

## CASE NOTE

### Case notes re unfair advantage in Comparative advertising

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Clause concerned: Section 6 UWG: (2) Unfairness shall have occurred where a person conducting comparative advertising uses a comparison which: 4. Takes unfair advantage of or impairs the reputation of a distinguishing mark used by a competitor;

- Under *L’Oreal vs. Bellure*: "Taking unfair advantage", also a requirement for Article 5(2) infringement under the TMD (Trade Marks Directive), has been interpreted in favour of brand owners with the result that look-alikes, copy-cat products and supermarket own-brand products should now be easier to stop.
  - The ECJ held that any damage to any of the additional functions of the mark or any attempt to ride on the coat-tails of that mark in order to benefit from its power of attraction, reputation or prestige or to exploit the marketing effort expended on it was taking unfair advantage (and therefore an infringement under Article 5(2))
  - Bellure claimed that they were simply "describing" the smell to their customers and should be free to do so since there was no harm to the "essential function" of the perfume marks (that of indicating the origin of the goods). See: Case C2/00 *Holterhöff v Freiesleben* - trademark had been used solely to describe the characteristics of the goods and there was no danger that anyone would take it as an indication of origin.
  - However, the ECJ disagreed, broadening the categories of "functions of a trade mark" that could be damaged beyond the essential function to include: a guarantee of quality, communication, investment or advertising (the additional functions) So, use of another's trade mark by way of comparison which is not "purely descriptive" (such as use in advertising) may be infringing under Article 5(1)(a) of the Trade Marks Directive; use in advertising is likely not to be purely descriptive, because it is likely to damage one of the mark's additional functions (such as advertising), even if it is not capable of jeopardising the mark's essential function.
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