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## Putting Your Best Foot Forward: Trade Mark Infringement And Keyword Advertising In Singapore

When can a business use a competitor's trade marks in its search engine advertisements? Search engine advertisements are an important part of fair competition, but can lead consumers to mistake the origin of advertised goods and services <sup>1</sup>. In Singapore's first decision on keyword advertising and trade mark infringement, the High Court in East Coast Podiatry Centre Pte Ltd v Family Podiatry Centre Pte Ltd [2024] SGHC 102 ("East Coast Podiatry") has provided guidance on when such use is permitted.

## **Background**

Google's search results display "sponsored links" – advertisements displayed in response to similar search terms by a user. When purchasing a sponsored link, advertisers must select relevant keywords. A sponsored link contains a "headline", a short commercial message and the URL of the advertiser's website.

The parties operate competing podiatry clinics. The Claimant, East Coast Podiatry Centre ("ECPC"), owns various registered trade marks containing the words "EAST COAST PODIATRY".

The Defendant, Family Podiatry Centre Pte Ltd ("**FPC**"), purchased Google advertisements which used keywords such as "East Coast Podiatry", "Podiatry East Coast" and "Podiatrist East Coast in the advertisement "headline". Clicking on the advertisement would bring the user to FPC's website.

## **Trade Mark Infringement**

The Court found that there was no trade mark infringement <sup>2</sup>. While the similarity of parties' marks and services was not in dispute <sup>3</sup>, there was no likelihood of confusion on the facts <sup>4</sup>.

Of particular interest in this decision is the Court's take on an unsettled application of law in Singapore trade mark jurisprudence: how should the likelihood of confusion be assessed for search engine advertisements? Internet users would not necessarily conclude from a keyword advertisement that the advertiser is economically linked to the trade mark proprietor <sup>5</sup>.

The Court, having considered European and English case law, stated that it will assess whether the advertisement enables internet users to ascertain whether the goods or services originate from the proprietor of the trade mark or another trader <sup>6</sup>.

<sup>&</sup>lt;sup>1</sup> East Coast Podiatry at [44]-[45].

<sup>&</sup>lt;sup>2</sup> East Coast Podiatry at [49] (s 27(1)), [94] (s 27(2)).

East Coast Podiatry at [51]-[52].

East Coast Podiatry at [93].

East Coast Podiatry at [70].

East Coast Podiatry at [56].

<sup>&</sup>lt;sup>7</sup> East Coast Podiatry at [82].

FPC's website played a significant role in the Court's finding that there was no likelihood of confusion.

As the intended function of a Google advertisement is for users to click on the sponsored link within the advertisement and be automatically redirected to the advertiser's website <sup>7</sup>, FPC's use in the sponsored link was intrinsically linked to its website – allowing the contents of the website to be considered when assessing the likelihood of confusion.

Upon clicking on FPC's sponsored links, internet users would be automatically redirected to FPC's website. As the website contained FPC's "vastly different" trade marks, it would dispel any confusion that might have arisen at first instance. Importantly, the website made no mention of the phrase "east coast podiatry" or "east coast". Users would be immediately aware that FPC was not associated with ECPC.

Further, users would not assume that FPC and ECPC was part of the same network of clinics under different names <sup>10</sup>. ECPC only operated podiatry clinics under the name "East Coast Podiatry" and FPC's podiatry services were only provided under the name "Family Podiatry Centre".

Accordingly, the Court found that there was no likelihood of confusion on the facts, and no trade mark infringement.

For the same reasons, ECPC's claim under the tort of passing off was unsuccessful, as it was unable to establish a likelihood of confusion.

## **Observations**

**East Coast Podiatry** provides timely guidance to businesses in Singapore engaged in search engine advertising. A key takeaway is the relevance of the keywords selected for the advertisement, the URL displayed with the advertisement, and the corresponding website. Each component should be carefully reviewed prior to purchasing sponsored links.

The nature of the business in question is also highly relevant. While no infringement was established on the facts, the position may be different where a sponsored link brings an internet user to an e-commerce platform which supplies a wide range of goods – the user may not be able to ascertain that the goods referred to by the advertisement are in fact provided by a different business <sup>11</sup>.

Businesses are reminded of the importance of transparency in advertisements on the internet <sup>12</sup>. The Court stressed the strong reasons for protecting the value of trade marks as badges of origin and noted there may well be cases of internet advertising where there is a finding of infringement <sup>13</sup>.

Finally, *East Coast Podiatry* was decided under the new "Simplified Process" for intellectual property disputes. The Simplified Process allows for faster and more cost-effective dispute resolution, particularly for claims with lower monetary value. More information on the Simplified Process can be found in our article titled "*New Supreme Court Practice Directions Relating to Simplified Process for Certain Intellectual Property Claims*".

East Coast Podiatry at [82].

East Coast Podiatry at [87].

<sup>&</sup>lt;sup>9</sup> East Coast Podiatry at [83]-[88].

<sup>&</sup>lt;sup>10</sup> East Coast Podiatry at [91].

<sup>11</sup> East Coast Podiatry at [92]-[93].

<sup>&</sup>lt;sup>12</sup> East Coast Podiatry at [45].

East Coast Podiatry at [111].

<sup>&</sup>lt;sup>14</sup> East Coast Podiatry at [25]-[26].

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