including, for example, an advertising code relating to food products, SMS services, alcohol, children, direct mail services and the environment.

If a complaint is deemed justified, a recommendation to discontinue such advertisements will follow. In the case of radio or television advertisements, the ad may no longer be broadcast once a decision has become final. The Advertising Code Committee cannot order rectification – except where the advertising of alcoholic beverages is concerned – or impose a fine. There is also a Board of Appeal.

In addition, self-regulation exists for the advertising of health products ([www.koagkag.nl](http://www.koagkag.nl)). Self-regulation for the advertising of pharmaceutical products is also important in the Netherlands ([www.cgr.nl](http://www.cgr.nl)). In that area, rectification, prohibitions and (modest) compensation sums can be imposed.

**IR:** The short answer is that there are no administrative bodies in Germany to regulate advertising. All regulations are statutory. There are private organizations, though, such as the *Zentralverband der Werbewirtschaft* (ZAW) – an umbrella group of private associations of companies engaging in promotional activities and organizations representing firms doing business in specific branches of trade. On a European level the ZAW closely cooperates



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with the Advertising Information Group and the European Advertising Standards Alliance (EASA). ZAW and EASA have established self-regulatory standards for the advertising industry (Codes of Conduct) and they give detailed guidance to their members as regards official standards in commercial communications. The ZAW has issued guidelines regarding certain topics in advertising; such as the Code of Conduct on Commercial Communication for Alcoholic Beverages, Advertising with and for Children, and others.

However, the ZAW has no power whatsoever to prohibit an advertisement if it finds this to be against the Codes of Conduct.

The power to stop an advertisement in an enforceable way lies solely with the German courts.

**JAM:** The Federal Trade Commission (FTC) is the primary agency responsible for regulation of advertising in the United States. The FTC has authority to ban false, unfair or deceptive advertising and to penalize violators. The FTC requires advertisers to substantiate adequately all objective claims and will investigate ads that are deceptive by omission. The FTC has recently extended its authority to regulate internet advertising.

The Children's Advertising Review Unit of the Council of Better Business Bureaus Inc is a self-regulating body created by three advertising industry trade groups to ensure that television commercials, magazine ads and websites aimed at children younger than 12 are truthful, accurate, and appropriate. The unit recommends changes to ads and, if ignored, can refer violators to the FTC. Based upon such a referral, the FTC imposed a fine of \$400,000 on UMG Recordings Inc in 2004 for collecting personal information on Lilromeo.com from children under 13 without parental consent.

The Federal Communications Commission (FCC) is charged with regulating communications by broadcast radio and television. The FCC Media Bureau has day-to-day responsibility for developing, recommending and administering rules governing the media, including radio and television. Except for certain regulations for political advertising, advertising aired during children's programming and prohibition of advertising over non-commercial educational stations, the FCC does not regulate advertising rates or profits, leaving these matters to stations to negotiate. And, except for certain political ads and the new FCC rule requiring that all advertising contracts contain clauses ensuring that there is no discrimination based on race or gender in the sale of advertising time, stations have full discretion to accept or reject any advertising.

The Securities and Exchange Commission, an independent agency of the US government, is responsible for enforcing the federal securities laws and regulating the securities industry. Moreover, through the Financial Industry Regulatory Authority, it also regulates advertising of stocks, bonds, and other financial instruments.

The Department of Transportation regulates advertising by air carriers, travel agencies and tour operators.

The Food and Drug Administration regulates advertising for prescription drugs.

The Treasury Department's Bureau of Alcohol, Tobacco and Firearms regulates certain aspects of alcohol beverage advertising.

**Francesca Besemer:** According to Section 27 of the Italian Consumer Code, the Italian Competition Authority (AGCM) has the duties/powers to control misleading advertising and unfair business practices.

Moreover, Italy was the first country in the European Union to enact the EU Unfair Commercial Practices Directive: the relevant implementing decree-laws came into force on September 21 2007.

Those decree-laws empower the AGCM to stop misleading business practices, assigning to it the specific task of monitoring advertising, as well as giving it appropriate powers to suspend and fine advertisers that violate the rules.

The authority's powers, which were already broad with regard to misleading advertising, include the power to obtain relevant information, to conduct investigations and to negotiate commitments with advertisers.

When the unfair or misleading business practice has been or shall be broadcast, spread via the press or through any other means of communication, the AGCM, before taking any action against the advertiser, shall consult the Italian Communication Authority. In case of infringement of the provisions on misleading advertising, any consumer or consumers' association, competitor or public administration can file a brief before the AGCM.

Possible sanctions include:

- in case of urgency, an interim suspension of the unlawful advertising;
- an order to cease the unfair and misleading business practices;
- an order which prohibits the unfair business practices; and
- the publication of the final decision.

In addition, AGCM may issue a penalty ranging from €5,000 up to €500,000.

In case of an interim suspension of the unfair practice, should the advertiser fail to fulfil the order of AGCM, the latter may issue a further penalty ranging from €2,000 up to €40,000.

A preliminary control is rendered by an independent body (jury) which examines the advertising communication submitted to it and judges it according to the provisions of the Code of Advertising Self-Regulation (Code of Advertising). In particular, the jury can order the cessation of an advertising campaign which is deemed to infringe the Code of Advertising.

### What constitutes misleading and/or deceptive advertising in your jurisdiction?



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**IR:** I assume that the differences which may have existed among EU member states have evened out in recent years and the law will be harmonized even more in the near future due to the EU Unfair Commercial Practices Directive. Although this directive has not been implemented in Germany yet, the German courts are already obliged to apply it in their findings. But this does not mean that there is a substantial change in the understanding of misleading or deceptive advertising. The German Unfair Competition Act provides definitions which are mostly congruent with definitions prescribed by the directive. In particular, the black list – containing 25 statements of facts which constitute misleading practices – is in line with established German practice.

**RAK:** The CPRs and BPRs in May 2008 repealed many of the existing laws covering pricing, performance claims, trade descriptions, misleading advertising and so on (eg, the misleading price indication provisions of the Consumer Protection Act 1987, most sections of the Trade Descriptions Act 1968 which formerly criminalized false trade descriptions), and now make it a

criminal offence to make misleading statements about, among other things:

- the existence and nature of a product;
- the main characteristics of a product; and
- the price (including how it is set).

An ad will be misleading under the regulations if it gives false information which deceives (or is likely to deceive) the average consumer and causes or is likely to cause him or her to take a transactional decision that he or she would not otherwise have taken.

Similarly, omissions in advertising can be misleading. Ads will be misleading if they omit, hide, disguise or delay material information so as to cause the average consumer to take a transactional decision that he or she would not otherwise have made.

**EH:** Recently, the EU Unfair Commercial Practices Directive was incorporated into Dutch law (October 15 2008). Consumer-targeted, misleading unfair commercial practices are prohibited. The concept of 'misleading' is described in detail in this legislation. The question is whether or not the average consumer is being misled (the *Gut-Springenheide* criterion). For a weak target group, such as children or elderly people suffering from dementia, the benchmark is the average consumer in that group. Deception has many faces; for example, misleading about the price, the composition or the quality of the product, or as to the question of whether the business concerned has achieved the relevant accreditations.

Omitting essential information is also considered to constitute an unfair practice (misleading omission). Fortunately, this requirement is qualified to a certain extent as the nature of the medium is significant; an internet banner cannot contain as much information as a printed advertisement. It is permissible to refer the reader to the advertiser's website where essential information is displayed.

**FB:** According to Article 2 of Decree-Law 145/2007, misleading advertising is defined as advertising which is likely to deceive the normal person to whom it is addressed, and which is likely either to affect such person's economic behaviour or to disadvantage a competitor unfairly. The same decree-law lists the features of the goods or services and the type of advertiser among the factors to be considered in assessing whether the advertisement is misleading. The decree-law provides that comparative advertising must compare goods or services which meet the same needs or are intended for the same

purpose without creating confusion among competitors, denigrating or discrediting another party's trademark.

According to Article 18 of the Italian Consumer Code, misleading and deceptive advertising is also considered as a misleading business practice. In fact, pursuant to this article, business practices are:

- any action, omission, conduct or declaration;
- business information including the advertising of the product carried out by an entrepreneur and referred to in the promotion; and
- the sale and the provision of a product to consumers.

In other words, 'misleading advertising' is an infringement of professional fairness, which causes false information or hides relevant information in order to deceive consumers.

**Douglas Rettew:** The Federal Trademark Act prohibits two types of advertising:

- advertising that is literally false; and
- advertising that may be true, but in context has a tendency to mislead or deceive the public.

Evidence of consumer perception is not required for literally false claims because those claims are, by definition, clear on their face, thus eliminating the need to gauge how consumers perceive their message. But in cases of implied false claims (ie, literally true claims that, in context, have the tendency to mislead), a plaintiff must produce evidence, often in the form of consumer surveys, showing exactly what message consumers are likely to take from the ad.

To be actionable false advertising, a statement must also be "material" and made "in commercial advertising or promotion". Some cases hold that a false/misleading statement is material if it pertains to a product's "inherent quality or characteristic". Further, although the commercial-advertising requirement is generally easy to satisfy, there is a question as to whether statements made by individual salespeople are sufficiently public for liability.

Additionally, certain states also have statutes prohibiting false advertising. In many cases, courts apply the same analysis to the state claims as the federal claims.

**Are slogan marks registrable in your jurisdiction? What is the best way to ensure such marks are protected?**



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**MH:** Slogans can be protected in three ways:

- as a mark;
- by using copyright; and
- in accordance with the doctrine of *onrechtmatige daad* (tort).

A slogan may be registered as a mark in Benelux countries. It must not be too descriptive, too long or too complicated. Many slogans fail because they do not meet these requirements, either at the registration stage (refusal) or in litigation following an infringement (denial of claims).

A slogan may also be protected by copyright, provided it is at least characterized by original syntax or, for example, a humorous alliteration, which must also be new. So it must not constitute ordinary speech. Copyright protection does not require registration.

Finally, imitation of any slogan in a

manner that could cause confusion constitutes an unlawful act. In the Netherlands, a slogan may be registered in the GVR Slogan Register ([www.slagzinnenregister.nl](http://www.slagzinnenregister.nl)) for a small fee. The slogan must actually be used as a slogan and must not be merely descriptive. The purpose of the register is to provide evidence rather than to create additional protection. Dutch courts take registration into account when assessing whether or not a competitor is acting illegally in imitating a slogan. A person who can demonstrate that he or she has checked the GVR Slogan Register to ascertain the legal position, and did not find a similar slogan, is more likely to avoid a judgment against him or her. Therefore, registration in this register is to be recommended. Nonetheless, a trademark registration is stronger.

**IR:** A slogan indeed is registrable according to the practice of the German Trademark Office. Over the last 10 years, the threshold for registrability has clearly been lowered by the German Supreme Court, overruling the jurisdiction of the Federal Patent Court. While the Patent Court required a slogan to be particularly fanciful, the Supreme Court held that the same rules apply to slogans as to word marks. Consequently, slogans like PARTNER WITH THE BEST for electronic apparatus and LOCAL PRESENCE, GLOBAL POWER for printing matter have been registered. But there are, of course, also slogans which have been refused for lack of distinctiveness. These include TEST IT for smoking articles.

To maintain the protection of a once registered slogan, special care should be taken on its proper use. As genuine use of a trademark for goods, as opposed to services, requires the mark be affixed directly on the goods, these requirements are often missed when it comes to slogan marks. This may result in the trademark becoming vulnerable to cancellation after the five-year grace period.

A drawback of registrations for slogans being quite easily obtained is that they may have a narrow scope of protection. The proprietor of a slogan mark should, therefore, see to it that its slogan is being used extensively on the goods and services for which it has been registered. This may add enhanced distinctiveness to the mark over the years so as to strengthen it for proceedings against similar slogans that may come up in the advertising of competitors.

**FB:** The slogan is a sentence used by the advertiser to enhance a specific image of a

product or service. The slogan can contain a description of the product/service and its quality, or simply make a link to a positive image (eg. a status symbol).

The slogan can be registered as an Italian trademark and/or a Community trademark, if the slogan is distinctive enough and if it identifies the product or the service.

The slogan is sufficiently distinctive provided that it is not commonly used in general as well as in business language. It is not distinctive if it merely describes a product or a service.

Moreover, a slogan can be protected as a part of advertising and can be registered according to the Code of Advertising provisions.

Finally, a slogan can also be protected under Italian Copyright Law as a new and creative literary work.

**RAK:** Advertising slogans, as marks “capable of graphical representation”, are indeed registrable under the UK Trademarks Act 1994 (along with other, less traditional, trademarks such as shapes). There are still all the usual requirements of distinctiveness, non-descriptiveness, use as a trademark in the course of trade and so on.

If one is successful in applying for registration, the protection of slogans (and indeed protection of registered trademarks generally) is best achieved through periodic audits of the trademark portfolio, keeping thorough records of use of the slogan and ensuring prompt renewal of registrations.

In addition, trademark owners should:

- use the slogan in a real, commercial way to strengthen brand awareness (to ensure it cannot be attacked for non-use);
- ensure it is not used improperly;
- ensure it is not used generically (to avoid an attempt to revoke it); and
- promote a tough policy toward infringers.

The <sup>™</sup> and ® symbols should be used as appropriate along with the slogan to act as a notice to third parties that the slogan is a trademark.

**JAM:** Slogans (or taglines) are protectable and registrable in the United States according to the same criteria applied to traditional word marks. Slogans are likewise capable of qualifying as famous marks, such as Nike’s JUST DO IT and Maxwell House’s GOOD TO THE LAST DROP marks.

As with standard word marks, merely descriptive slogans are not capable of registration or protection under US law



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unless and until they have acquired secondary meaning (namely, when the *primary* impression conveyed by the tagline is no longer descriptive, but rather source identifying). Thus, the USPTO has refused registration to AMERICA’S FRESHEST ICE CREAM for flavoured ices and WHY PAY MORE? for commercial services. Like traditional word marks, slogans are protected against third-party uses that are likely to cause confusion or dilution. Accordingly, use of the slogan WHERE THERE’S LIFE ... THERE’S BUGS for insecticide floor wax was enjoined as an infringement of Anheuser-Busch’s mark WHERE THERE’S LIFE ... THERE’S BUD.

**What is considered to be an immoral or scandalous mark in your jurisdiction?**

**FB:** Article 14 of the Intellectual Property Code provides that signs which violate law, public policy or are indecent cannot be registered.

In particular, a trademark is considered immoral or scandalous when:

- it contains words or images which, based on the average judgement of consumers, may be considered indecent; and/or
- it contains words or images which offend public authorities, religions or national symbols.

The evaluation of the trademark with respect to this has to be done in consideration only to words, images and sounds inserted in the trademark itself, and not with regard to the product. As a consequence, for instance, the registration and use of a trademark to identify tobacco products was considered lawful by case law, even if advertising of tobacco is not allowed in Italy (the Court of Appeal of Rome ruled on this subject on September 27 1993 in a famous and widely-discussed judgment).

**JAM:** A ‘scandalous or immoral mark’ is defined in US case law as one that is “shocking to the sense of propriety, offensive to the conscience of moral feelings or calling out for condemnation”. The term also encompasses matter that is considered “vulgar” (lacking in taste, indelicate or morally crude) by a substantial portion of the general public. The standard as to what qualifies as scandalous and immoral is constantly evolving with contemporary attitudes and the relevant marketplace. If multiple dictionaries define a term as vulgar, this is generally perceived as conclusive evidence that a mark comprises scandalous matter. Absent same, what qualifies as immoral or scandalous is a moving target. For example, while WEEK-END SEX for magazines was held not scandalous, SEX ROD for apparel was so deemed based on two mainstream dictionary definitions of the term ‘rod’.

**IR:** It is actually quite unusual for trademarks to be refused in Germany for being scandalous or immoral. Perhaps this is because there are not too many applications for such trademarks being filed. Two major groups of marks have repeatedly been refused by the German Trademark Office and the courts. First, trademarks which interfere with the consumer’s sense of shame. Second, trademarks which are likely to hurt people’s religious feelings. For the latter reason, the trademarks MESSIAS and CORAN, for example, were refused. On the other hand, there are several registrations for terms such as ‘Buddha lounge’ and ‘Buddha bar’. It

is interesting that three years ago, when the Federal Patent Court had to decide a case of conflict between BUDDHA trademarks, there was a remark in the grounds of the decision that in the opinion of the court these trademarks should not have been registered because they may offend the religious values of at least a minority of the German public.

**MH:** Trademarks are very rarely deemed contrary to public order or morals in Benelux. The threshold is quite high. When assessing the trademark, the actual or intended use must be disregarded. For example, a trademark that is extremely offensive for a specific group of people, or if it constitutes racism or blasphemy, will not be allowed. A sign including a swear word would clearly not show good taste, but it should be allowed as a trademark. Yet a trademark like HEALTHY BOOST for poisonous products would be against public order (and misleading, another ground for refusal or invalidity of a trademark). Another example could be a trademark like KILL YOUR NEIGHBOUR TODAY, regardless of the products or services.

**RAK:** Under Section 3(3)(a) of the Trademarks Act 1994, a trademark cannot be registered in the United Kingdom if it is contrary to public policy or to accepted principles of morality.

Case law suggests that a trademark will be permissible if it merely offends or is distasteful to only a section of the public, but will be immoral if its use would justifiably cause outrage or should be the subject of justifiable censure.

Examples of trademark applications considered to be immoral and/or contrary to public policy include TINY PENIS to be used for clothing, footwear and headgear, JESUS for a range of goods and STAND UP IF YOU HATE MAN U in relation to clothing (it being considered that this may provoke Manchester United supporters and incite violence).

#### What controls are in place in relation to tobacco and alcohol advertising?

**JAM:** US federal law prohibits the airing of advertising for cigarettes, small cigars, smokeless tobacco and chewing tobacco, on radio, television or any other medium of electronic communication. The advertising of smoking accessories, cigars, pipes, pipe tobacco or cigarette-making machines, however, is permitted.



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Julia Anne Matheson's practice includes a full range of trademark services, including trademark prosecution, client counselling and trademark clearance. Ms Matheson also has significant expertise in trademark infringement, dilution, false advertising, domain name disputes and opposition and cancellation proceedings before the Trademark Trial and Appeal Board of the US Patent and Trademark Office. Ms Matheson has litigated cases involving conventional trademarks and service marks, trade names, trade dress and product configurations. In addition, she has handled a wide range of online trademark and domain name disputes for domestic and international clients, and has filed numerous arbitration complaints under the Uniform Dispute Resolution Policy of the Internet Corporation for Assigned Names and Numbers.

While Congress has not prohibited broadcast advertising of any kind for alcoholic beverages, the industry is predominantly self-regulated. The current industry standard is that alcohol advertisements can be placed in the media only where 70% of the audience is above the legal drinking age (21). In addition, ads should not appeal to people under the age of 21, encourage irresponsible drinking or promote spirits based on the effects of a particular alcohol content. As a result of FTC recommendations, three major industry trade associations have implemented systems for external review of compliance with the industry's advertising standards. The FTC's 2008 annual report

recommended that the codes of the beer and distilled spirits industries be modified to extend the 70% placement standard to internet advertising and to include buying guidelines for internet ads.

**FB:** In relation to tobacco, EU Directive 2003/33/EC forbids the advertising of tobacco products in newspapers and on television, radio and the Internet, as well as sponsorship by the tobacco industry of events or activities which involve other EU countries.

Sponsoring of events by the tobacco industry is forbidden only in connection with events which are organized at a multinational level. Additionally, tobacco industry sponsorship is forbidden when it can reach other EU countries through television or the Internet, or other mass-media.

As for alcohol advertising, according to Article 13 of Law 125 of 2001, advertising of alcohol is forbidden in the following circumstances:

- During the broadcast of television programmes targeted at minors (under 18) and during the 15 minutes before and after the broadcasting of such programmes;
- The advertisement communicates to consumers medical properties which are not officially recognized by the Ministry of Health; and
- The advertising shows minors drinking alcohol or communicates a good image of drinking alcohol.

Furthermore, the direct or indirect advertising of alcohol in places frequented by minors is forbidden, as is advertising on television and radio programmes from 4.00pm to 7.00pm.

The advertising of super alcoholic beverages is forbidden in newspapers, magazines, movie theatres and films targeted at minors.

According to Article 22 of the Code of Advertising, advertising of alcoholic beverages must not contain images of happy people when they are drinking alcohol, in comparison with unhappy or serious people when not drinking alcohol.

On this matter, juries have been quite severe and have adopted many restrictive measures.

**RAK:** Tobacco advertising is largely controlled in the United Kingdom by the EU Television Without Frontiers Directive (89/552/EEC), the Tobacco Advertising and Promotion Act 2002 and a number of regulations.

Advertising of tobacco on television was banned under the directive and this ban is reflected in self-regulatory UK codes. For its part, the Tobacco Act introduced a complete ban on advertising and promoting tobacco products in non-broadcast media, including posters, newspapers, magazines and the Internet. Tobacco advertising was also banned for on-pack promotions and direct marketing. Free distributions of tobacco products were also outlawed. Further, the Tobacco Act banned sponsorship of cultural and sporting events by tobacco companies.

Nevertheless, the Tobacco Act does include some exemptions, which allow tobacco advertisers to be creative in coming up with ideas for the marketing of their products.

Under the Tobacco Advertising and Promotion (Point of Sale) Regulations, only one static, single or multiple advertisement, measuring no more than A5 in size is permitted at any point-of-sale outlet. Strict guidelines also exist in relation to font size, colour, style and the health warnings which must be carried.

The Tobacco Advertising and Promotion (Brandsharing) Regulations state, in general, that use in any non-tobacco advertisement of any feature which promotes a tobacco brand is prohibited if the effect of using that feature is to promote tobacco products.

With regards to alcohol, the UK Office of Communications introduced rules to deal with television alcohol advertising and the Committee of Advertising Practice has introduced rules to deal with non-broadcast alcohol advertising.

By way of example, the broadcast and non-broadcast rules restrict the extent to which alcohol may be related to the success of a social occasion, youth culture and sex. Alcohol must also be shown to be served and handled responsibly.

**EH:** Tobacco advertising is prohibited in the Netherlands. No ads are allowed at all, except limited advertising at points of sale. The packaging must display the familiar warnings in large print. The advertising of tobacco on clothing, for example, is severely restricted: only the brand name may be shown, but an entirely different type-face must be used. An infringement would represent wrongdoing under commercial law and would give rise to substantial fines.

Alcohol advertising is (still) allowed. It is subject to strict self-regulation, specifically with respect to minors, drinking and driving, and being successful sexually or socially. Moreover, as of January 1 2009, television commercials advertising alcohol

are prohibited in the Netherlands between 6.00am and 9.00pm.

**IR:** In Germany there is no specific control from the state. Basically, there are two ways to get into trouble with advertising for tobacco or alcohol if this is not in accordance with the law.

First, competitors are allowed to take legal action against acts of unfair competition. The breach of statutory law or of codes of conduct established as good commercial practice in advertising may often constitute an act of unfair competition. Further, registered associations whose objectives are to safeguard fair competition or consumer protection are also allowed to bring a complaint against an advertisement to the courts.

Second, private individuals may challenge an ad through the ZAW. The *Werberat* (Advertising Council) within the ZAW is a type of voluntary arbitration board where any interested person or association may complain about commercial advertisements. To give an example: the *Werberat* recently intervened against an internet advertisement of a brewery that contained the claim "Gives strength and energy" in relation to beer. As in most cases pursued by the *Werberat*, the brewery deleted this claim on a self-regulatory basis.

#### Are there any special regulations to deal with advertising directed at children?

**RAK:** Advertising to children is governed by the same legislation and codes of practice that relate to advertising generally in the United Kingdom.

The codes issued by the Committee of Advertising Practice and the Broadcasting Committee of Advertising Practice have special rules aimed at the protection of children, generally defined in the codes as those under 16. These were recently updated following the introduction of the CPRs and BPRs which make it an offence to include in an ad a direct inducement to children to buy advertised products or persuade their parents or other adults to buy advertised products for them (the 'pester power' rules).

Additional rules are in place, such as those aimed at protecting children's health, so that ads do not condone or encourage poor nutritional habits or an unhealthy lifestyle. There are supplemental rules banning the use of celebrities and licensed characters in food or drink ads targeted directly at pre-school or primary school children, and there are special rules dealing

with email marketing and prizes.

**EH:** Ads that target children must comply with strict requirements in the Netherlands. Naturally, no benefit may be derived from their lack of experience. Ads in children's magazines, such as *Donald Duck*, must always clearly show the word 'Advertisement' in clear print and ads for alcohol must not, of course, be directed at minors. Ringtones, teenage idols, strong language and the suggestion that alcohol leads to success in sexual terms are prohibited.

Latterly, strict sanctions have been imposed on SMS providers which have allowed children to download free ringtones from websites that were later found not to be free at all. Instead, the children had inadvertently taken out a subscription. This is now prohibited.

**IR:** There is no specific act in Germany dealing explicitly with advertising directed at children. But there is a general provision in Section 4(2) of the Unfair Competition Act prohibiting the exploitation of commercial inexperience, in particular of children and juveniles, as well as the credulity, the fear or the predicament of consumers. There is also an explicit provision contained in the blacklist of the EU Unfair Commercial Practices Directive. Accordingly, sales practices are banned in all circumstances which include direct exhortations to children to buy advertised goods or to manipulate them to ask their parents or other adults to buy the advertised goods for them. Further, there exists the *Jugendmedienschutz-Staatsvertrag* prohibiting certain sales techniques directed to children or juveniles on radio and television.

Last, but not least, the rules of conduct drawn up by the ZAW may find some consideration with the courts as standards of fair competition, although they are in no way legally binding.

**JAM:** The US Children's Television Act of 1990 requires that advertising by television broadcasters, cable operators, and satellite and digital video programming providers may not exceed 10.5 minutes per hour on weekends and 12 minutes per hour on weekdays during the broadcast of television programmes aimed at children. These restrictions are pro-rated for programmes that are shorter than one hour in duration, and cover programming originally produced and aired primarily for an audience of children 12 years old and younger. In

addition, the display of website addresses during programmes directed at children aged 12 and under is permitted only if the website is not primarily intended for commercial purposes, and the page of the website to which viewers are directed is not used for advertising or other commercial purposes (eg, contains no links to a labelled store and no links to another page with commercial material).

The Children's Advertising Review Unit of the Council of Better Business Bureaus Inc guidelines require companies to distinguish between programming and advertising content, to identify when an online interactive game contains advertising, and to refrain from unfair marketing practices (eg, the promotion of premium rate phone numbers to children).

**FB:** Italian law considers children and minors to be special consumers, and it provides stronger protection of their safety and economic interests. Therefore, it is possible that an advertisement which is not considered misleading regarding consumers as a whole may be considered misleading when dealing with children, and so potentially unlawful.

The Italian Consumer Code also provides that advertising is considered aggressive if it contains an explicit invitation to children or to parents to buy a product.

Pursuant to the code advertisement campaigns are unlawful when there is a risk to the safety of children.

Decree-Law 206/05 provides for special rules in respect of television advertising. Television programmes which contain violence and communicate – even indirectly – hate, racism and any kinds of discrimination are forbidden. In addition, other television programmes for adults which are considered lawful cannot be broadcast during specified children's time slots.

**Advertising on the Internet is now one of the most important methods of communicating a brand message to consumers. What specific trademark issues are raised by advertising online under national law?**

**IR:** There are many issues relating to the protection of trademarks on the Internet. One of the biggest is that the use of the mark in a territorial sense does not correspond with the territory in which the trademark has been protected by registration. As use on the mark owner's multi-lingual website may constitute



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trademark use in countries where the same mark or confusingly similar trademarks exist and are owned by third parties, this may cause conflicts which were not intended and are very difficult to avoid.

Another serious problem is domain grabbing which can be difficult to resolve and which often makes court actions necessary where alternative dispute resolution is not available. This is particularly the case in Germany for the '.de' country-code top-level domain.

**RAK:** Many legal considerations apply to online advertising in the same way as they apply to traditional forms of offline advertising, such as press, television and radio.

However, there are a number that are specific to online advertisements. Marketers should seek specialist guidance on a range

of legal issues before embarking on any online campaign, particularly to consider what rules and sanctions apply, for example, to the use of tracking devices/cookies, viral marketing, spam/email, what data protection laws apply and what the new increased enforcement powers and focus in the United Kingdom might mean.

With regards to trademarks, a number of specific issues are raised in the context of online advertising; for example, the use of metatags and links.

Metatags are an important means by which website owners seek to promote their sites and can attract more traffic to their sites. However, website owners should be wary when using trademarks belonging to third parties as a means of obtaining more hits from search engines. If a website owner is deliberately using a competitor's trademark or a similar mark to divert traffic to their site (eg, BMW loading MERCEDES marks onto its site so users searching for MERCEDES would receive BMW hits), then that may well constitute trademark infringement. I have been involved in a number of such disputes and the best advice is not to underestimate the risk factor in using a third party's registered mark in this way.

**MH:** A hot topic is the question of to what extent a trademark owner can stop a third party who uses the trademark as a paid search word, as with Google AdWords. In December 2008, in a landmark case (*Portakabin/Primakabin*), the Dutch Supreme Court asked five important preliminary questions to the ECJ, including: should the use of the competitor's trademark as an AdWord be considered use of the mark *for products or services*; or is this 'other kind of use' of the mark? Such 'other use' can be stopped only under Benelux trademark law, but not under other EU member states' national trademark law, as this optional provision of Article 5(5) of the Trademarks Directive (2008/95/EC) (the latter replaced the First Trademarks Directive (89/104/EEC) in November 2008) was implemented in Benelux only.

A second key issue is the extent of liability of host providers for user-generated content. We all know about the international litigation campaign by Louis Vuitton against Google for AdWords that clearly pointed to counterfeit products. In the Netherlands, eBay's subsidiary, Marktplaats, was sued by design company Stokke for failing to prevent its users from selling fake Stokke chairs on its site. Although this was a copyright matter, it is highly relevant for trademark

practice as well. eBay won the case in the first instance. Many similar cases by rights owners are being prepared or are pending.

**MM:** Advertising on the Internet is now one of the most important methods of communicating a brand message to consumers. In Italy, this is a very hot topic. The relevant issues include the extensive use of domain names, pay-per-click links and keywords in competitor's websites. Rules on trademarks, with few exceptions, apply to domain names. As a consequence, a domain name, even if correctly registered with a competent organization, might not be lawful if it infringes a trademark previously registered or used by another party. Also the frequent use of words, sounds or signs of a company or its products made by competitors in pay-per-click or keyword advertising can be regarded as unlawful. However, on this subject, Italy does not have rich case law. Furthermore surface-linking and deep-linking are often considered to amount to trademark infringement and/or unfair competition.

**DR:** Online advertising can bring up countless trademark issues. For example, the domain name an advertiser selects for its website may infringe or dilute another's trademark or constitute cybersquatting. The website's content can also raise various issues. Links on a website have spawned many trademark lawsuits. Liability depends on who's doing the linking, where the linking leads and whether there is a likelihood of confusion or dilution.

Website owners also frequently use others' trademarks in their metatags. Sometimes website owners use others' trademarks to trade on the goodwill of the mark and other times the mark is used in a fair use manner.

Finally, the hottest topic is the sale and purchase of search engine keywords containing others' trademarks and the sponsored advertisements they trigger. Although the law governing keywords is far from settled, certain principles are emerging. The presence or absence of the plaintiff's mark in the sponsored ad is a primary consideration in determining liability. Many courts have recognized, however, that the presence of the plaintiff's trademark in the ad does not automatically establish trademark liability. Rather, the defendant's use of the plaintiff's mark may sometimes constitute a fair use. In addition, a few courts have found infringement even when the sponsored ad did not contain the plaintiff's mark on a theory of initial interest confusion.



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**When dealing with comparative advertising, how can one assess whether a sufficient level of comparison is taking place, particularly in relation to use by third parties of the brand owner's non-traditional trademarks? (Question submitted by Bob Boad, head of trademarks at BP)**

**MH:** In the *O2* decision, the ECJ allowed for a comparison that used the competitor's trademark, or a sign similar to it. By allowing the latter, the well-built reputability or the distinctive value of the competitor's brand could be harmed, leaving the competitor with the question of whether it can stop the advertising on trademark grounds. If the competitor's brand is well known, the *O2* decision leaves room for the argument that this is a strict trademark issue. And it usually is well known – who compares their brand to an unknown one?

Of course, comparative advertising is at stake only if the average consumer recognizes the comparison. The use of non-

traditional trademarks – such as sound or colour marks – in comparative advertising may lead the consumer to such recognition. Under Dutch law, the way in which the competitor's trademark is mentioned is not a factor making advertising comparative. Even a comparison with an unnamed 'A brand' will be considered a comparison with any other A brand in that particular market, and will have to meet the strict criteria for all those A brands. And a comparison with "another provider of this service" is treated as a reference to the market leader. This implies that the campaign designer should obtain advice on the strict rules for comparative advertising, especially when making such an 'unnamed' claim in the Netherlands. It could be much safer to mention one specific competitor whose goods or services are being compared.

**RAK:** The crucial upshot of the *O2 Case*, which I was involved with, is that it confirmed that the Comparative Advertising Directive (now the Misleading and Comparative Advertising Directive) overrides the First Trademarks Directive (now the Trademarks Directive). This means that registered trademark owners cannot assume they can prevent competitors from using their marks in advertising/comparisons by suing for trademark infringement. The golden rules are set out in the Misleading and Comparative Advertising Directive and provided they are followed the third party can use the marks in an advert/comparison.

The rules in relation to comparative advertising include the following:

- It compares goods and services meeting the same needs or intended for the same purpose;
- It objectively compares one or more material, relevant, verifiable and representative features of those goods and services, which may include price;
- It does not discredit or denigrate the trademarks, trade names, other distinguishing marks, goods, services, activities or circumstances of a competitor; and
- It does not create confusion among traders, between the advertiser and a competitor or between the advertiser's trademarks, trade names, other distinguishing marks, goods or services and those of the competitor.

So, if an advertiser uses a non-traditional trademark (eg, a colour) of a competitor to compare goods and/or services of a competitor, this will be permitted (following

O2) provided the use of the colour does not give rise to a likelihood of confusion between the goods of the advertiser and those of the competitor.

One key objection in the *O2 Case* related to why the competitor had to use the same colours, get-up, voiceover elements, distinctive bubble imagery and so on to make its comparison point. Unfortunately, the ECJ did not consider questions on whether to permit use of another's mark that use must be "indispensable".

However, do note one important aspect of the case and the Misleading and Comparative Advertising Directive rules: if confusion exists then there will still be grounds to bring a claim for trademark infringement (because the conditions of the directive have not been complied with) so advertisers must be careful and seek specialist advice.

**IR:** The average consumer must be able to identify the trademark of the competitor clearly. It is not sufficient that the comparison is between competitive goods as such, if the individual origin cannot be made out. If, for example, the compared goods are shown only on a coloured background, namely the colour mark of the competitor, this is only sufficient if the public undoubtedly attributes this colour to this competitor and understands its use in the advertisement as a badge of origin.

**DR:** In the United States, one can nominatively refer to a competitor's trademarks in advertising so long as certain criteria are satisfied. Additionally, so long as claims are not false or misleading, one can compare competing products in advertising. For example, an advertiser can assert that its product is equivalent or superior to a competitor's product, or that its product has a quality or feature that its competitor's does not.

One issue that has arisen is whether an advertising claim of equivalency or superiority, without pre-existing supporting data, is necessarily false. While one court has held that it is, the majority rule is that a plaintiff must prove falsity, not just a lack of pre-existing substantiation. This rule differs from the standard followed by the FTC – which can find that any inadequately substantiated advertising claim is inherently misleading without proving actual falsity.

Competitors can also make tests prove claims. Such claims are proven false by showing that the test data does not support the claims, or that the test is not sufficiently



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reliable. Importantly, in that situation, it is not necessary to prove the falsity of the underlying claim.

Furthermore, some courts have held that a comparative advertisement does not have to name a competitor to constitute false advertising, and a false advertising claim that some product feature outperforms an unnamed competitor's can be actionable.

**FB:** Under an Italian law perspective, comparative advertising can be direct or indirect, depending on whether the advertising expressly refers to competitors or their products and/or services.

The scope of comparative advertising is to inform consumers about products and relevant trademarks. Therefore, comparative advertising must comply with the principle of transparency. In this respect, comparative advertising seeks a balance between the interests of consumers to be properly informed about products and services, on the one hand, and the interest of companies to communicate a

good image of their business and trademark, on the other hand.

Additionally, comparative advertising must be objective and competitors and their products must be clearly identifiable by consumers. If the competitor or its sign or product is not clearly identifiable, then the comparison is not allowed.

**In what situation can I use my main competitor's trademark, or something very similar to it, in an advertisement without the risk of a legal action?**

(Question submitted by Frederick Mostert, Chief Intellectual Property Counsel, Richemont SA)

**MM:** The use of a third-party mark is allowed and is not a violation, even if not authorized by the trademark owner, subject to the following conditions:

- the use of the trademark must not be misleading;
- the comparison must not create confusion between the advertiser's and the competitor's marks;
- the comparison must not denigrate or discredit the competitor's trademark;
- the advertiser must not take advantage of the fame of the competitor's mark.

**DR:** There are two categories of non-infringing uses of another's mark in the United States – descriptive fair use and nominative fair use. Descriptive fair use occurs where a defendant does not use a plaintiff's mark in a trademark sense, but only to describe the defendant's own goods/services (eg, a cranberry juice maker can advertise its juice as having "sweet tart" flavour without infringing the mark SWEETARTS for candy.)

Nominative fair use allows one to use a competitor's trademark in a non-confusing way to identify the competitor or its products/services (eg, a restaurant can advertise: "We serve Coca-Cola." Or, as explained by one court, "a soft drink competitor would be entitled to compare its product to Coca-Cola or Coke, but would not be entitled to use Coca-Cola's distinctive lettering". To establish nominative fair use, one must prove that:

- the product/service used is not readily identifiable without use of the mark;
- only so much of the mark is used as is reasonably necessary to identify the product/service; and
- the user does nothing that would suggest sponsorship or endorsement by the mark holder.

**IR:** This question could also be looked at from the perspective of exhaustion of trademark rights. EU law prescribes that the trademark shall not entitle the proprietor to prohibit its use in relation to goods which have been put on the market in the European Union under that mark by the proprietor itself or with its consent. From that moment on, a brand owner cannot prevent the distributors of the products from using the trademark when offering or advertising the marked goods. The brand owner, however, may oppose such use for legitimate reasons, especially where the condition of the goods has been changed or impaired after they were put on the market. In Germany, for example, Levi Strauss was successful 13 years ago in obtaining an injunction against the vendor of Levi's jeans which had been dyed in lurid colours. The defendant had to stop selling these jeans under the trademark of Levi Strauss.

As a rule of thumb one can say that it is permissible to use a third party's trademark as long as it is being used to designate this third party's goods and as long as this use has no detrimental effect on the trademark.

**RAK:** Following the recent *O2 Case*, if an advertisement complies with the conditions for legitimate comparative advertising set out in the new Misleading and Comparative Advertising Directive, a registered mark owner cannot seek to rely on its trademark rights to prevent the use of its marks in such an advertisement.

Where there is a likelihood of confusion because a similar/identical mark is used in respect of identical/similar goods or services, this breaches the directive's conditions and potentially allows the trademark owner to assert its trademark rights in relation to Section 10(2) of the Trademarks Act 1994 against the advertiser.

The test of likelihood of confusion is fraught with difficulties, will depend on the circumstances of each particular case and will be heavily influenced by evidence of confusion before the court.

Nevertheless, comments on 'likelihood of confusion' which have been made by the courts include the following:

- There is a greater likelihood of confusion where the mark has a highly distinctive character or because of the use that has been made of it;
- The matter must be judged through the eyes of the average consumer, of the goods/services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant; and

- The likelihood of confusion must be appreciated globally, taking account of all relevant factors.

**EH:** Use of someone else's trademark (or similar) is allowed in comparative advertising. Depending on the way it is done, the use of both word marks and device marks could be allowed. But the comparison must fully comply with all the strict requirements that apply to comparative advertising under the Comparative Advertising Directive. Thus, for example, the use must not be misleading or cause confusion. But if these rules are complied with, the advertisement may make mention of a competitor's trade name. The competitor, on the other hand, may not initiate legal proceedings based on its trademark rights.

In the Netherlands, comparative advertising is the order of the day. The supermarkets are fighting an intensive price war. Airlines and the telecommunications industry also make use of comparative advertising on a daily basis. We eagerly looked forward to the *O2* ruling given by the ECJ concerning the relationship between the Comparative Advertising Directive and the Trademarks Directive. It is good that we finally have some clarity in this regard. If it is a matter of comparative advertising pure and simple, the trademark proprietor cannot initiate legal proceedings. However, even if the comparison is misleading, trademark law does not come into the frame in relation to marks without a reputation.

However, the consequences of using a similar or identical, well-known mark are still uncertain; many advertisers will make slight alterations to or parody a well-known pictorial mark in an advertisement. The ECJ has yet to state its position on this matter. [WTR](#)