# Santa-Clara University

# **Keyword Law**

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# **Keyword Law**

### • Prima facie TM infringement case

- Ownership of valid trademark
- Priority
- Use in commerce in connection with sale of goods/services
  - Use in "commerce" = "all commerce which may lawfully be regulated by Congress"
  - "Use in commerce" = "bona fide use of a mark in the ordinary course of trade"
- Likelihood of consumer confusion
  - Wentworth: SJ for defendant based on keyword triggering
  - Storus: SJ for plaintiff based on TM in ad copy

#### • State legislation

- Utah Spyware Control Act
- Alaska SB 140
- Utah Trademark Protection Act (repealed)



# **Best Practices**

#### • If you're a trademark owner

- Don't be duplicitous
- Use search engine complaint procedures
- Typical litigation costs > value of "diverted" consumers
  - 800-JR Cigar: defendant had gross revenues of \$345
  - Storus: defendant got 1,347 clicks in 11 months

#### • If you're an advertiser

- Beware prisoners' dilemma/arms race
- Don't reference competitor's trademark in ad copy
- If broad matching, consider using negative keywords

