

Mark My Words: Protect Your Trademarks in Google Ads

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If it has not happened yet, it might soon. You type the name of your business into Google to see how it presents only to find a competitor's business is listed above yours. Confusingly, its advertisement bears your business's name and/or your trademark, letter for letter, word for word. You start to worry that potential customers will click your competitor's link instead of yours. You even fear some customers will mistake your competitor's business for your own. You wonder: How does this happen, and what can I do?



Google keyword advertising

As businesses seek to expand their online presence, many will engage in Google keyword advertising. Google keyword advertising involves bidding on keywords so your business will appear first when someone uses those keywords in a Google search. For instance, if you open Google now and search "running shoes," the top results will bear the heading "Sponsored" and will likely include the terms "running" and/or "shoes." The reason those advertisements are there is because those businesses bid on some variation of the term "running shoes."

The bidding process involves businesses creating advertisements with specific keywords and selecting a maximum bid they are willing to pay for those keywords. Then, when a user searches for a term that matches the keywords, Google displays the highest-bidding and most relevant advertisements as sponsored links above the organic results. The business will provide instructions to Google indicating its budget for a particular advertising campaign. So long as there are funds available in the campaign, all bids on keywords will result in the online advertisement being displayed when those keywords are used in a Google search. The higher the bid, the higher the placement of the online advertisement.

But what about when the keywords are a trademark? And what if they are your trademark? Businesses marketing themselves online will sometimes bid on competitors' trademarks so their advertisements will trigger when those trademarks are searched. If the owner of the trademark has not bid on its trademark, or if its bids are too low, competitors' advertisements may appear as sponsored links and could even outrank the trademark's rightful owner. So what can you do about it?

Bidding war: Clash of the keywords

In *Vancouver Community College v Vancouver Career College (Burnaby) Inc.*, 2017 BCCA 41, the plaintiff, Vancouver Community College, sued when it learned the defendant, Vancouver Career College (Burnaby), had bid on the keywords “VCC” and “Vancouver Community College” and was promoting advertisements that risked directing potential students away from Vancouver Community College and towards Vancouver Career College (Burnaby), its competitor. Vancouver Community College alleged the defendant’s advertisements were confusing and amounted to “passing off,” a common law tort that can ground a civil action when one business attempts to pass itself off as another.

One of the critical issues in this case was whether the defendant’s advertisement caused confusion between the colleges. The court examined the defendant’s advertisements for elements causing confusion for potential students. The court found the defendant had included the term “VCC” in its domain name and that VCC was an acronym long associated with Vancouver Community College. Accordingly, the court found that such use was likely to confuse potential students. The key factor identified here was that the advertisement itself bore the trademarked keyword in question. The court stated that merely bidding on a keyword is not illegal, but where an advertisement clearly bears the trademark in question, that advertisement may amount to passing off.

The court ultimately ruled in favour of the plaintiff, finding the defendant had indeed passed itself off as the plaintiff’s business in its Google advertisements. The court ordered that the defendant be restrained from the use of “VCC” and “VCCCollege” in respect to its internet presence and awarded damages for the harm caused to the plaintiff.

What can you do?

So, you have Googled your business and discovered a competitor is using your trademark in its Google advertisements. You deduce your competitor bid on your trademark so its advertisement would appear first. Now what?

At this point, you might consider contacting a lawyer to learn more about your rights and the options available to you. A skilled lawyer will be able to offer you a variety of cost-effective options for proceeding, including formal and non-formal legal and administrative processes. However, it is prudent to act sooner than later. The longer your competitor uses your trademark, the more your business might suffer as a result.

Learn more about how TDS can support you with your legal needs. If you need assistance with any legal matters, please complete the **Client Intake Form** on our website.

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