

CARPMAELS & RANSFORD

Cosmetic Warriors Ltd and Lush Ltd v Amazon.co.uk Ltd and Amazon EU Sarl

A High Court decision concerning Amazon's use of the LUSH trade mark as a Google AdWord and as a suggested term on the Amazon website when, as a matter of fact, LUSH products are not available for sale through Amazon.

The High Court of England & Wales has found that Amazon's use of LUSH as a Google AdWord infringed the registered LUSH trade mark where the sponsored advertisement triggered by the AdWord did not enable consumers to determine easily that the products being offered were not actual LUSH products.

The Court also found that Amazon infringed the registered LUSH trade mark when the search engine and "Related Searches" functions on Amazon's website automatically suggested various "lush" products where, again, consumers could not determine easily that the products being offered were not actual LUSH products.

Summary of the facts and reasoning

Cosmetic Warriors Ltd is the proprietor of Community Trade Mark No. 1388313 LUSH. Lush Ltd is the exclusive licensee of that trade mark (together referred to as "Lush").

Lush does not sell any of its products through Amazon because it disagrees on ethical grounds with some of Amazon's practices, for example, on tax.

Lush therefore complained about the following uses of LUSH by Amazon:

1. The appearance of LUSH in a sponsored advertisement triggered by the LUSH Google AdWord that Amazon had purchased, for example:

Lush Soap at Amazon.co.uk
www.amazon.co.uk/lush+soap
amazon.co.uk is **rated** *****
Low prices on **Lush Soap**
Free UK Delivery on Amazon Orders.

The Court decided quickly that this was an infringement of the LUSH trade mark. A consumer seeing this advertisement would expect to find LUSH soap for sale on Amazon, given Amazon's reputation as a retailer of a wide range of products. The consumer could not easily determine that the advertisement did not refer to actual LUSH products.

2. The same use of LUSH as a Google AdWord but where LUSH did not appear in the resulting sponsored advertisement, for example:

Bomb Bath at Amazon.co.uk
www.amazon.co.uk/bomb+bath
amazon.co.uk is **rated** *****
Low prices on Bomb Bath
Free UK Delivery on Amazon Orders.

This use as a Google AdWord was not an infringement of the LUSH trade mark. The Court reasoned

that consumers are familiar with sponsored advertisements for products that compete with the products that the consumer has actually searched for. Furthermore, consumers would expect an advertisement for LUSH products to refer to the established LUSH brand.

3. The results generated by a consumer entering LUSH into the search engine on Amazon's own website, in particular:
 - a. The automatic suggestion, in a drop down menu, of "lush" products when a consumer types "lu" into the "Beauty" department.

This outcome was caused by Amazon's software and its analysis of consumer behaviour on the website. The Court decided that consumers would be unaware of this and would believe that the drop down menu was intended to direct them to LUSH products available on Amazon. This was exacerbated by several factors: the consumer's initial expectation would be to find LUSH products; the products being offered had a similar appearance to LUSH products; and there was nothing overtly stating that they were not

LUSH products. Consequently, the consumer could not easily determine that the products being offered were not actual LUSH products.

In effect, Amazon was using LUSH as a “generic indicator of a class of goods” which adversely affected the ability of LUSH to function as an indication of trade origin, which is the primary function of a trade mark.

The use also adversely affected the so-called “advertising” and “investment” functions of the LUSH trade mark. The advertising function would be affected by Amazon using LUSH to attract consumers to then to sell them non-LUSH products, without being clear what was being offered. The investment function is embodied by Lush’s reputation for ethical trading and Lush had decided not to trade via Amazon to prevent the damage that it perceived would be done to that reputation by doing so. That conflicted with the implication by Amazon that Lush does offer products via Amazon

- b. The automatic suggestion of “lush” products in the “Related Searches” section towards the top of the ensuing results page.

This was also an infringement. The Court pointed out that there was no overt statement that the search had not returned any results for “lush” and the consumer would naturally assume that the links would direct them to actual LUSH products.

There were some additional but limited uses of LUSH on the Amazon website that Lush complained about and these were held not to infringe.

Comments

The decision does not change anything in relation to the use of trade marks as keywords on internet search engines. This case is an application of the existing law on that issue.

The decision insofar as it relates to the use of LUSH on Amazon’s website and internal search engine is potentially more significant. The decision may restrict the ability of retailers to offer alternative products to a specifically searched term on their own website or at least force them to make their search results clearer as to what products are being offered to the consumer

At the time of writing, it is not clear whether Amazon will appeal the decision but it seems entirely possible given that Amazon considered the issues at stake to go to the heart of its business model. It is also notable that a search for “lush” on the Amazon website still results in listings for non-LUSH products.

Author: [Roger Lush](#)

Need advice?

For more information, please contact email@carpmaels.com.

Carpmaels & Ransford LLP is a leading European intellectual property firm based in London. For more information about our firm and our practice, please visit our website at www.carpmaels.com.

This information provides a summary of the subject matter only. It should not be acted on without first seeking professional advice.

Carpmaels & Ransford LLP is regulated by the Intellectual Property Regulation Board (IPREG).