

EIP

Cosmetic Warriors in the High Court

In *Cosmetic Warriors Limited & Lush Limited v Amazon.co.uk Limited & Amazon EU SARL*, Mr John Baldwin QC (sitting as deputy judge) found that the aforesaid Amazon companies (collectively referred to herein as “Amazon”) had infringed the first claimant’s registered Community Trade Mark for “LUSH” under Article 5(1)(a) of Directive 2008/95/EC. The infringement stemmed from Amazon’s directing consumers to the sale of equivalent products to those sold by the claimants (collectively herein referred to as “Lush”) through use of Google Adwords including “lush”, and also through use of “lush” on the Amazon UK website as an indicator of a generic class of such goods.

Background

Lush are manufacturers and suppliers of cosmetic products under the “LUSH” brand. Lush does not allow its goods to be sold via the Amazon UK website. While Amazon does not sell Lush products through the Amazon UK website, it does offer for sale equivalent products and used the word “lush” to drive consumers to those products. In this context:

- Amazon bid on a number of Google Adwords including the word “lush” such that if a consumer typed “lush” into the Google search engine an advertisement for “Lush Soap at Amazon.co.uk” may have been triggered to appear. This advertisement would link to products equivalent to Lush Soap on the Amazon UK website.
- If a consumer searched the Amazon UK website for “lush” they would be presented with the details of equivalent products.
- Amazon did not explain to the consumer that the products presented were not actually Lush products.

Lush took issue with these activities.

The Judgment

In relation to the use of Google Adwords, the judge had to consider two types of ad – those that featured the Lush mark and those that did not. The judge applied the test from Google France C236/08 under which the only question requiring any significant consideration was whether the use was such as to affect or be liable to affect the functions of the trade mark. In this regard the judge addressed whether the ads enabled the reasonably attentive internet user to ascertain whether the goods in the ad were not connected with Lush.

For the first class of ad, the judge found that the average consumer seeing an ad including text such as “Lush Soap at Amazon.co.uk” would then expect to find Lush soap on the Amazon UK website. However as the products offered via the click-through ad were not original “Lush” products, because consumers were not made aware of this and because it was difficult to discern their actual provenance, infringement under Article 5(1)(a) of Directive 2008/95/EC was made out.

For the second class of ad, the judge held that there was no infringement because consumers are used to seeing this kind of ad and would expect to see a reference to the Lush mark in an ad for Lush products to distinguish it from competing suppliers: “...average consumers would expect an advertisement for Lush products to include some reference to the Lush mark...”.

In relation to Amazon’s use of “lush” on its own website, the judge distinguished the present case from both L’Oreal and Google France, and appeared to have little difficulty in finding that Amazon had used ‘lush’ in the course of trade. Having come to that finding, in terms of that use amounting to infringement, the judge then had to consider whether that use affected the function of the trade mark. The origin, advertising and investment function were found to be affected by the use complained of.

- In terms of the origin function the judge found that “...using the Lush trade mark as a generic indicator of a class of goods, [was] conduct which attacks head on the ability of the mark to act as a guarantee of the origin of the Claimants and nobody else.”
- In terms of the advertising function the judge found that the ability for Lush to attract custom under the mark would be damaged by Amazon’s aforementioned use.
- In terms of the investment function the judge found that the Lush business had built up an image of ethical trading, an image which the Claimants wished to preserve. In this context Lush had decided not to sell products via the Amazon UK website because of the damage the Claimants perceived would be done to that reputation. The use of the mark by Amazon and association of the mark with

Amazon through that use was accordingly found to affect the investment function of the mark.

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Comment

One of the arguments presented by counsel for Amazon was that a balance needed to be maintained between the rights of a trade mark proprietor and the rights of the public to access to enjoy the benefits of technology. In this context the way in which the Amazon search engine operated was considered to be such a technological benefit. The judge implicitly acknowledged that such a balance should be maintained, but did not agree that it could be weighted in the manner that Amazon proposed, in particular finding that it did not go so far as to allow trade marks to be used as a generic indication of a class of goods.

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