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For Immediate Release

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Judge's Ruling Leaves Door Open that Selling Trademarks as Search Engine Keywords May be Illegal

Scully Scott notifies clients of potential new type of trademark infringement

Garden City, NY -- Scully, Scott, Murphy & Presser, a leading Intellectual Property (IP) law firm, has notified its clients and friends that a judge in the federal court in the Eastern District of Virginia has made a significant ruling regarding the use of trademarks as keywords on Internet search engines. The case involved a lawsuit filed by Geico against Google for selling Geico's trademark as an advertising keyword in the Google search engine system. When Google searchers used the Geico trademark in a search, the search results included an advertisement by the purchaser of the trademarked keyword. Geico argued that use of their trademark as a keyword by a third party was likely to cause confusion, and therefore constituted trademark infringement. Google responded by filing a motion to dismiss the claims of trademark infringement on the grounds that the mere use of a trademark as a keyword by a party that does not own the trademark does not constitute trademark infringement.

The judge first held that use of another entity's trademark in the text of an advertisement on a search engine results Web page constituted trademark infringement. The judge also held that, based on the evidence presented, simply purchasing another entity's trademark for use as a keyword on a search engine did not create confusion, as long as the purchased keyword was not in the text of the resulting advertisement. Both rulings were consistent with Google's existing policy with regard to the sale and use of trademarks as keywords by third party non-trademark owners.

"It is significant that the judge ruled Geico did not present sufficient evidence that confusion existed," said Keith Weltsch, trademark attorney at Scully, Scott, Murphy & Presser. "The judge was implicitly stating that if there was sufficient evidence, a trademark owner might be able to establish that using its trademark as a search engine keyword constituted infringement, even if the trademark was not used in the text of the advertisement. If trademark owners are able to present evidence that search engine users are confused by the use of the trademarks of other entities as keywords, the door has been opened to a ruling that this may constitute trademark infringement."

About Scully, Scott, Murphy & Presser

Founded in 1973, Garden City-based Scully, Scott, Murphy & Presser is one of Long Island's largest and most preeminent law firms exclusively dedicated to Intellectual Property. Comprised of highly skilled attorneys with highly technical backgrounds, SSMP confidently sits at the crossroads of cutting edge science, technology and law where it offers detailed, bankable opinions and secures, protects and enforces intellectual property for its clients. For more information, visit Web site <http://www.ssmp.com>.

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