

Search engines: Time to step up

Search engines can do more to
stop returning results that harm
consumers and undermine brands



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Google and infringement of Intellectual Property

When Google is told that it is returning search results for a webpage or website that is selling counterfeit products it will take no action:

- Google **won't** de-index a specific page or URL that offers counterfeit products;
- Google **won't** de-index a website dedicated to selling counterfeits;

Google's refusal to act means harm – (a) to the companies that create and own brands (and the products sold under them); and (b) to the consumers that are deceived into buying fake products and services online.

Google's refusal is out of step with its own practices when dealing with other types of intellectual property infringement and out of step with other tech operators:

- Google **will** de-index a URL when it is told that the URL is making available content that infringes copyright. Google removes millions of URLs on this basis;
- Google **won't** act when it is told that a URL is directed at selling counterfeits – where trademark rights are engaged;
- Other tech operators like Facebook and Instagram, eBay and Amazon **will** take action when they are

told that someone is using their service to infringe copyright and/or to infringe trademarks by selling counterfeit products.

The reasons for this inconsistent approach are hard to understand.

Google acts in relation to copyright because it is legally required to do so under legislation in the United States aimed at giving copyright owners an ability to monitor and remove infringing content.

There is no similar legislation in the US that expressly requires search engines to act on allegations of trademark infringement and so Google does nothing.

But other tech platforms do act when they are told about the sale of counterfeit products on their platforms. They fear that they will lose their safe harbor protection from liability if they do nothing.

Google takes the view that it is not (and cannot be) a "publisher" when it is told that it is returning results for counterfeit web pages and so it does nothing.

Google's stance on this issue is worthy of challenge. From a moral and cultural perspective, there is a compelling case that Google should do more to act when it knows that it is returning search results for counterfeits.

But there is also a compelling legal case.

First, there is now a clear line of legal authority that empowers the Courts to require Google to act. The legal cases on this have been developed in several key jurisdictions and they are examined in detail in the papers submitted by the law firms who have contributed to this White Paper. Google should cooperate with trademark owners to develop a streamlined and scaled approach that ensures that Google can act to remove infringement. If Google won't act voluntarily (unlike many other tech platforms) and requires protection via court order, it should work with trademark owners to develop a court approved mechanism, allowing removal of infringing search results at scale. Trademark owners should not need to make repeat applications to court.

Rather than cooperating with trademark owners, Google has said that it will fight any attempt to use legal process to require it to do anything in this area.

Second, if Google continues to refuse to cooperate then it may be found to be liable for refusing to act when it is told about infringements that it indexes.



Incopro's technology searches across the Internet for instances of infringement of intellectual property. Many of the infringements that Incopro finds are instances of counterfeiting or other types of brand misuse, where trademark infringement is the predominant legal wrong being perpetrated.

Incopro searches for these instances of brand misuse on behalf of many brands and finds millions of infringements taking place online every day. These infringements involve offering consumers fake products and services. The offers are made on well-established platforms and through websites and social media.

Incopro automates the removal of these infringement by notifying the tech platforms and asking them to take these infringements down. Often these infringements are deliberately deceiving consumers and they are always causing harm to brands.

So, for example, when Incopro notifies Facebook or eBay that there is a product being sold through these sites that is counterfeit (or otherwise infringes IP), these big tech companies will typically take action by removing the offer for sale from their platform.

But, if Incopro asks most search engines (and Google in particular) to take these infringements out of their search results, they will refuse.

The resulting enforcement gap creates enormous difficulty for brand owners looking to protect their rights online. This gap is particularly acute when whole websites dedicated to counterfeiting are included in Google's results.

Incopro is not only looking for online infringement on platforms like Facebook and eBay, it is also looking for individual websites. These sites are often devoted to selling knock off products – often these products don't only infringe IP, they are also potentially harmful - websites selling

fake pharmaceuticals, fake car air bags, fake cycle helmets or fake antibiotics.

In this White Paper, Incopro shows that in one month alone and for a single sample product in certain categories of consumer product, there were over 3,000 websites included in Google's search results that were selling infringing products to consumers. Google will not remove any of them when notified by the Brand Owner.

These websites can be hosted on servers anywhere in the world. The sites themselves can change name fast, they can change host fast.

Some host server operators very deliberately provide services to rogue websites and offer them safe haven so that even when these hosts are notified and asked to take the website off their server, they will refuse.

To find these websites, consumers use search engines.

After conducting search queries with the keywords used in this White Paper, Incopro found that 26% of the potentially harmful websites identified were within the top three search results.

If Google did remove these websites from their index these sites would be starved of oxygen and would fail. The people who operate infringing websites don't typically pay for advertising. Instead, they often rely on Google. They know that they will be found when consumers use search engines.

The scale of this issue is enormous.

"Incopro's technology has identified hundreds of thousands of websites that are dedicated to infringing the intellectual property owned by key brands that are known and trusted by consumers. Many of these websites are indexed by Google and other search engines, yet they will not act to remove these search results even when they are told about them."

So what are brands to do? Google's position is that brands must bring litigation against the individual websites selling counterfeit products and then obtain a court order against the website before Google will do anything. If brands do this then Google will act, but not otherwise. The reason they give for this is that they require a court order declaring the site illegal before they will take action. But if the same infringing site is featured in a Facebook or Instagram promotion, these platforms will respond and remove that promotion without requiring a court order. If it's clear to most tech platforms that there is a plain and simple trademark infringement taking place, why is the same evidence presented to Google regarded as inadequate?

Google and other search engines are at the centre of this. They could provide a scalable means to tackle this vast number of problems – if they are told about counterfeit websites at scale, why won't they remove them? If they won't remove these sites, should Google and others themselves be sued for damages? Should regulators step in to help? These are the issues examined in this White Paper.

It is time for Google to step up.

Queen's Counsel (QC) comment

Richard Spearman QC, Mark Vanhegan QC

The purpose of this brief preface is not to discuss the detailed content of the White Paper, which we have seen in draft, but to which we have made no contribution. It is instead to make some observations as to how we consider the English legal system may in future respond to the challenges presented by the role of internet search engines in relation to the violation of the rights of others.

The White Paper focuses on the part that internet search engine providers could and should play in reducing the extent of counterfeiting and other forms of intellectual property infringement - by removing IP infringing websites and online locations from their search results. Search engines deny that they have or ought to have any responsibility for what they contend to be the

harmful activities of others, which they do not initiate, and over which they exercise no control. The converse view is that they profit from providing services that they know facilitate these activities, are well placed, at minimal cost or inconvenience, to hinder or prevent them, and do have such a responsibility, not only in practice but also as a matter of law. We consider that, in time, the latter view is likely to prevail and to be given effect as a matter of English law on one or more of the following bases: injunctions against intermediaries; findings of substantive liability; and regulation or legislation.

Over the last decade or so the English Courts have on a number of occasions recognised that internet service providers ("ISPs") may be subject to Court injunctions, both under powers provided to the Court under statute,

(such as section 97A of the Copyright Designs and Patents Act 1988), and also under the equitable or inherent powers of the Court, when it is just and convenient to do so. As a result, injunctions have been granted in the UK against ISPs where the latter have had actual knowledge that their services have been used by a third party to infringe intellectual property rights, (including copyright and trademarks), as well as allied rights such as preventing the circumvention of copyright protection measures.

To date, we are unaware of an English Court being asked to make an order against a search engine provider. However, in other jurisdictions, (e.g. France and Canada), we are aware that orders requiring the de-indexing from search results of IP infringing sites have been made by their national courts against search engine providers. We consider that it is likely that an English Court would follow a similar approach if asked by rights owners to make an order against a search engine provider. Once the principle has been established, it is to be expected that it will readily lead to repeat applications. Further, subject to appropriate criteria being established to the satisfaction of the Court, it should lead to the making of a form of order which will apply to

such further (mis)use of the services of the search engine provider as may be identified by the rights owners and notified to the provider, thus avoiding the need for rights owners to make a series of repeated applications on a like basis.

Moreover, the potential liability for search engine providers may not be limited to intermediary injunctive relief. The English Courts have a well-developed doctrine of joint or accessory liability. Accordingly, a search engine provider may find itself subject to substantive liability and thus liable to pay damages if the Court were to find that it has assisted in the commission of the wrongdoing by the primary wrongdoer and has done so pursuant to a common design. Of course, whether a search engine which (e.g.) knowingly provides a search result listing to a site infringing intellectual property would be subject to such liability would depend on the facts of the particular case. In this regard, a refusal to comply with a well-founded "take down" or similar request may be an important factor to consider.



In addition, substantive liability as a primary wrongdoer has been considered in areas outside the field of intellectual property. With regard to personal data, the CJEU has ruled that a search engine provider must be regarded as a "data controller", and, further, is within the territorial scope of the then applicable Directive if it sets up in a Member State a branch or subsidiary which is intended to promote and sell advertising space offered by that search engine and which orientates its activity towards the inhabitants of that Member State.

In reaching those conclusions, the CJEU observed that the processing of data that arises from the use of search engines has a particular propensity to affect an individual's fundamental rights. In this way, the CJEU provided European data subjects with an effective means of asserting their rights against search engine providers. With regard to libel, the English Courts have declined to treat search engine providers as publishers, while at the same time recognising the prospect that if a search engine provider continues to participate in dissemination of impugned content after it has been

fixed with actual knowledge it may become a publisher, and, moreover, may have no statutory defence (see section 1 of the Defamation Act 1996). There is scope for these principles to be extended to intellectual property cases, subject always to the facts of each particular case.

Finally, and perhaps especially if the above solutions do not prove effective, the prospect of regulation or legislation remains live. In this regard, it is important to appreciate that the rights engaged are not purely commercial and personal but also matters of wider public interest and policy. While the notion of restraining access to and use of the internet in any way is an anathema to many, more widely harmful results have been and continue to be produced in the absence of independent regulation. For example, loss to the innovative and creative industries through intellectual property infringement results in loss of tax revenues and also loss of jobs; and the purchase and consumption of counterfeit products is often not only a fraud on consumers, but also may lead to personal injury, and place increased burdens on

public health services. If search engine providers can be subjected to the rule of law in other areas, such as in respect of anti-competitive practices, there is no reason in principle why this cannot be achieved in the field of intellectual property.

Given that legal backdrop, it is perhaps surprising to read in the White Paper that some search engine providers seem to have adopted the approach that they should not take any steps to block or de-index even websites which they know to be marketing only trademark infringing goods. For the reasons explained above, we consider that this may be a too simplistic and legally risky approach. It is to be hoped that the White Paper may encourage further debate and consideration of it.

The wider context



The counterfeit industry is worth an estimated

\$509 bn globally

Consumer harm caused by brand misuse online is reaching epidemic proportions: a vast array of fake and damaging goods and services are targeted at consumers through websites, online marketplaces and social media. This is a huge problem, costing a wide range of industries reputational and financial harm – and, worse, putting consumer health, safety and privacy at risk.

Intellectual property law operates to enable the creators of products, content and services to protect their innovation. Brand owners can rely on their legal rights to protect consumers. However, to tackle this problem online, platforms and other Internet operators must take their share of responsibility. This White Paper considers the role of search engines and the measures they can take to stop returning search results that cause consumer harm through infringement of intellectual property.

Research from the OECD¹, published in March 2019, puts the value of trade in counterfeit goods at a staggering \$509 billion. But while this is the equivalent of 3.3% of world trade, the even more pressing concern,

the OECD warns, is the danger to consumers who purchase sub-standard products that are unsafe. This danger is very real: the Electrical Safety First report² in the UK reveals that 30% of consumers have been duped by fake electrical goods; in the pharmaceutical sector, the World Health Organisation estimates that 10% of all medical products in low- and middle-income countries are sub-standard or falsified³.

The manufacturers and sellers of counterfeit products:

- are not regulated,
- do not comply with safety standards and have no incentive to ensure consumer safety,
- do not invest in research and development,
- exploit workers to make products at low cost in poor conditions;

Counterfeiting is also known to fund criminal activity, including terrorism.

Counterfeiting always serves to undermine legitimate business and deprive governments of tax revenue.

¹ <https://www.oecd.org/governance/risk/trends-in-trade-in-counterfeit-and-pirated-goods-g2g9f533-en.htm>

² <https://www.electricalsafetyfirst.org.uk/media-centre/press-releases/2018/06/conline-18-million-brits-fall-victim-to-counterfeit-electrical-goods-online/>

³ <https://www.who.int/news-room/fact-sheets/detail/substandard-and-falsified-medical-products>


In this White Paper, Incopro provides data, collated using Incopro's brand protection technology ("Talisman"), to highlight **how search engines are being used by a range of operators to target a global market of consumers with products and services that put these consumers at serious risk.**

In addition, Incopro has worked with eminent QCs and law firms in several jurisdictions (who are members of Incopro's Legal Network) to examine the laws that already exist that enable search engines to remove search results that cause consumer harm.

Incopro believes it is essential for the broadest range of stakeholders to work together to combat illegal activity online. That must include the search engine community, which currently makes life too easy for unscrupulous operators to target consumers with fake products and services.

We note that **Sir Nick Clegg**, the former Deputy Prime Minister of the UK, who was appointed Vice-President of Global Affairs at Facebook in 2018, accepts that it is no longer sustainable for technology companies to decry any regulation⁴. The UK Government itself has already published proposals for online safety measures designed to enshrine protections in law without stifling innovation⁵.

The growing clamour over issues, ranging from data privacy to the online harm of children, represents a challenge from society to an industry that has generally been a force for good, but with harmful side effects. The failure of the search engine community to protect consumers from counterfeiting is part of a bigger picture of Internet-related problems.



This White Paper therefore aims to provoke discussion amongst lawmakers, brands, platforms and other interested parties about how to establish a framework under which search engines can take on a greater role in tackling consumer harm online.

⁴ <https://www.bbc.co.uk/news/entertainment-arts-47036000>

⁵ <https://www.gov.uk/government/consultations/online-harms-white-paper>

The Evidence: Executive Summary

This White Paper reflects Incopro's research into counterfeiting practices in five sectors: Pharmaceuticals (focusing on antibiotics); Automotive (focusing on air bags); Children's Products (focusing on teething rings for babies); White Goods (focusing on water filters); and Safety Equipment (focusing on cycle helmets).

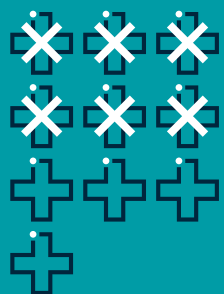
INCOPRO'S KEY FINDINGS OVERALL INCLUDE:

- When consumers use typical terms to find products and brands online, up to **60%** of the search results returned are for websites and other locations that offer consumers products that are either counterfeit or otherwise infringe brand owner rights.
- Some **47.3%** of traffic to these websites comes from consumers using search terms that specify a brand or particular product. This is in line with research by IFOP for UNIFAB that found 47% of people who had bought an infringing product typed the name of the product into a search engine before making a purchase⁶.
- **26%** of the potentially harmful sites in the five sectors examined in this White Paper appear within the first three search results; those results appearing in the top spots were more likely to have the brand name in the domain name itself. This is particularly worrying given a 2017 study by Optify found that the first result shown in a search engine will benefit from 44.64% of all click-throughs⁷.

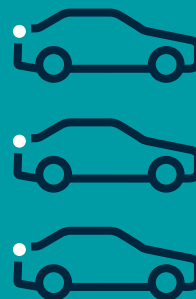
⁶ Further details on this are found at Schedule 1 within the Appendix which contains analysis from A Turquoise, the French law firm partner in Incopro's International Legal Network.

⁷ <https://blog.seoprofiler.com/update-clicks-results-googles-results-page/>

In addition, Incopro's research identified serious problems in each of the five sectors that Incopro studied.



In **pharmaceuticals**, **6 in 10** of the results returned in the first page of a Google search using the antibiotic 'Bactrim' within the search term were for locations very likely to be operating unlawfully.



In **automotive**, the seventh-placed website in the results of a search on Yandex for the term "airbag sale" was selling counterfeit products; this website generates **61.24%** of its traffic from organic search.



In the **children's products** category, **3 in 9** of the search results for a brand name baby teether featured potentially harmful products that misuse the trademark.



In the **safety equipment** sector, Incopro observed websites acting as directories for marketplaces like AliExpress together with wholesale Chinese sites selling cheap cycle helmets that are counterfeit.



In the **white goods** sector, a search for refrigerator filters using established reference terms repeatedly directed consumers towards a website selling counterfeit goods. The site listed four well-known brands in its page title, causing deliberate consumer confusion while helping it to appear in search results for these brands.

SEARCH ENGINES WILL NOT TACKLE THESE ROGUE RESULTS

Google relies on the fact that the law currently differentiates between platforms that host content, and search engines that do not.

Hosting platforms such as Facebook, Amazon and eBay are protected from any liability for damages for any IP wrong committed by third parties on their platforms until they are notified about a particular infringing item or listing.

If a platform is notified of a fake and fails to take action, the platform can be sued for damages by the rights owner affected by the counterfeit listing. Most hosting platforms therefore take action quickly to remove such listings.

By contrast, search engines are not typically understood to be hosting platforms. They have typically taken the view that they do not need to take any action when they are told about a trademark infringing website indexed in their search results. Rights owners can notify search engines of counterfeit listings in their indices but no action will be taken.

Google is on record in this regard. In recent correspondence with Incopro⁸, it said: **"Google does not at this time de-index URLs or websites from its Web Search index on trademark grounds upon request"**.

Will search engines or online marketplaces take action?

facebook



amazon



Google



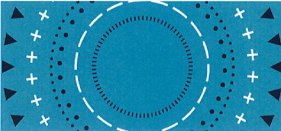
Google will not remove a counterfeit URL



Google will not remove a counterfeit website

⁸ Letter to Incopro from Google Trademark Counsel Monique Liburd, 15 May 2019. Extract from letter seen on page 14.

Incopro wrote to Google to check that it correctly understood Google's position. Incopro drew attention to some of the facts identified in this White Paper and asked whether Google would de-index these websites.



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 Sent by email (tbertram@google.com)

8th May 2019


Dear Mr Bertram

We write to enquire about and clarify Google's policy with regard to search results for Internet locations that infringe trade marks.

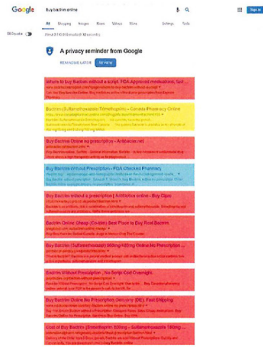
Incopro is a technology business headquartered in London, UK with operations in the United States and China. Our customers are trade mark owners who use our technology and associated services to identify infringements of intellectual property taking place online. Further details on our business are available at www.incoproip.com.

Incopro is presently analysing the role that search engines play in directing consumers to locations that infringe intellectual property rights online. In the process of our research, Incopro has identified instances where online locations appear in Google's natural search results and where the locations are evidently infringing trade marks in offering for sale counterfeit products.

Below is a screenshot showing the first 10 results returned following a Google search (under the www.google.co.uk web address) in response to a search for the phrase "BUY BACTRIM ONLINE". "Bactrim" is the brand name given to an antibiotic used to treat urinary tract infections.



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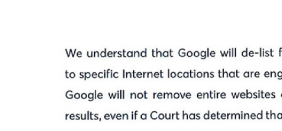


The search result shown in yellow is a link to a website which we believe to be lawful and the result shown in blue no longer resolves to an infringing domain.

Roche International AG, (the Swiss based Pharmaceutical and Healthcare group) together with its subsidiaries ("Roche") owns multiple trade mark registrations around the world for BACTRIM including in class 5 for pharmaceuticals.

An extract from the United Kingdom Intellectual Property Office trade mark register showing details of the UK registration for BACTRIM in class 5 owned by Roche (the "Bactrim UK Mark") is annexed to this letter.

Of the ten results shown, eight (highlighted in red) link to websites or specific Uniform Resource Locations ("URLs") which purport to make available "Bactrim" to consumers. There are grounds to believe that the operators responsible for these specific locations infringe the trade mark rights identified above on the basis that they are using in the course of trade a sign which is identical to the Bactrim UK Mark in relation to goods which are identical to those for which the Bactrim UK Mark is registered.



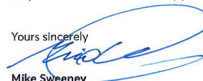
INCOPRO

We understand that Google will de-list from its search results individual links or URLs resolving to specific Internet locations that are engaged in infringement of copyright. We understand that Google will not remove entire websites dedicated to infringement of copyright from its search results, even if a Court has determined that the entire website is engaged in copyright infringement.

It appears that Google will not de-list from its search results any websites or individual URLs that are engaged in trade mark infringement. We wish to clarify your position and so would be grateful if you could answer and comment on the following questions:

- When Google is notified that an individual or operation is infringing trade mark rights online at a specific URL and that the URL is indexed by Google search, will Google voluntarily remove that specific URL from its search index?
- When Google is notified that an entire website is infringing trade marks by offering for sale and selling counterfeit products under the trade mark; and that the website is indexed by Google search, will Google voluntarily remove the entire website from its search index?
- Under the law in many jurisdictions, including in the EU, trade mark owners are entitled to apply to the Court to require Google to remove an individual URL or website from its search index. Would Google oppose an application to Court for a Court order requiring Google to remove a website of the type described at 1. and 2. above?

As we continue our research into this matter, we should be grateful if you would answer our three enquiries as soon as reasonably possible and in any event by the end of this month.

Yours sincerely

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Google confirmed that it would not voluntarily remove search results that infringe trademarks. Key extracts from the letter are set out here.

"It's instructive to note that Web Search results are dynamic, change constantly, and can vary by jurisdiction or individual user. Google aggregates information published on the web returning users different web pages that relate to their search requests but we don't make any claims about the content of these pages."

"Google does not at this time de-index URLs or websites from its Web Search Index on trademark grounds upon request. It is Google's practice to evaluate court orders issued against third parties and, where appropriate (with content specifically identified), voluntarily remove content from our Web Search results. It is our strong preference not to be named in such orders and in jurisdictions that recognize concepts of due process and notice, Google seeks relief from orders entered against it where it has not had notice, an opportunity to be heard before the order issued, or otherwise been provided with process."

"Should you obtain a court order against a third party, to submit a legal request to Google, please use our webform."

INCOPRO'S RECOMMENDATIONS FOR A NEW APPROACH

In many jurisdictions, case law is developing which may ultimately present a liability challenge to search engines. If the law starts to hold search engines liable for damages where they knowingly point to counterfeit selling websites, they will have no choice but to act.

Moreover, in this White Paper, Incopro notes there is a well established legal principle that applies to all Internet platforms, including search engines, that could require Google to act even if it is not liable. Incopro suggests search engines should embrace this principle and work with rights owners. In doing so, they can demonstrate a willingness to act where counterfeits are indexed and thereby show a more proactive approach to protecting consumers online.

Already, a series of precedent setting cases in Canada, the United Kingdom and France have established that the courts are able to require search engines to remove a website or counterfeit listing regardless of any direct liability that the search engine may face.

For now, a scalable court sanctioned approach is undermined by the search engines. They will not remove indexed search results when they have been notified that these link to a counterfeit product or website. Instead, they require the

rights holder to bring a legal action against the counterfeit website to secure an order that covers index removal. This process is slow, expensive and is not scalable for the vast number of brands and consumers who are affected. Search engines actively oppose applications for orders that are more scalable and that focus on requiring Google to act directly. Google, for example, has recently spent millions of \$ fighting one legal case in Canada targeting a single infringing operation.

Google shows no sign of reforming its practices in this regard. Google's recent letter to Incopro promised only "to evaluate court orders issued against third parties". It warned it would continue to "seek relief from orders against it".

Incopro believes it is time for Google to change its mindset and to work with rights holders for the benefit of the online consumer. This would mean building processes that embrace the emerging legal basis that exists for securing de-indexing remedies from the courts – ensuring that the process for tackling counterfeits and other infringements of trademark is scalable and effective.

Incopro challenges Google and other search engines to cooperate with rights holders and companies such as Incopro to build a scalable process that delivers removal of counterfeit locations from search results at scale.



Part 1

How search engines lead consumers towards potential harm

I. WHAT IS A SEARCH ENGINE?

Search engines have been part of the Internet ecosystem since the earliest days of the world wide web. As the number of documents and volume of information available online increased, search engines developed to provide a way to find the wealth of information stored in websites.



Google is a dominant player in search – it holds 92.42% of the global market share today. Search engines such as Baidu in China and Yandex in Russia have a strong hold in their home countries (66.89% and 49.13% respectively)⁹.

Search engines enable consumers to find what they want online. This activity generally falls into three categories:

- navigational support – where the consumer wishes to access a particular website;
- informational support – where the consumer is looking for information on a particular topic;
- transactional support – where the consumer is performing a transaction with a website, such as purchasing goods, and uses search to get to this point¹⁰.

Given the important role that search plays in each of these functions, website operators take active steps to have their pages indexed by search engines.

THE EQUUSTECK CASE - CANADA

The Judge ruling in the “Equusteck” case (referred to in this White Paper) noted that: “there are hundreds of millions of active websites over the Internet and trillions of webpages. Search engines make the Internet a viable and effective information and communication resource. The Internet cannot be successfully navigated without search services such as those Google provides.”

Google is well aware of its importance. In Google’s response to an EU consultation on the regulatory environment for platforms, online intermediaries, data and cloud computing, and the collaborative economy, Google wrote: “Google Search (www.google.com) connects users looking for a wide array of information, services and products with relevant answers and sources. For hundreds of thousands of businesses, Search brings new customers to their door”.

⁹ Statistics taken from: <http://gs.statcounter.com/search-engine-market-share/> (April 2018 to April 2019)

¹⁰ “A taxonomy of web search”, Andrei Broder, IBM Research (2002) – <https://www.cis.upenn.edu/~nenkova/Courses/cis430/p3-broder.pdf>

In the “Google Spain” case¹¹ (in the context of personal data published online) the Court of Justice of the European Union recognised the critical role that search engines perform: the **“activity of search engines plays a decisive role in the overall dissemination of those data in that it renders the latter accessible to any Internet user [...] including to Internet users who would otherwise not have found the web page on which those data are published.”**

A report by Google entitled How Google Fights Piracy notes there are 3.5 billion searches made worldwide via Google every day, across 60 trillion addresses¹².

II. INCOPRO’S RESEARCH FINDINGS IN DETAIL

Incopro’s research confirms that search engines are pivotal in directing consumers to the websites that are selling counterfeit and otherwise harmful products identified in this White Paper. An average of 56.3% of traffic to these sites comes through organic search.

For pharmaceuticals, automotive and helmets the percentage was slightly higher, with each above 58%. The issues identified ranged from counterfeit and potentially harmful products to trademark infringements and suspected fraudulent activity.

In 47.3% of cases, the search terms that consumers use to find their way to these infringing websites specify a brand or particular product. This is in line with a recent study from IFOP for UNIFAB, which found that 47% of people who had bought an infringing product had typed the name of the product into a search engine before making a purchase¹³.

In pharmaceuticals, the traffic to infringing websites originating from product or brand search terms rises to 53.2%, indicating that consumers are looking for particular drugs. In automotive, consumers tend to use search terms relating to popular car brands such as Honda and VW. For products such as teethers and water filters, consumers used generic terms to find the potentially harmful websites identified and do not focus on particular on brand names.

In practice, few consumers look beyond the first page of search results – and they are significantly influenced by the position of results on that first page.

A study by Optify in 2017 showed that the first result generated by a search engine will benefit from 44.64% of all “click-throughs”¹⁴. In Incopro’s research, **26.2% of potentially harmful sites appeared within the first three search results** and those results appearing in the top spots were more likely to have a brand name in the domain name itself.



56.3%

of the Internet traffic to the harmful/infringing sites identified by this White Paper comes from organic search

¹¹ Case C-131/12 *Google Spain SL and Google Inc. v Agencia Española de Protección de Datos (AEPD) and Mario Costeja González* (13 May 2014)

¹² “How Google Fights Piracy.” Published on 13 July 2016, page 7. Accessed at: <https://drive.google.com/file/d/0BwxyRPFduTN2TmPGajJ6TnRLaDA/view>

¹³ Further details on this are found at Schedule 1 within the Appendix which contains analysis from A Turquoise, the French law firm partner in Incopro’s International Legal Network.

¹⁴ <https://blog.seoprofiler.com/update-clicks-results-googles-results-page/>

Applying Incopro's visibility score¹⁵, 27.3% of the potentially harmful websites identified in this White Paper had a visibility score of 10 and above, meaning there is a good chance that consumers would find them. Brand names and product specific terms are prevalent in the domain names of these websites.

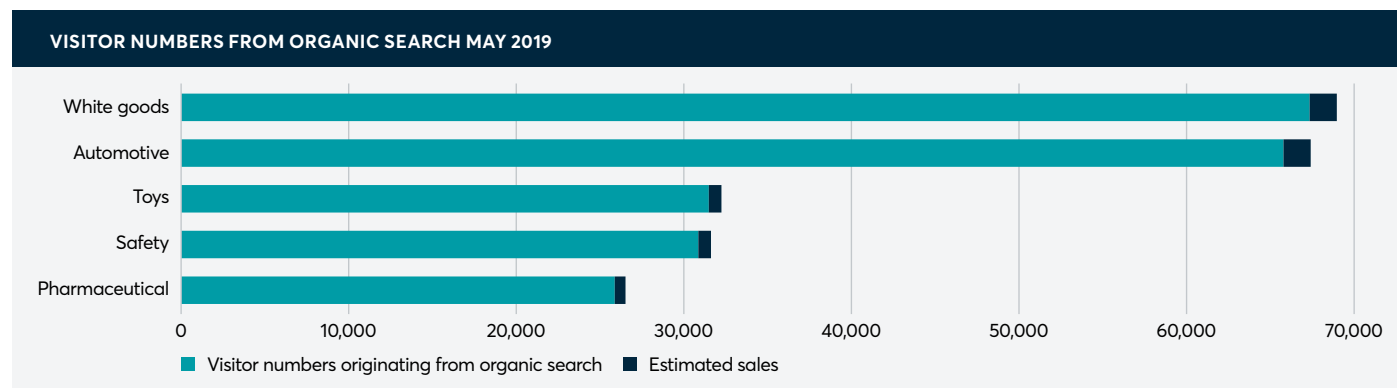
Visitor numbers originating from organic search for the sites in this White Paper vary widely. The potentially harmful websites selling the branded product 'Bactrim' (amongst other things), examined for this White Paper attracted lower volumes of traffic, but the numbers are still highly significant - an average of 25,697 consumers arrived at each identified site via organic search during May 2019.

Sites selling toys or helmets attracted an average of 31,338 and 30,734 visitors via organic search respectively over the same period. While other

sectors were busier; potentially infringing automotive sites averaged 65,650 visitors and sites selling potentially infringing white goods attracted an average of 67,168 visitors during May 2019 - all via organic search.

An average of 26.7% of overall traffic to these sites came from direct traffic rather than traffic generated by a search engine. Studies have shown that up to 60% of direct traffic is rooted in organic search traffic due to the auto-complete functionality used in most search engines¹⁶.

The data underlines the crucial importance of search as a tool for consumers trying to find products online. Using a conservative conversion rate¹⁷ of 2.5%, Incopro estimates that at least 3,000 consumers purchased products from the potentially harmful websites identified in this White Paper in May 2019, using organic search.



¹⁵ Incopro's visibility score measures multiple data inputs to determine the likelihood that a particular website will be seen by consumers. Measurements include traffic to the website and search engine position.

¹⁶ <https://searchengineland.com/60-direct-traffic-actually-seo-195415>

¹⁷ Average conversion rate analysis - <https://www.invespro.com/blog/the-average-website-conversion-rate-by-industry/>



26.2%

of potentially harmful sites appeared within the first three search results.



3,000

consumers purchased fake and harmful products from the websites considered in this White Paper having used organic search to find these sites.

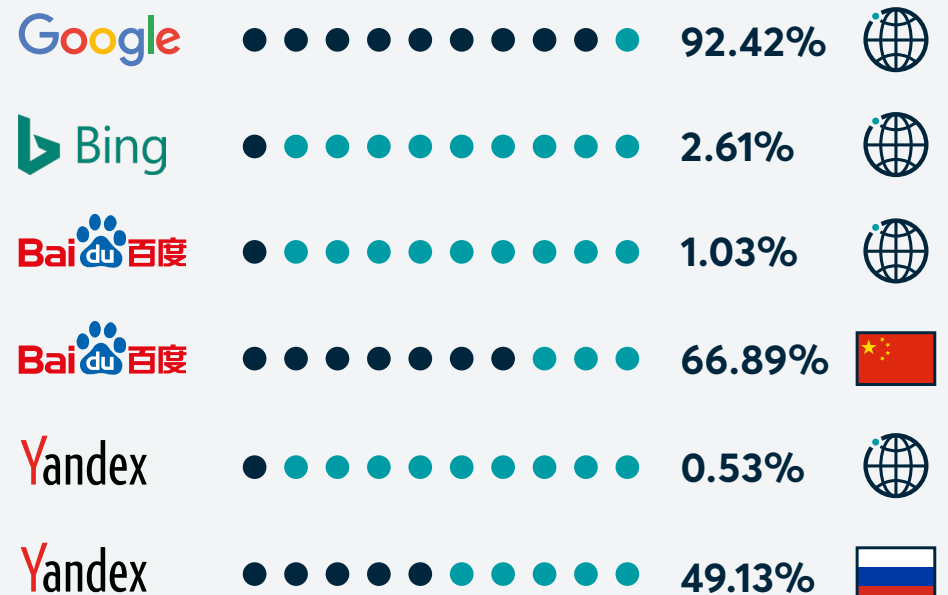
INCOPRO SEARCHED GLOBALLY

Using the world's major search engines, Incopro searched for terms in local languages that a consumer might use to find products they wish to purchase.



Google clearly dominates the global market share, however as can be seen, Baidu and Yandex each hold a large market share within China and Russia respectively.

SEARCH ENGINE MARKET SHARE - GLOBAL AND REGIONAL ¹⁸



¹⁸ Source: <http://gs.statcounter.com/search-engine-market-share/>

RESEARCH METHODOLOGY

In this research, Incopro chose specific products¹⁹ for analysis within five sectors: pharmaceuticals, focusing on antibiotics; automotive, focusing on air bags; children's products, specifically teethingers for babies; white goods, concentrating on water filters; and safety equipment, namely cycle helmets.



Incopro loaded brand names for specific products in these sectors into Incopro's Talisman technology. Talisman looks across major ecommerce sites, social media channels and websites indexed by search engines to identify infringements.

The Talisman system scanned the Internet to identify and collate data for the selected products. For each product in each industry sector, Incopro used keywords for popular brands associated with those products to locate infringements. Incopro also used generic terms that consumers might use to search for those products – for example, "Flagyl cheap" or "buy airbags online".

Incopro used prioritizing algorithms to identify locations engaged in selling counterfeit versions of these products. In total, 3,215 websites selling or providing the specific infringing/harmful products or services considered in this White Paper were identified in May 2019²⁰. The majority of consumer traffic to these websites came through search engines.

Incopro used data from SimilarWeb²¹ to

analyse traffic sources and the organic search keywords used to find the site. SimilarWeb uses four different data sources and a range of algorithms designed to provide the best quality information possible.

To assess the role of search engines in pointing to the websites identified, Incopro employed the same search terms in searches on four major search engines: Google (.uk and .com), Bing, Baidu, and Yandex. Incopro used proxies for each engine to emulate a consumer from the specific geography searching for those products. For Baidu and Yandex, Incopro used local language search terms.

The data found through Talisman's search and prioritization algorithms is enhanced with meta data, such as traffic metrics. One such algorithm is Incopro's 'visibility score', which measures the visibility of a website to a consumer based on traffic metrics and search engine position. This score has been considered by the UK High Court as a metric to measure the prominence of trademark infringing websites²².

¹⁹ The products searched for in this study are not products protected by Incopro. They have been chosen as examples in particular sectors. Incopro reasonably believes that product and location characteristics indicate infringement. Test purchases have not been undertaken.

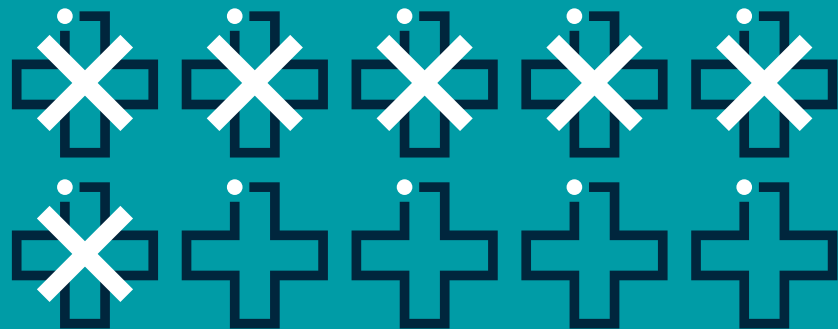
²⁰ A total of 3,215 unique websites were discovered and categorised as potentially selling counterfeit or sub-standard products to consumers.

²¹ For further information on SimilarWeb's methodology please see: <https://www.similarweb.com/corp/ourdata/> and <https://support.similarweb.com/hc/en-us/articles/360001631538-SimilarWeb-Data-Methodology>

²² *Cartier International Ltd and Another v British Telecommunications Plc and Others*, [2016] EWHC 339 (Ch), [52].

PHARMACEUTICALS

This White Paper finds that harmful pharmaceutical sites that misuse trademarks are the most reliant on search engines.



Infringing pharmaceutical sites in many countries are subject to takedown and enforcement by government regulatory bodies such as the US Food & Drugs Administration. As a result, the content hosted by these sites typically only appears online for a limited time. Websites and web pages offering drugs in this way rapidly relocate to an alternative domain in order to avoid detection.

The FDA and other government bodies have limited resources and cannot be expected to solve every problem. Brand owners should be able to request that search engines de-index these sites themselves. Many of the webpages and websites appearing in search results lead consumers to potentially dangerous or fraudulent locations.



60%

of the top Google results when searching 'buy Bactrim online' are for potentially unlawful locations (May 2019)



WHAT DOES A TYPICAL SEARCH RESULT PAGE FOR PHARMACEUTICAL SEARCHES LOOK LIKE?

This White Paper uses brand name antibiotics, such as Bactrim²³, plus generic pharmaceutical terms to uncover websites presented in search results that pose a threat to consumers. The screenshot²⁴ shown is a search on Google.com for the search term "buy Bactrim online".

A potentially harmful site in this context will typically be one which has used a third party registered trademark without permission on a website that has been identified as suspicious due to the presence of indicators, such as the site claiming to be accredited by CIPA Certified Safe Online Pharmacies or other regulatory bodies, when in fact it is not²⁵.

The results are striking.

When a consumer uses Google to search "buy Bactrim online", 6 of the 10 results returned within the first page of results are for websites that are operating unlawfully and misusing the Bactrim mark.

This 60% finding is typical of the searches performed for this White Paper. It is also in line with a report by The Alliance for Safe Online Pharmacies (ASOP Global)²⁶ which warned in 2016 that **"65% of search results for "prescription drugs" lead U.S. consumers to illegal and unsafe websites"**²⁷.

²³ Bactrim is the retail name given to a prescription-only antibiotic used to treat urinary tract infections.

²⁴ Screenshot taken on 07/05/2019 at 14:21 BST.

²⁵ <https://www.cipa.com/certified-safe-online-pharmacies/>

²⁶ ASOP Global is a US non-profit organisation dedicated to educating consumers around the proliferation of illegal pharmacy websites and counterfeit medicines

²⁷ http://buysaferx.pharmacy/wp-content/uploads/2016/11/Online_Pharmacy_Market.pdf



Key

- Potentially harmful sites
- Lawful sites
- Information only

The above image shows the first page results on Google for the term "Buy Bactrim Online", colour coded to show whether they are legitimate or not.

THE PROBLEM OF HACKED SITES HOSTING WEBSITES SELLING PHARMACEUTICAL PRODUCTS

Potentially harmful pharmaceuticals tend to be found on independent websites rather than on marketplaces and bigger ecommerce sites. This is likely to be due to the specific nature of the products sold and the limitations on selling pharmaceutical products on general ecommerce marketplaces.

However, there is another feature of potentially harmful pharmaceutical websites not seen with other sectors in this study. Some of the web pages indexed by the search engine are either hosted on, or redirect via, hacked websites.

To explain this by reference to the “buy Bactrim online” screenshot on page 23, result number seven shows a page on the website cnauticosantapola.com²⁸. This is a site dedicated to the Santa Pola Nautical Club. The URL indexed by Google in the search results shown is: www.cnauticosantapola.com/?page=where-to-buy-bactrim-without-a-script.

When the consumer clicks through to this link using Google, they are redirected to another webpage: <http://mdxstock.com/search.html?key=Bactrim>. This website is dedicated to the sale and promotion of pharmaceutical products. When a consumer attempts to visit that URL indexed in Google, without being referred from the search engine, they are directed to the homepage of the Santa Pola Nautical Club. Three of the websites in these search results redirect to the same mdxstock.com domain.

This is a strategy used by bad actors to drive consumers to their domain – the mdxstock.com website generates 87.45% of its traffic from organic search. It does not have a large number of its own links, but in May 2019 it had 65 URLs indexed by Google, 510 by Bing and 63 by Yandex Search. It also did not appear, except as a redirect, in the data set that Incopro have used for this White Paper.

²⁸ Further investigation into the website cnauticosantapola.com’s indexed URLs reveals multiple sites abusing this site’s compromised security to provide redirects to many other potentially harmful websites. The sectors affected did expand outside of the pharmaceutical sector (notably into the luxury goods sector), but Incopro did not see any overlap with the sectors considered for this study. Nothing indicated that the sites that were redirected to were connected; it is likely the sites that are compromised by a hacker are then abused by multiple individuals for redirects.

CANADIAN PHARMACY SCAMS AND OTHER FRAUDULENT ACTIVITY

Another well-known issue, Canadian pharmacy scam websites, also showed up in Incopro's data set. These websites pose as legitimate Canadian pharmacy businesses offering medicines that are otherwise not available to consumers in the US and other territories due to regulatory constraints. In fact, these are dishonest websites with no connection to Canada whatsoever, operated by persons in diverse locations around the globe. Interactions with these sites put consumers at risk.

A screenshot from a fake Canadian pharmacy site is a good example – sale-pharm.com (now offline). These fake online pharmacy websites typically use the same imagery and content on each site.

In 2018, the FDA carried out a thorough investigation into these scams and found that 85% of so-called Canadian pharmacy scam products in fact originate from as many as 27 other countries around the world²⁹. In some cases, the offer for sale of medicines may simply be a ruse for a website which is dedicated to fraud or "phishing" for users' credit card details.

A study from Pinnacle Care, a US-based Health Care provider, established that users who had bought products from these sites were at an increased risk of their personal and/or credit card information being stolen³⁰.

WHAT COULD SEARCH ENGINES DO TO HELP?

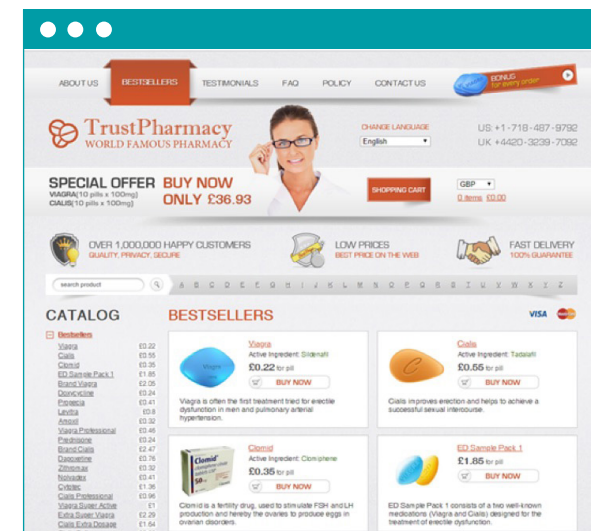


Search engines could remove:

- (i) URLs indexed by a search engine which directly lead to trademark infringing content;
- (ii) URLs indexed by a search engine that involve hacked websites

Incopro invites search engines to engage with rights owners to ensure that websites like these are not indexed. Provided that search engines cooperate, removal can be made scalable and global.

The sale of counterfeit, sub-standard or otherwise dangerous products relies heavily on the use of the trademarks registered by brands around the world. At the current time, there is no scalable mechanism offered by Google to remove URLs based on the infringing use of a trademark.



²⁹ http://www.safemedicines.org/wp-content/uploads/FDA-Operation-Reveals-Many-Drugs-Promoted-as-_Canadian_-Products-Really-Originate-From-Other-Countries-captured-January-2017.pdf

³⁰ <https://www.pinnaclecare.com/highlights/blog/what-you-need-to-know-before-you-buy-prescription-medications-online/>

AUTOMOTIVE

For the purposes of this White Paper, Incopro has focussed on a single product from the automotive sector, car airbags. However, the automotive sector's online infringement issue is not limited to just one product; the sector faces counterfeits and infringing products in relation to **almost every component part of vehicles.**

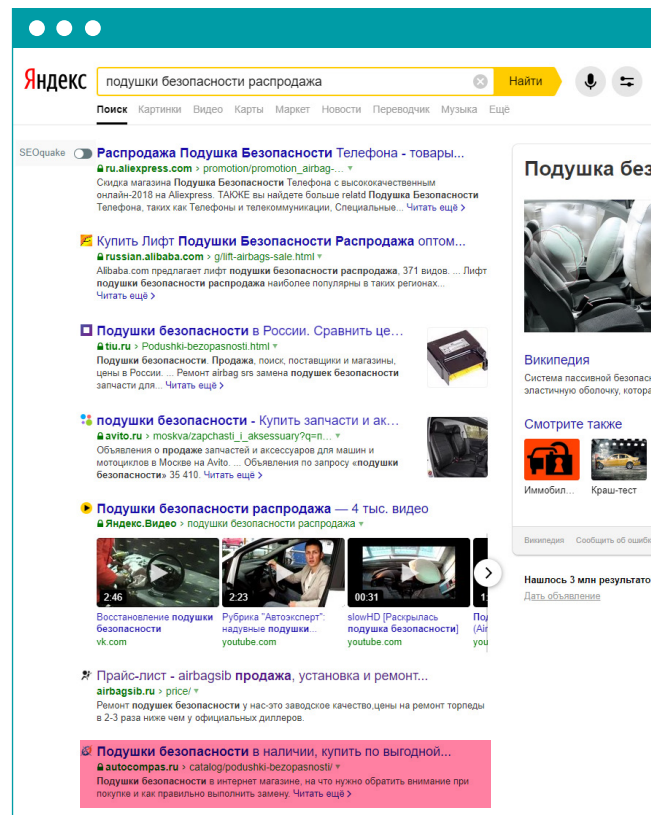


The European Union Intellectual Property Office estimates that more than €2 billion is lost each year due to counterfeit tyres and batteries being sold and offered for sale inside the EU³¹.

³¹ https://euipo.europa.eu/tunnel-web/secure/webdav/guest/document_library/observatory/resources/research-and-studies/ip_infringement/study12/tyres_batteries_sector_sector_en.pdf

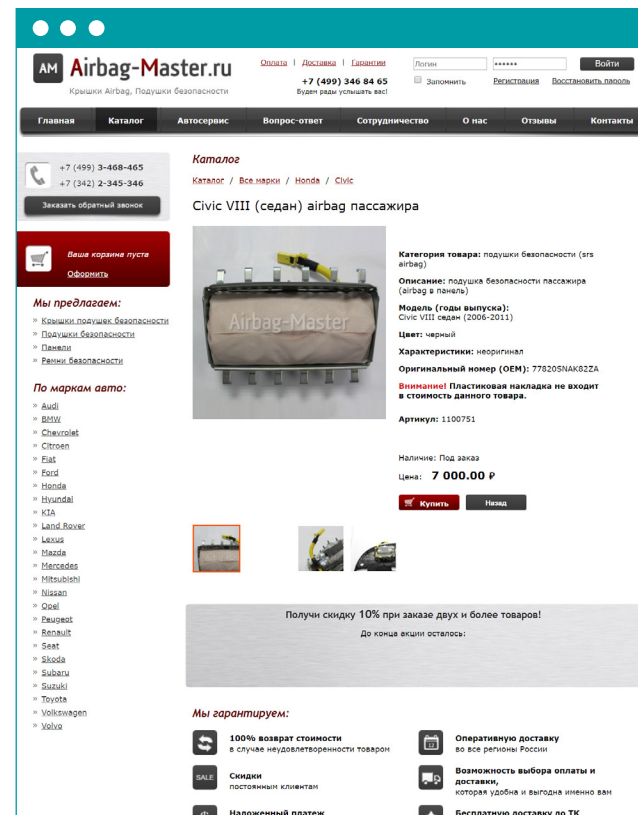
Incopro used Talisman to perform keyword searches using terms that related to airbags, with and without the names of popular car brand names. The screenshot shown below shows the first 10 results of a keyword search on Yandex, the Russian search engine, using the term “**подушки безопасности распродажа**” (English translation: “buy airbag cheap”).

The website in the seventh position (highlighted in red) has been identified as a harmful website. This website generates **61.24%** of its traffic from organic search.



A product page (showing a Honda branded airbag) of the airbag-master.ru website is shown in the screenshot below:

In the example below, the website is advertising a Honda passenger airbag for **7,000 Russian Rubles**, equivalent to approximately **£89**. The retail price of official Honda airbags is closer to **£800**. The site also offers a discount of 10% for those consumers who buy 2 or more.



61.24%

of traffic for the 'airbag-master.ru' website is from organic search



Furthermore, the product is described in Russian as “**Характеристики: неоригинал**” which translates to indicate the product is not an original manufactured product despite the site’s claims that they are working directly with the manufacturers. In addition, the website purports to sell high quality products, but on closer inspection the airbag in the photo is, in fact, ripped.

It is also notable that for airbags, there are different types of results to those seen in pharmaceuticals. In particular, more online marketplaces appear in the search results, such as AliExpress and Tiu.ru. Marketplace prominence is outside the scope of this White Paper, but these sites appear in searches in other sectors too.

There is a degree of skill and knowledge involved in purchasing and fitting an airbag to a vehicle that the typical consumer is unlikely to possess. Therefore, it is more likely that consumers will take their vehicle to a mechanic and ask them to fit the air bag for them. In many cases, the mechanic will also be asked to source the air bag for the customer. In the ever-competitive motor trade, it is conceivable that auto-repair garages will source cheap parts from various suppliers, including online sites such as this one.

Whilst it is likely that the mechanic sourcing the air bag will have a greater knowledge than the average user, there is still a risk of buying sub-standard or counterfeit parts. If these are bought in larger quantities, as might be the case with an auto-repair business, this has widespread implications for drivers.

WHAT COULD SEARCH ENGINES DO TO HELP?



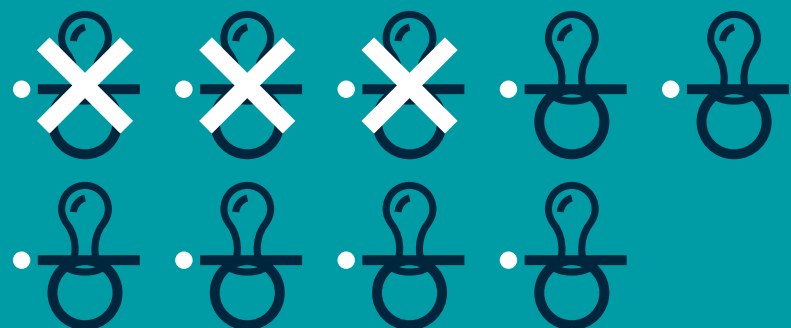
In the automotive industry, it is rights holders and their agents who are best-placed to verify the authenticity of their branded car parts. However, there are currently no actions available to rights holders to notify search engines and have infringing websites removed from search.

De-indexing would have a lasting impact on this problem, especially where search is a conduit for directing users to these sites. Incopro would therefore welcome the ability for rights holders and their agents to be able to require search engines to de-index:

- (i) URLs indexed by a search engine which directly lead to trademark infringing content,
- (ii) entire websites that are dedicated to infringing registered trademarks.

CHILDREN'S PRODUCTS

Counterfeit children's toys and baby products represent one of the most worrying intellectual property infringement threats.



As total sales revenues have slumped in the wake of the demise of US retail giant Toys "R" Us, ecommerce sales have been on the rise³². According to Statista, toys and hobby ecommerce sales have increased by 118% since 2013 and 11.7% from 2017 to 2018³³.

Many countries have strict consumer product safety standards designed to protect children. The materials and methods of toy manufacturing are highly regulated – even more so for baby products. All items sold must include detailed warnings and instructions to ensure proper use of children and baby devices.

This regulatory regime encourages corporate responsibility and established brands invest heavily in robust policies and procedures designed to protect consumers. Children's safety is paramount to responsible toymakers but is not a concern for counterfeiters looking to exploit brand equity to shift their illegitimate product.

THE PREVALENCE OF ONLINE MARKETPLACES IN SEARCH RESULTS

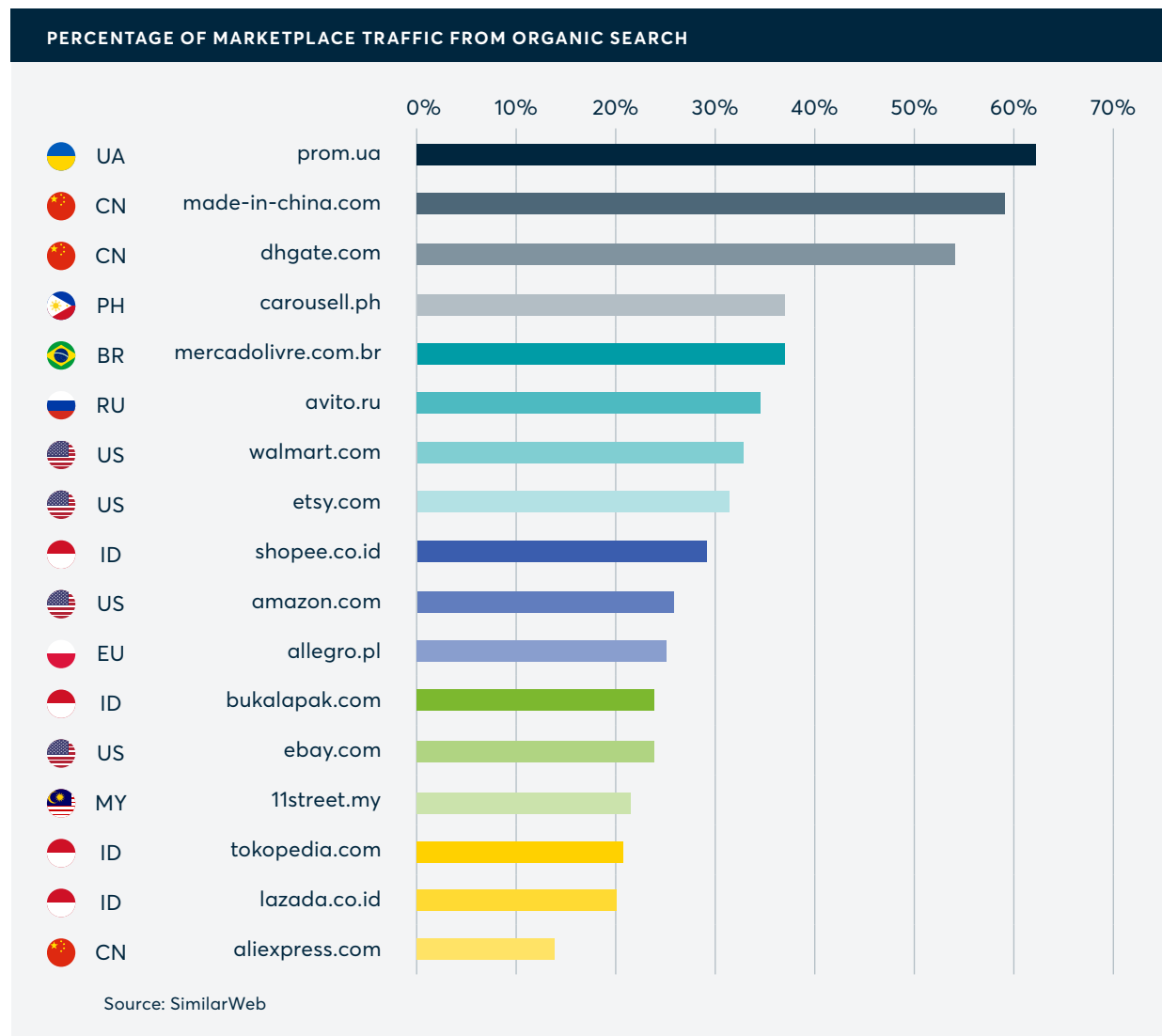
In this White Paper, Incopro focused on baby teethingers. One feature of the results produced by search engines for teethingers is the increased prevalence of online marketplace listings in the top search results. Of the first 10 results presented to the consumer in our example, 32.5% directed users to online marketplaces such as Amazon, eBay and DHGate. Of these, 65.4% appeared within the first five results on the page.

³² According to the Toy Association, global toy industry revenue was \$89 billion in 2017 with US sales accounting for \$22 billion of that total: <https://www.toyassociation.org/ta/research/data/u-s-sales-data/toys/research-and-data/data/us-sales-data.aspx>

³³ Note that this statistic also includes "hobby" ecommerce revenue. The increase in toy sales has been a big driver of this trend, however: <https://www.statista.com/statistics/257525/us-toys-and-hobby-ecommerce-revenue/>

This chart shows Incopro's research on the volume of traffic that is directed to some of the most prominent global marketplaces from search results for children's products. These statistics show that **more than half** of the traffic to the Ukrainian marketplace Prom or Chinese marketplaces Made-in-China and DHGate is via organic search. Each of these marketplace platforms has challenges surrounding the sale of infringing items and counterfeits.

While a brand may not necessarily be worried about counterfeits in a particular region, the possibility of a consumer finding a listing on a marketplace outside of their home country, purchasing from such sites and having the product shipped to them should be of concern. This is especially true when search results are generated from searches of trademarked keywords and when the result's description prominently displays the brand's trademarks.



WHAT DOES A TYPICAL SEARCH RESULT PAGE FOR BABY TEETHERS LOOK LIKE?

This White Paper used brand names and generic terms to generate results as a consumer might. It also employed search terms to examine results that might be found by someone looking to buy a larger quantity of a product.

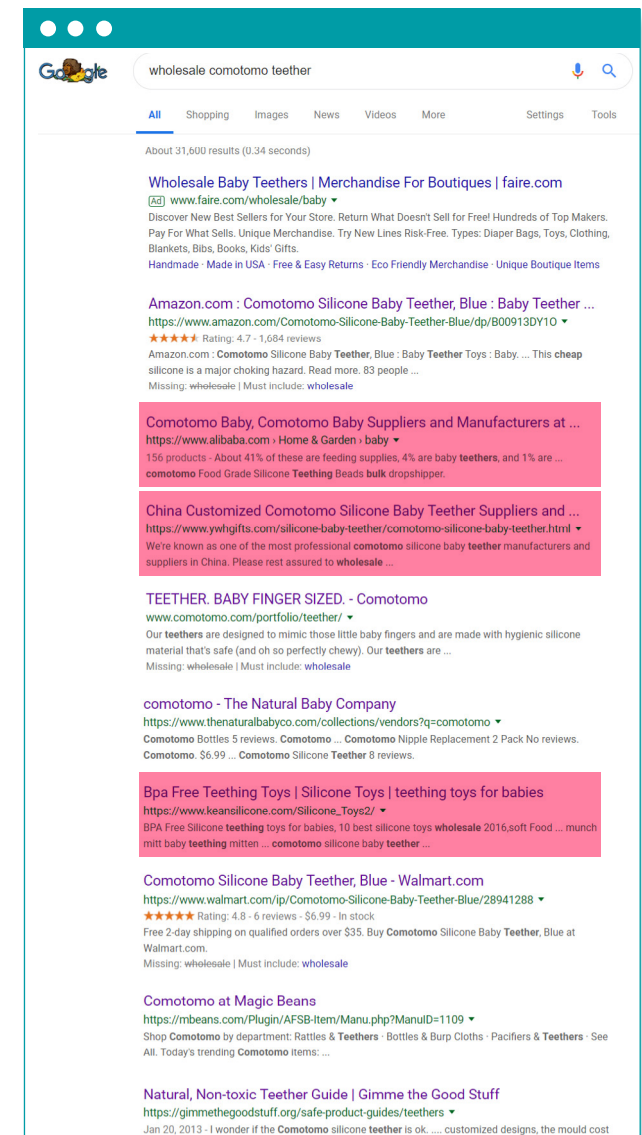
In this case, a keyword search on Google.com for “wholesale comotomo teether” presents nine organic search results. Each result directs traffic to a marketplace or ecommerce site. Of the nine organic search results, three are for potentially harmful products that misuse the Comotomo trademark (highlighted in red in the image to the right).

The Alibaba URL listed as the second organic search result is interesting (the first result is a paid advertisement).

It is a link to a category page on Alibaba, not to a specific product. This makes it more challenging for brand owners to get the result removed from Alibaba. The presence of the brand name is unhelpful and confusing for the consumer. The page actually lists products that are the same or similar to the Comotomo products but are sold at a fraction of the price.

The fourth search result shown to the right is an example of another type of wholesale supplier. The website ywhgifts.com sells a wide variety of potentially infringing products, from teething toys to baby applicators and phone cases. 76.89% of the site’s traffic originates from organic search.

It is clear that both consumers and those seeking wholesale supplies of baby teethers can easily find what they are looking for using search. It is also evident that trademarks for these products are prominently displayed in these results, leading to consumer confusion over whether these products are produced by Comotomo, when several are not.



Three of the first nine organic results when searching Comotomo on Google are for potentially harmful products that misuse their trademark. The first result is a paid advertisement.

WHAT COULD SEARCH ENGINES DO TO HELP?



Many of the products listed in the organic search results for teethingers can be purchased through an online marketplace. Brand owners can ask for these products to be taken down from these marketplaces, but this would not necessarily help with the Alibaba example, as this is a results page on Alibaba's site. A better solution would be to alert the search engine to this misuse of the trademark and have that de-indexed from the search results.

If the product listings display copyright images, there is an existing recourse to search engines. However, not all listings are using copyright images. Google will not remove a search result based on trademark infringement. This means that the brand owner is left without a means to remove these results from this search engine.



WHITE GOODS

White goods are widely available online. When making a purchase of these appliances and spare parts, consumers tend to rely on trusted brands and traditional supply chains.



The complexity of white goods products makes it more difficult for infringers to fool consumers, while the costs involved with manufacturing and distributing finished counterfeit appliances also creates a barrier to entry for bad actors. However, when cost-conscious consumers seek to extend the life of their white goods, they may search online for cheap replacement parts. This may lead them to disreputable suppliers of unsafe counterfeit products.

This is very serious. Counterfeit white goods can cause irreparable damage to expensive appliances. Even worse, appliance failure can put consumer health and safety at grave risk – causing electrical fires and deadly gas leaks.

One example of counterfeit white goods replacement parts that pose a danger are fake refrigerator water filters. Consumers rely on these systems to filter out contaminants, but counterfeits are not up to this vital task.

"Online sales of counterfeit refrigerator water filters are a rapidly growing problem. These counterfeit water filters are sold with misleading and fraudulent labelling, often including illegal use of brand names, logos, and product labels," the Association of Home Appliance Manufacturers (AHAM) warns in an online public awareness campaign³⁴.

The group's independent tests of counterfeit water filters purchased from websites demonstrates the alarming dangers that consumers face from a mistaken purchase:

"[1] Counterfeit filters failed to remove harmful lead from household water. [2] Counterfeit filters failed to remove live cysts from household water. [3] Some counterfeit filters introduced harmful compounds into household water."

³⁴ Association of Home Appliance Manufacturers. "The Danger of Counterfeit Filters: Fake Filters, Real Problems." May 2018: http://filteritout.org/wp-content/uploads/2018/05/FilteritOut_Report.pdf – This was part of the Filter It Out campaign (<https://www.filteritout.org>)

One counterfeit website identified by Incopro in May 2019 was refrigerator-water-filters.com. The website listed four brands (Whirlpool, Samsung, Kenmore and GE) in its page title, causing deliberate consumer confusion, and helped it to appear in search engine results when consumers searched for those brands.

All consumers arrived at this website via organic search. The top 5 keywords used to find the website were associated with genuine refrigerator water filter models: [69625-ct-001](#), [aprilare ffc20256sg](#), [idylis es 12-id](#), [ph21210 whirl](#), and [kohler k20852-na](#).³⁵

When conducting a search using these search terms on Google.com, four out of five searches led to refrigerator-water-filters.com appearing on the first page of results.

Refrigerator-water-filters.com offered a variety of counterfeit brand name and fake replacement

water filters that were likely neither safe nor actually compatible with the refrigerators, as claimed. For example, it offered a filter that it described as a ["Whirlpool EDR1RXD1"](#) and another that was described as a ["Maytag Puriclean III"](#) alongside pictures of packaging and product that contained brand name logos. Based on the AHAM research, it is fair to assume these water filters did not meet consumer water filtration safety standards, potentially exposing unsuspecting consumers to contaminants.

The 'About Us' section of the Refrigerator-water-filters.com website noted that the company was headquartered in China where "production and product development takes place". From there, the products were shipped worldwide. Even though it claimed to produce and develop its own filters, it also asserted that the often-branded items were "original".

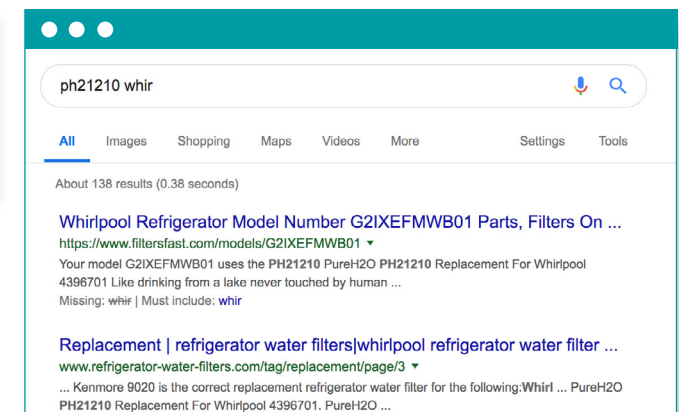
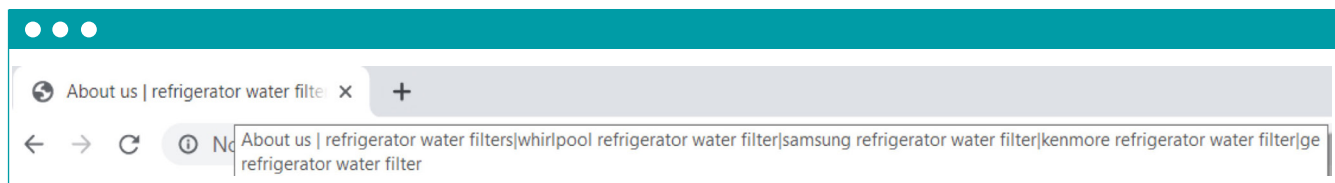
WHAT COULD SEARCH ENGINES DO TO HELP?



Concern about websites like this should extend beyond brand owners and water filtration industry groups. Search engines should also seek to protect consumers.

Counterfeit white goods such as replacement parts present a severe danger to consumers. Yet responsible brand owners are often powerless to take action, as rogue counterfeit-supporting ISP hosts are uncooperative with brand-owner counterfeit takedown requests.

Where there is either a URL or whole website offering these products, Incopro calls for search engines to work with rights owners to establish a process to accept requests for the de-indexing of such a site.



³⁵ During May 2019. This website's domain name registration has since expired (17th September 2019).

SAFETY EQUIPMENT

Counterfeit safety equipment such as helmets pose a clear threat to the health and safety of consumers. Legitimate brands have to make sure their products clear the threshold of industry standards, but counterfeiters have no obligation or interest in doing this³⁶.



As with all of the industry sectors considered in this study, responsible brands in the helmet marketplace take care to ensure they meet the highest safety standards for their products. The protection they afford to a consumer comes from the product's ability to withstand high impact incidents, without breaking apart or shattering. **Counterfeit products have been proven time and again to be unable to withstand even a fraction of the impact a genuine product can³⁷.** Counterfeit helmets therefore carry a huge risk, the severity of which is realised when it is too late.

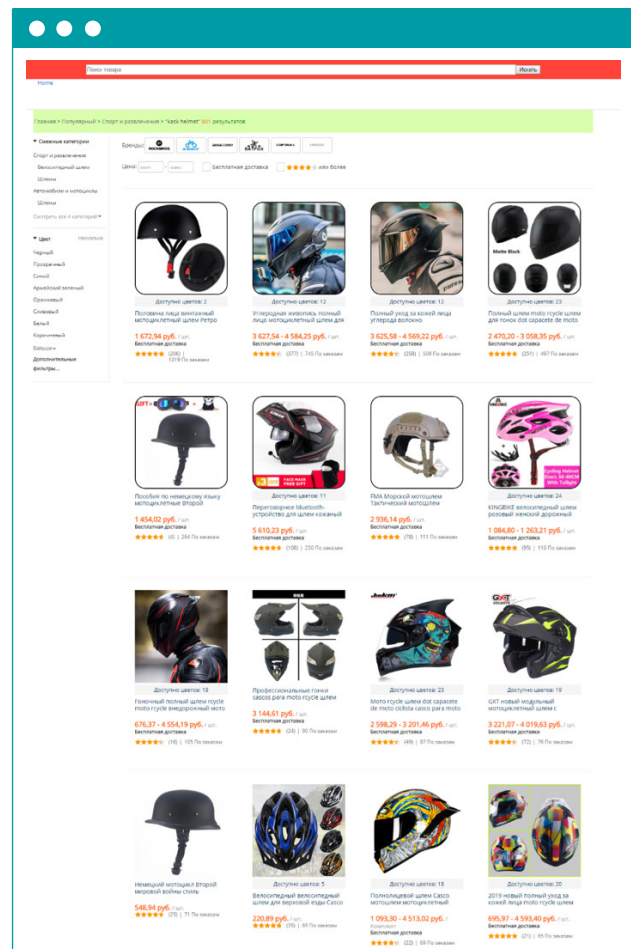
The issues observed for safety equipment echo those seen in the other industry sectors considered in this White Paper. 38.1% of the sites selling infringing safety equipment examined, have a Talisman visibility score of 10 or above, which indicates that they are highly accessible to consumers when searching for these products on major search engines. This is very significant, especially when considering that almost 60% of the traffic to these websites comes from organic search. The websites returned in search results are a mixture of dedicated cycling and sports websites. Online marketplace listings were also present.

Many of the websites returned are either promotions from legitimate distributors or reviews of the products, however they may not always be as they seem. In particular, Incopro observed that a number of suspicious sites target consumers and businesses in Russian speaking territories by operating as 'catalogues' for infringing marketplace listings. These sites often carry the .ru extension and direct buyers to the relevant listings on AliExpress that advertise typically low-quality replicas.

The website shown on page 36 is one such example, which describes itself as a Russian AliExpress catalogue and roughly replicates the layout of ru.aliexpress.com. This site appears to act as an intermediary by connecting potential customers with AliExpress listings and sellers. The vast majority of the 800 listings promote what appear to be low-quality helmets either by directly mentioning the Kask brand name (a leading cycling equipment provider) or claiming that the items have been 'approved by Kask'.

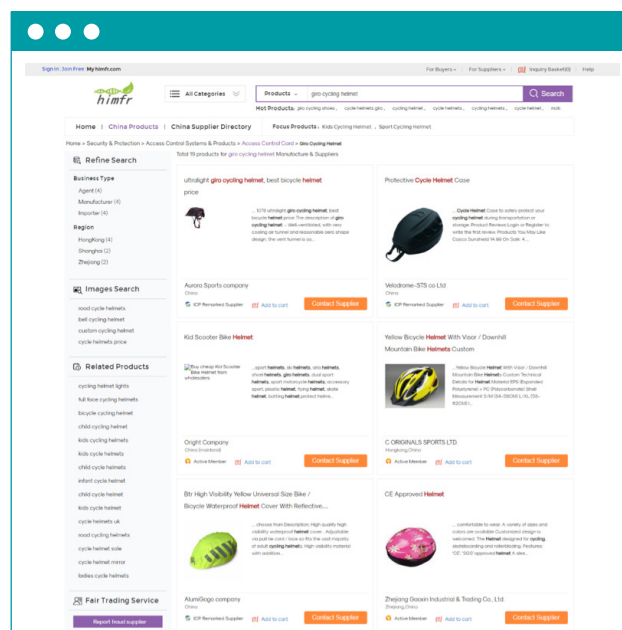
³⁶ <https://www.incoproip.com/blog/counterfeit-safety-equipment-risking-lives>

³⁷ <https://www.bikebiz.com/fake-sense-of-security-counterfeit-helmets-are-not-for-headbangers/>



These misuses of trusted brand names are extremely serious, not just because of the related safety concerns, but also when considering the example website's relatively high Talisman visibility score of **23.35** and that **76.6%** of traffic is generated by organic search, which indicate the high likelihood of consumers accessing the site when looking to purchase such products on search engines.

Looking beyond sites which are most likely to be directly accessed by consumers, some suspicious sites have also been identified with high visibility on search engines. These introduce interested buyers to manufacturers producing counterfeit items in bulk, therefore introducing these products into the wider supply chain.



One such website is shown below, which advertises wholesale cycling helmets produced in China, some of which are branded as Giro (another famous cycling brand). Other than claiming that the helmets are from the Giro brand, the suppliers have disclosed neither the price nor the origin of the products, and customers are encouraged to contact the suppliers privately.

Although such sites are unlikely to be directly used by consumers to purchase counterfeit safety equipment, their presence on search engines nonetheless have a far-reaching impact in facilitating the distribution of these products and, as a result, making them available to a much wider group of consumers.

WHAT COULD SEARCH ENGINES DO TO HELP?



Search engines should be willing to de-index links or websites from search results that infringe trademark by selling counterfeit goods upon request by the brand owner.

Part 2

The rights and responsibilities of Internet intermediaries today

In Europe, the legislative framework provides Internet intermediaries with certain safe harbours or immunities. The Ecommerce Directive, the Information Society Directive and the Enforcement Directive provide a legal structure for Internet operators. Similar protections operate in the US.



THE RIGHT TO SEEK AN INJUNCTION AGAINST INTERMEDIARIES

Intermediaries that offer conduit, hosting and caching services are safe from a claim for damages provided that the operator is passive (in the sense that the conduct of the operator is technical, automatic and passive) and does not play an active role in the wrongs undertaken by users of such services.

However, at the same time as providing this immunity, the Enforcement Directive in Europe has introduced a right for owners of intellectual property to seek an injunction against intermediaries where others use their services to infringe copyright or a related right (including trademark rights)³⁸.

The underlying rationale for this is that while certain types of passive intermediary should be protected from claims for damages, Internet intermediaries are often in the best position to stop continuing infringements of intellectual property.



Intellectual Property owners have the right to seek an injunction against intermediaries.

³⁸ Recital 23, Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights (OJ L 157, 30.4.2004, p. 45–86)

"In the digital environment, in particular, the services of intermediaries may increasingly be used by third parties for infringing activities. In many cases such intermediaries are best placed to bring such infringing activities to an end [...] therefore [...] rightholders should have the possibility of applying for an injunction against an intermediary."³⁹

Many Internet intermediaries have established systems and procedures to respond when they are notified that infringement is taking place. For example, marketplace platforms that host offers for sale, such as eBay, Amazon and Alibaba have established procedures to remove offers for sale from their platforms when they are notified of infringement.

Properly targeted notifications to these and other platforms can substantially reduce infringement of intellectual property on marketplaces. Such online marketplaces could certainly do more to protect intellectual property, but that is not the subject of this White Paper.

Rather, Incopro focuses on the vital role that search engines play in directing consumers towards websites that offer consumers infringing goods and services. There are millions of such websites, each one established with the aim of selling fake and potentially harmful products to Internet users. These websites rarely have any other legitimate purpose – they are set up with the aim of infringing intellectual property.

Search engines play a critical role in enabling Internet users to find these websites. As this White Paper shows, it is easy to use a search engine to find illegal goods and services. The websites either make it clear that the goods and/or services are illegal, or they trick the consumer. Either way, it is search engines that enable these sites to be found.

SEARCH ENGINES NEED TO CLARIFY AND REFORM THEIR POSITION

The position of search engines with regard to these websites is very confused. At worst, search engines are simply failing on a comprehensive and global scale to recognise the harm caused by websites that sell counterfeit products. Certainly, they are not offering a comprehensive approach to addressing rights infringement.

At present and in general, search engines will only remove individual links from their search index that relate to infringement of intellectual property where the link directs to copyright content. In the copyright context alone, this creates a highly inefficient system, where rights owners have to notify search engines of copyright infringements link by link. Google reports that it has received more than 4 billion notices to remove copyright infringements from its index. As matters stand, Google and other search engines will not remove entire websites from their indices where the website is dedicated to copyright infringement.

Most significant search engines, including Google, will not remove an individual link from their search engine where the link is directing to a trademark infringement, even where the infringement is blatantly offering the consumer a counterfeit product that could cause significant harm.

In the copyright context this can lead to inefficient and harmful results. If a film studio identifies a particular film protected by copyright at a particular online location, it can notify search engines about that particular item and they will remove the link from their search index. However, if the same studio identifies an entire website dedicated to infringing copyright in this way, search engines will not stop indexing an entire website (comprised of multiple links) which is dedicated to infringing copyright even where a court has determined that the site is dedicated to operating unlawfully.

To take one case, it is well known (and determined by multiple Court judgments) that the Pirate Bay website is focused entirely on providing access to content that infringes copyright such as pirated films, music software and so on. All search engines continue to index this site in their search results and will not remove the website when asked.

³⁹ Recital 59, Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonisation of certain aspects of copyright and related rights in the information society (OJ 2001 L 167, p. 10).

SEARCH ENGINE POSITION ON TRADEMARKS

In the case of trademarks, the position is even more inconsistent. Google will not stop indexing a link to a product for sale where that product is a counterfeit. Further, Google will not stop indexing a website that is dedicated to selling counterfeit goods to consumers.

The explanation for why Google will not remove counterfeit listings from their index is somewhat opaque. Search engines often say it is not possible for them to determine who owns or is entitled to use a trademark. This may be true in the case of a commercial dispute – that is whether company A can stop company B using company A's trademark – but the position with counterfeit products is very different. Here, it is very often abundantly clear that an online operation selling the fake has no conceivable right to do so.

Search engines also maintain that freedom of expression rights are paramount and that they should not take independent action to remove search results for this reason.

However, this issue could be addressed through a cooperative framework that enables a scalable court approval process to ensure that fundamental rights to property and freedom of expression are taken into account and assessed.

There is a compelling case for search engines to work within a framework that provides rapid determination that a website is operating unlawfully. Where that is confirmed, search engines should respond by de-indexing that website so that it is not displayed to consumers in search results.

Incopro is not the only organisation campaigning for change. During the UK's Digital Economy Bill's seventh sitting on 25 October 2016, it was stated that **"it is absolutely right that it is perfectly within search engines' power to solve this problem"** and that **"they continue to take little responsibility for the fact that listings can overwhelmingly consist of illegal content – the equivalent of the 'Yellow Pages' refusing to take responsibility for publishing the details of crooked traders and fraudsters"**.



There is a compelling case for search engines to work within a framework that provides rapid determination that a website is operating unlawfully. Where that is confirmed, search engines should respond by de-indexing that website so that it is not displayed to consumers in search results.

WHAT THE UK GOVERNMENT HAS STATED

UK Parliamentary discussions have condemned Google's lack of action. In the House of Commons Culture, Media and Sport Committee's 'Supporting the Creative Economy Third Report of Session 2013-14', paragraph 6 states: **"We strongly condemn the failure of Google [...] to provide an adequate response to creative industry requests to prevent its search engine directing consumers to copyright-infringing websites. We are unimpressed by their evident reluctance to block infringing websites on the flimsy grounds that some operate under the cover of hosting some legal content. The continuing promotion by search engines of illegal content on the Internet is unacceptable. So far, their attempts to remedy this have been derisively ineffective".**

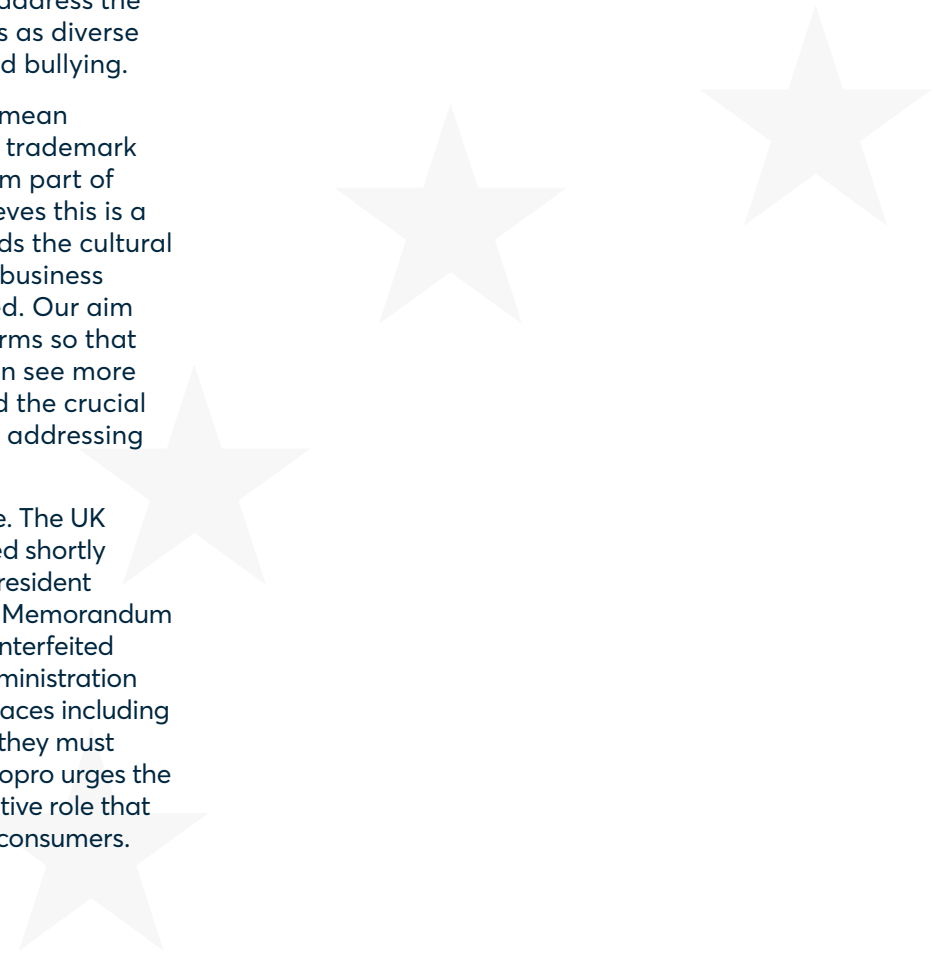
The committee paper continues: **"We do not believe it to be beyond the wit of the engineers employed by Google and others to demote and, ideally to remove copyright infringing material from search results and it has provided no coherent, responsible answer as to why it cannot do the same for sites which blatantly, and illegally, offer pirated content".**

More recently, (8 April 2019) the UK Government published a White Paper on Online Harm and launched a consultation on its proposals to achieve a safer online environment for Internet users. The White Paper stated: **"While some companies have taken steps to improve safety on their platforms, progress has been too slow and inconsistent overall".**

It proposes the creation of a regulator (either a new body or a division within an existing one) to monitor and enforce new guidelines, regulations and codes of practice. The regulator's focus would be on intermediaries such as social media platforms and search engines; it would evaluate and address the harm caused to Internet users by issues as diverse as terrorism, self-harm, child abuse, and bullying.

However, as they stand, the proposals mean commercial and/or legal harm such as trademark and copyright infringement will not form part of the new regulator's remit. Incopro believes this is a missed opportunity that misunderstands the cultural and economic harm that occurs when business intellectual property rights are infringed. Our aim in this study is to demonstrate such harms so that legislators and others driving policy can see more clearly the nature of the damage – and the crucial role that search engines should play in addressing the issues.

Other countries recognise the imperative. The UK Government's White Paper was published shortly after an announcement in the US that President Donald Trump has signed a Presidential Memorandum focussed on combating pirated and counterfeited goods. Representatives of the Trump administration have directly referred to online marketplaces including Alibaba, Amazon and eBay, saying that they must "police these matters" and "clean up". Incopro urges the US government to also focus on the positive role that search engines could take in protecting consumers.



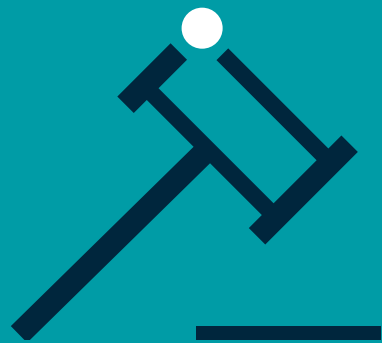


Part 3

De-indexing in practice



In this section, Incopro considers the current legal position related to de-indexing (the removal of links from search results).



In recent years, there has been increasing recognition of the need to require third party online intermediaries to prevent their services from being used to infringe rights, including intellectual property rights. This is reflected both in legislation and in orders granted by courts around the world.

In some cases, a search engine will be best placed to prevent the online infringement concerned. The relief typically granted in these instances is a de-indexing order. De-indexing requires the search engine provider to cease referencing the target website in search results returned to consumers in order to frustrate access to the site in question.

DE-INDEXING IS NOT AN ONEROUS TASK

The courts have repeatedly held (and Google has not disputed) that de-indexing is neither an onerous nor an overly costly measure. For example, the Hamburg Regional Court found that de-indexing is "simple, not very costly, and within reach of a moderately experienced programmer"⁴⁰. In the UK, the High Court of England and Wales held that Google's existing technology permitted it to implement the de-indexing required in the Mosley

case "without disproportionate effort or expense"⁴¹.

Similarly, in *Equustek*⁴², the Canadian court at first instance said of the de-indexing order sought in that case: "Google acknowledges that it can do what is being asked of it. Google does not assert that it would be inconvenienced in any material way or that it would incur expense to [de-list websites]"⁴³. These statements were made by the Supreme Court of Canada upholding an order requiring Google to "cease indexing or referencing in search results on its Internet search engines the websites listed in Schedule A, including all of the subpages and subdirectories of the listed websites."



The courts have repeatedly held (and Google has not disputed) that de-indexing is neither an onerous nor an overly costly measure.

⁴⁰ *Max Mosley v Google Inc.*, Case No 324 O 264/11, Hamburg Regional Court (24 January 2014), pp 11-12

⁴¹ *Max Mosley v Google Inc.*, [2015] EWHC 59 (QB), para 54

⁴² *Google Inc. v. Equustek Solutions Inc.*, 2017 SCC 34 (28 June 2017)

⁴³ *Equustek Solutions Inc. v. Jack*, 2014 BCSC 1063 (13 June 2014) at para 153

In *Allostreaming*⁴⁴, Google accepted the de-indexing order made by the Paris Regional Court and withdrew its appeal to the Paris Court of Appeal⁴⁵. The agreed public statement issued by the parties, stated: **"D'un commun accord, nous avons décidé de mettre un terme au litige opposant Google et les organismes de défense professionnelle des secteurs du cinéma et de l'audiovisuel dans une finalité de lutte contre le piratage en ligne."**

"By mutual agreement, we have decided to put an end to the dispute between Google and the professional bodies of the cinema and audiovisual sectors in a fight against online piracy."
(English translation)

INSTANCES WHERE GOOGLE WILL DE-INDEX

Google does de-index websites voluntarily and/or of its own volition in the context of spam, phishing and malware. For example, Google's Search Console Help page states that it "may temporarily or permanently remove sites from its index and search results if it believes it is obliged to by law, if the sites do not meet Google's quality guidelines, or for other reasons, such as if the sites detract from users' ability to locate relevant information. We cannot comment on the individual reasons a page may be removed."

Google's quality guidelines condemn techniques including **"Cloaking; Sneaky redirects; Doorway passages and Creating pages with little or no original content"** and state: **"If your site violates one or more of these guidelines, then Google may take manual action against it"**. The guidelines add: **"While we may not take manual action in response to every report, spam reports are prioritized based on user impact, and in some cases may lead to complete removal of a spammy site from Google's search results"**.

Google's policies explain that it has **"teams that work to detect spammy websites and remove them from our results. The same goes for phishing websites and malware"**. Users can also report phishing or malware sites.

Incopro now invites search engines like Google to introduce procedures for de-indexing websites that cause harm to consumers and IP-owning businesses as a result of trademark infringement. The processes – if necessary, with court intervention – need to be scalable. Rather than fighting such processes or requiring expensive and costly litigation to remove one location or website from an index, search engines should work with rights owners to remove issues at scale.



Incopro now invites search engines to introduce procedures for de-indexing websites that cause harm to consumers and IP-owning businesses as a result of trademark infringement.

⁴⁴ *Association des Producteurs de Cinéma & Others v Auchan Telecom SAS & Others* (28 November 2013)

⁴⁵ *Association des Producteurs de Cinéma and others v Auchan Telecom SAS & ors*, Paris Court of Appeal (15 March 2016), page 18. Appeals by Microsoft and Yahoo! were rejected by the Supreme Court in September 2017

THE EFFECTIVENESS OF DE-INDEXING

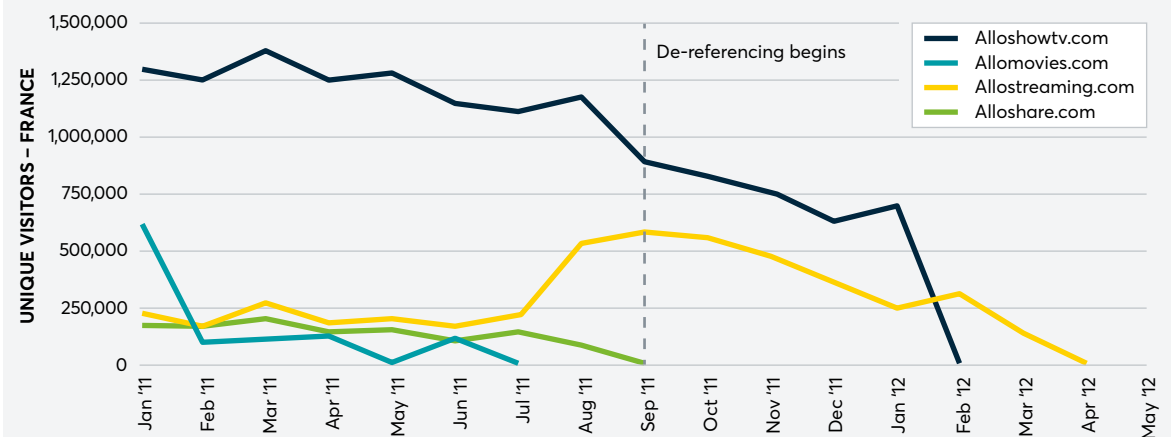
If de-indexing is not difficult or costly to implement – and already carried out for other types of unwanted behaviour – it is useful to evaluate how effective these measures are when applied.

A study produced by data analytics firm IP Echelon provides valuable evidence of the efficacy of de-indexing. In reviewing the effects of de-indexing the AlloStreaming sites, it concluded that the **“analysis strongly suggests that the de-referencing undertaken by Google Inc., Yahoo!, and Bing led to a significant reduction in traffic to the sites overall”**.

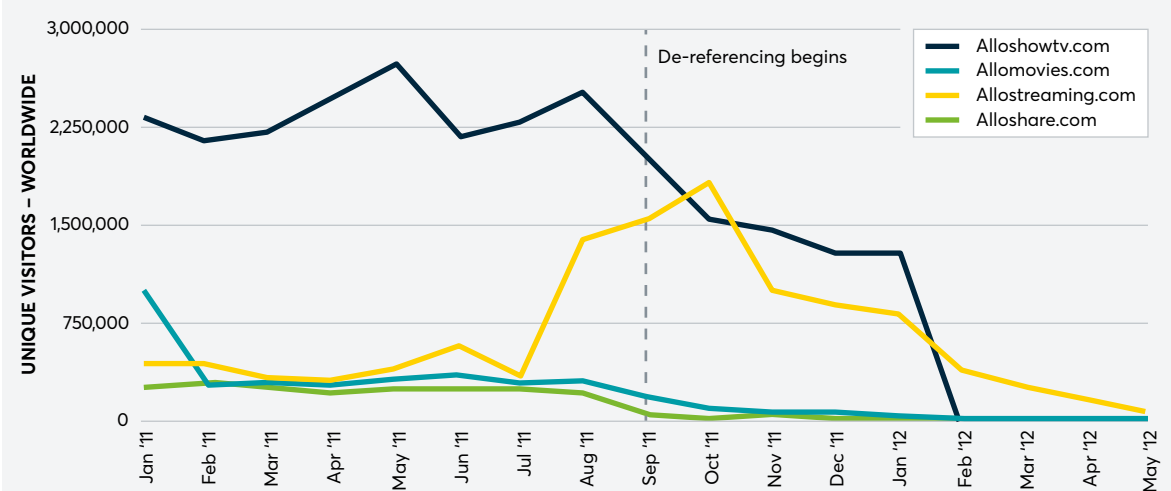
The graph on the top right demonstrates the reduction in French traffic to the sites following the de-indexing by Google, Yahoo! and Bing.

The study also found: **“Following Google’s global de-referencing [de-indexing], the AlloStreaming sites collectively lost -48.7% of their worldwide unique visitors from August to December 2011”**. The graph on the bottom right demonstrates the reduction in worldwide traffic to the sites following the de-indexing.

REDUCTION IN FRENCH TRAFFIC TO SITES FOLLOWING DE-INDEXING BY SEARCH ENGINES



REDUCTION IN WORLDWIDE TRAFFIC FOLLOWING DE-INDEXING BY SEARCH ENGINES



As noted by IP Echelon, Allostreaming.com experienced a **“unique phenomenon with an increase in visitors to the site September-October following Google’s de-referencing [...] The spike may be attributable to two factors – one being redirection from the smaller AlloStreaming sites to Allostreaming.com domain. The second factor may be the international press received by the website following Google’s de-indexing action, exposing the site to a greater audience and leading to increased direct user traffic”**.

In August 2011, Google Search was Allostreaming.com’s second top source of French and global traffic, behind only Alloshowtv.com. Moreover, Google Search was Alloshowtv.com’s primary source of French (and global) traffic in that month.

Unique users accessing Allostreaming.com from Google Search in France fell from 205,000 to 29,000 in the period between August 2011 to December 2011, a reduction of 85.9%. A similar decline hit the Alloshowtv.com website, which in the same period experienced a drop of 85.7% in unique users from France (falling from 889,000 to 127,000 unique users).

By December 2011, Google Search did not feature in the top five sources of French or global traffic to Allostreaming.com and Alloshowtv.com (see tables to the right). The sites’ operators specifically referenced the de-indexing as a reason for the subsequent closure of the sites.

SITE	MONTH (2011)	TOP 5 SOURCE ENTITIES FOR VISITORS (FRANCE UNIQUE USERS)				
		1	2	3	4	5
Allostreaming.com	August	Alloshowtv.com (433,000)	Google Search (205,000)	Facebook.com (98,000)	Streamiz.com (65,000)	Logon (64,000)
	December	Alloshowtv.com (378,000)	Logon (121,000)	Mixturecloud.com (105,000)	Facebook (82,000)	Trackor.net (63,000)
Alloshowtv.com	August	Google Search (889,000)	Logon (682,000)	Facebook.com (494,000)	Megavideo.com (447,000)	Allostreaming.com (415,000)
	December	Facebook.com (488,000)	Allostreaming.com (378,000)	Videobb.com (319,000)	Logon (315,000)	Youtube.com (280,000)

SITE	MONTH (2011)	TOP 5 SOURCE ENTITIES FOR VISITORS (WORLDWIDE UNIQUE USERS)				
		1	2	3	4	5
Allostreaming.com	August	Alloshowtv.com (570,000)	Google Search (255,000)	Facebook.com (194,000)	Logon (107,000)	Streamiz.com (64,000)
	December	Alloshowtv.com (569,000)	Facebook.com (227,000)	Logon (218,000)	Mixturecloud.com (162,000)	Videobb.com (123,000)
Alloshowtv.com	August	Google Search (1,087,000)	Logon (886,000)	Facebook.com (716,000)	Megavideo.com (620,000)	Allostreaming.com (567,000)
	December	Facebook.com (686,000)	Allostreaming.com (560,000)	Logon (463,000)	Videobb.com (391,000)	Megavideo.com (343,000)

ALLOSTREAMING'S RESPONSE TO THE ISSUE

In another case, a site operator described the impact on his website when it was mistakenly de-indexed by Google from Google search for alleged violation of Google's policies. In ["How My #1 Website Got Deindexed from Google"](#)⁴⁶, the author says:

"Everything falls apart, this is my main website and it just doesn't exist anymore. Sure, still receiving a few people from social medias and

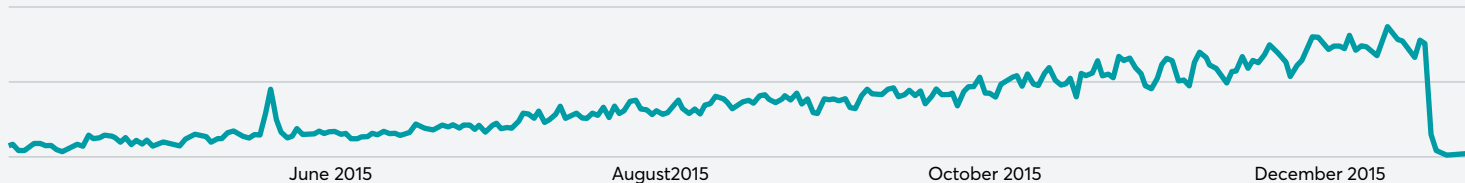
returning visitors but Google was my site's oxygen.

"My organic search traffic statistics: it keeps on growing until December 23... and that last day is today, where my website got re-indexed by Google, it's before midday so it will come back to more normal stats tonight."

The line chart provided by the publisher shows the site's organic search traffic statistics drop abruptly on the day that the site was de-indexed **"from several hundred a day to just five"**.

THE EFFECT OF DE-INDEXING ON ALLOSTREAMING'S VISITORS

● Sessions



The two examples explained in this White Paper show the dramatic impact that search engine de-indexing can have in stopping consumers from being harmed and deceived by counterfeit selling websites.

⁴⁶ <http://lazharichir.com/website-deindexed-from-google-reconsideration-request/> (offline) – available via Archive.org (<https://web.archive.org/web/20170730180610/https://lazharichir.com/website-deindexed-from-google-reconsideration-request/>)



Part 4





Search engines' policies on the removal of links

Given that search engines will remove links from their results, it is important to understand when this option is – and is not – available.



Importantly, the search engines agree to act in respect of individual URLs only. None of the search engines are prepared to de-index entire websites that are dedicated to infringement of intellectual property.

The table summarizes the approach of each search engine included in the scope of this research and whether they will voluntarily de-index websites for specific infringements.

	COPYRIGHT INFRINGING URLS	TRADEMARK INFRINGEMENT	HACKING, PHISHING AND FRAUD	GOVERNMENT/ REGULATORY
 ⁴⁷	●	●	X	-
 ⁴⁸	●	X	X	●
 ⁴⁹	●	X	X	●
 ⁵⁰	●	X	X	-

⁴⁷ <http://jubao.baidu.com/jubao/>

⁴⁸ <https://www.microsoft.com/en-us/corporate-responsibility/crrr>

⁴⁹ https://transparencyreport.google.com/copyright/overview?hl=en_GB

⁵⁰ <https://yandex.com/legal/termsofservice/>

POLICIES IN RELATION TO REGULATORY ISSUES

Government agencies frequently call on search engines to remove links to certain websites. For example, The Food and Drug Administration, a federal agency of the United States Government, launched a global operation in partnership with international regulatory and law enforcement partners in October 2018 aimed at cracking down on websites selling illegal or potentially harmful medicines, including opioids⁵¹. The operation included referring more than 450 domains to search engines (and other Internet intermediaries) for further investigation, though the FDA's report stops short of confirming what action the search engines took.

Google states in its transparency report⁵²:

"Courts and government agencies around the world regularly request that we remove information from Google products. We review these closely to determine if content should be removed because it violates a law or our product policies." The careful language used is striking, implying that even where a government, court or law enforcement agency has asked Google to remove access to a piece of content, it retains significant discretion as to whether to do so.

Google also maintains a **"Legal Help"**⁵³ section which states: **"if you've come across content on Google that may violate the law, let us know and we'll carefully**

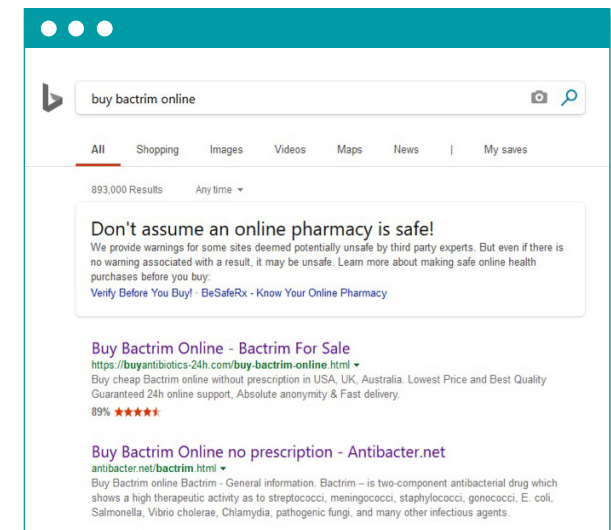
review the material and consider blocking, removing or restricting access to it".

Bing has a more comprehensive policy which acknowledges that laws and regulations apply to search providers and requires them – when asked to do so – to remove access to certain indexed pages⁵⁴.

Bing also has a policy of providing warnings to Internet users when their search behaviour gives rise to significant risk of serious harm from purchasing unsafe, counterfeit and other illegal drugs online, or accessing sites that are reasonably suspected of containing malware.

The screenshot on the right shows a search for "buy Bactrim online" using [bing.com](https://www.bing.com) by a user in the US. At the top of the search results, a warning notifies users that the website they have searched for is potentially harmful. However, this safety net is currently only provided to users in the US and only by Bing and not by Google. When an equivalent search is carried out from the UK without a proxy server, no such warning appears.

Incopro also notes that at the very bottom of these search results is a notification from Bing explaining that **"some search results have been removed"**. However, users have no visibility on how many sites have been removed and/or for what reason.



⁵¹ <https://www.fda.gov/news-events/press-announcements/fda-launches-global-operation-crack-down-websites-selling-illegal-potentially-dangerous-drugs>

⁵² https://transparencyreport.google.com/government-removals/overview?hl=en_GB

⁵³ <https://support.google.com/legal/answer/3110420?hl=en-GB>

⁵⁴ <https://help.bing.microsoft.com/#apex/18/en-US/10016/0>

POLICIES IN RELATION TO COPYRIGHT INFRINGEMENT

The published policies of the major search engines on removal of listings for copyright infringement are different but, as set out in the table (page 47), each of the search engines in this study is willing to remove individual links to web pages that host content which infringes copyright, upon receipt of a notice requesting removal.

Equally, the search engines are consistent in their unwillingness to de-index entire websites which are dedicated to copyright infringement, even where a Court has decided that the website infringes copyright.

POLICIES IN RELATION TO TRADEMARK INFRINGEMENT

The extent to which the major search engines are prepared to remove listings in search results which infringe trademarks is significantly more limited than where the infringement concerns copyright.

With copyright, the position is consistent; broadly, if the content owner (or an authorised agent) notifies the search engine of links to web pages which infringe copyright, it will remove those links from its search results.

By contrast, while Baidu purports to welcome notifications in relation to trademarks⁵⁵, Google, Bing and Yandex offer no equivalent take down procedure.

POLICIES IN RELATION TO HACKING, MALWARE, PHISHING AND FRAUD

Google has published guidance on its Safe Browsing initiative – a service that identifies websites which have been hacked and notifies users of potential harm. When Google's systems identify a site as potentially harmful, Safe Browsing triggers a warning to users⁵⁶.

Google also has a reporting page through which Internet users may report suspected phishing sites they encounter when browsing locations on the web. Bing has the same facility⁵⁷.

However, neither Google nor Bing has a policy for de-indexing links from its index to websites which have been hacked. As a result, Internet users could inadvertently be taken to harmful websites that appear in these engines' search results. This is also true of Baidu and Yandex.



The extent to which the major search engines are prepared to remove listings in search results which infringe trademarks is significantly more limited than where the infringement concerns copyright.

⁵⁵ <https://jubao.baidu.com/jubao/>

⁵⁶ https://transparencyreport.google.com/safe-browsing/overview?hl=en_GB.

⁵⁷ <https://www.microsoft.com/en-us/wdsi/support/report-unsafe-site>

Part 5

How search engines should work with brands to introduce a scalable remedy

Incopro believes it is time for search engines to change direction. Rather than resisting de-indexing, search engines should instead work with brand owners and brand protection companies to establish and deliver a scalable procedure that they actively support.



This scalable process would allow rights owners rapidly to identify and categorize search engine results that direct to counterfeit online locations.

Precedent-setting cases in the UK and Canada in particular, as well as in other jurisdictions, have established that a court order can require search engines to remove online locations from their index. The Equustek case in particular is hugely significant in recognising that an order made in Canada should apply to the whole of Google's search engine function rather than to access from Canada alone.

A court process can determine the acceptable processes for identification of counterfeit products to avoid repeated applications to court in each case. In establishing a properly categorised process of determination, with the support of search engines, legal process can deliver the efficiency and scale required to tackle the vast number of harms indexed by search engines.



It is time to collaborate for the benefit of all. Search engines should work with technology providers in the brand protection ecosystem, as well as rights owners themselves, to build the processes that will enable rapid action at scale. By working with rights owners to determine the criteria for determining the websites that should not be indexed, it will be possible to deliver a scalable remedy.



Annex

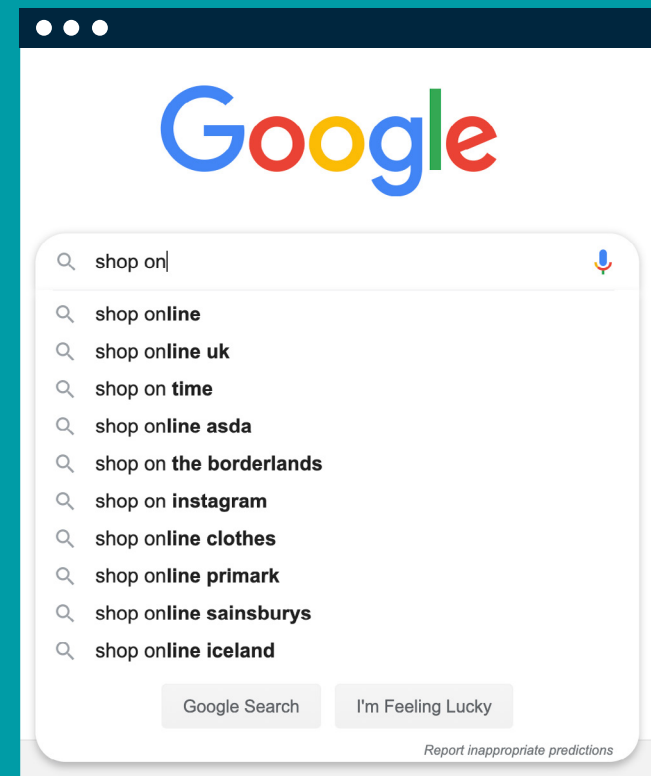
How organic search works

Search engines operate by crawling, indexing and ranking Internet web pages using their own algorithms to determine relevance to the user's query. Once indexed and ranked, the results are accessible via a user interface, usually consisting of a single text input box where users enter the search term.

The results are usually returned to the consumer with a page heading, a sample of text from the page and a URL through which the webpage can be accessed.

For example, with Google's interface, consumers visit Google's website and enter the term they are searching for⁵⁸.

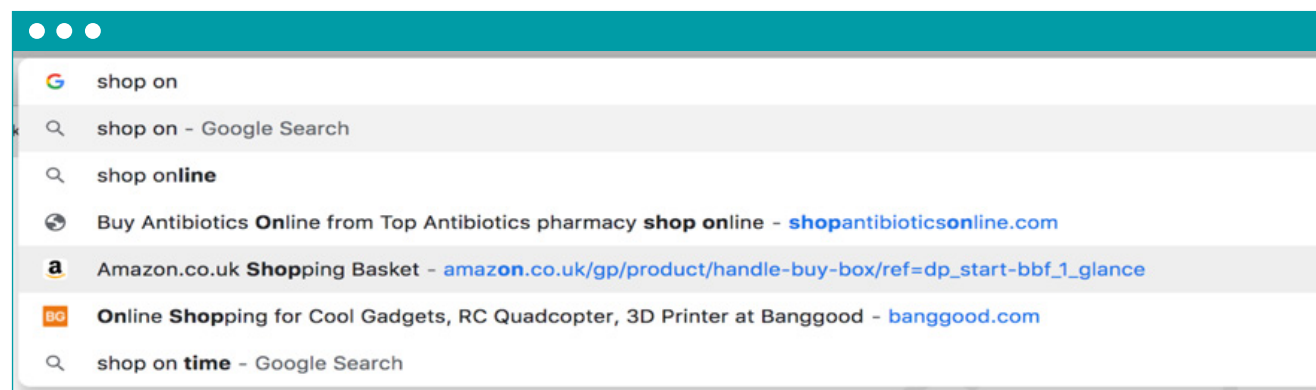
In response to the submitted search terms, Google returns suggestions for further terms that may be of interest to the consumer. Once the consumer selects a term or hits the enter key to submit their search, Google will provide a results page with a range of links that the consumer can use to access websites and web pages.



⁵⁸ This example is a search on Google.co.uk when no user is logged into Google's services.

The screenshot on the right shows results returned for the chosen term, “shop online”. The links in the top area are paid-for search results, or adverts, where websites have paid Google to list their adverts in a prominent position on the page. The links in the lower area are organic search; these results are determined by Google’s algorithmic ranking of the websites returned.

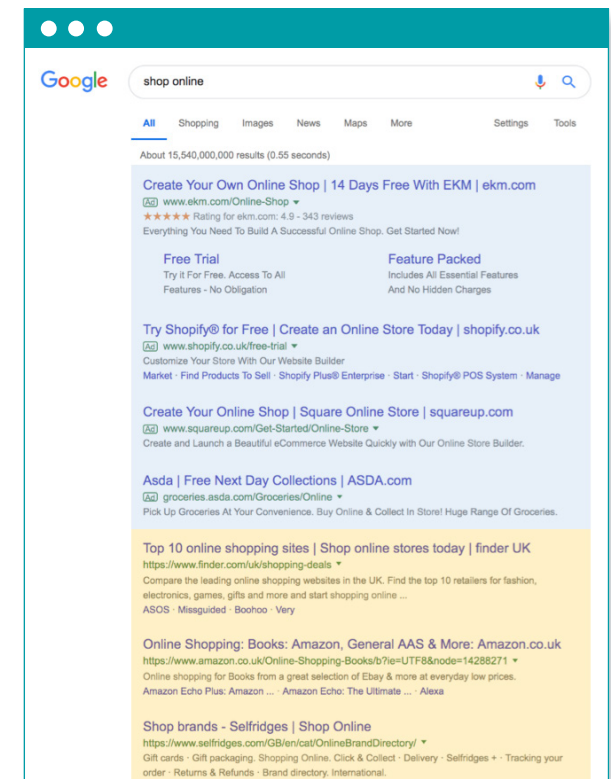
Google’s proprietary browser, Chrome, also offers the same functionality from the address bar⁵⁹. In this case, once a consumer starts typing a search query into the browser’s address bar, Google will either predict the user’s query and suggest an auto-complete⁶⁰ option as shown above by the results with the magnifying glass, or suggest results from the user’s browsing history or saved bookmarks that are also relevant to the results. This will either take the consumer to a page of search results in the first case or to the webpage from the consumer’s bookmarks or history.



In this way, the search engine enables Internet users to easily identify web sites, web pages and related content relevant to their queries. Website operators use search engine optimisation (SEO) techniques to help their websites rise to the top of the search engine results, where consumers are most likely to click through from.

Search engines are therefore active and arguably essential participants in the online ecosystem. They are valuable to both website operators – to ensure their sites are brought to the attention of interested users – and users seeking out content.

Search engines rely on income from advertising and to secure this they need to attract consumers to use their search function. They are motivated to make their search results as comprehensive as possible for the consumer. At the same time, website operator's value the search engine's ability to help them secure consumer traffic to their sites.



⁵⁹ This example is a search on Google.co.uk from a Chrome web browser logged into a Google user account.

This means that the search history and other browsing data is available to Google to personalise the search results.

⁶⁰ This is commonly referred to as “auto fill”, “auto suggest”, or “autocomplete” traffic.

The inclusion of links to a particular website in search results is deliberately simple. Website operators do not generally need to submit their site to the search to be listed – as Google explains, **“the vast majority of sites listed in our results aren’t manually submitted for inclusion, but found and added automatically when our bots crawl the web”**⁶¹ Other search engines work in much the same way, presenting users with both paid and organic search results relevant to the keywords they have entered into the search box.

While users’ preferences vary, there is no doubt that search engines play an essential role in Internet users’ everyday activity as consumers seek out particular websites, search for information about their interests and look for products they may want to purchase.

⁶¹ <https://support.google.com/webmasters/answer/34397?hl=en>

ABOUT INCOPRO

Incopro's customers are the brands that face significant harm when their products and services are copied and misrepresented online. Working with major brands, Incopro also protects the consumers that are otherwise exposed to online scams and dangerous products. Incopro protects more than 600 brands and millions of consumers.

Incpro combines proprietary technology with teams of multi-lingual consultants to detect patterns of online product abuse. Supported by technology that searches the Internet to identify and filter online issues for brands, Incpro assesses millions of consumer related issues every day - evaluating data order to **(i) build a comprehensive picture of consumer harm; and (ii) identify areas where brand misuse can be most effectively tackled.**

Website enforcement is a key component of the work Incopro undertakes for brands and the millions of consumers that love these brands. Search engines play a key part in facilitating the harm caused by infringement on websites, since the majority of consumers accessing these websites do so having first used a search engine to arrive at the web location.

In 2015, Incopro's innovative work in protecting brands online was recognized by the Financial Times - winner for innovation in Intellectual Property. Incopro is headquartered in London and has operations in mainland Europe, North America and China.



Appendix: Opinions from the Incopro Legal Network

The Incopro Legal Network (ILN) is an international group of trusted law firms who protect leading brands from online IP infringement.

The ILN are thought leaders in the ever-evolving field of online rights protection and regularly contribute to Incopro-led research. In this White Paper, a number of ILN members have provided expert opinions and original research to highlight the compelling legal case for search engines to take action.

The following Appendix contains insights from Rodolphe Boissau & Anne-Marie Pecoraro at ATurquoise; Jan Bernd Nordemann, Andreas Dustmann & Stanislaus Jaworski at Boehmert & Boehmert; Stephanie Rotelli at M&R Europe; Rachel Alexander & Katharine Hepburn at Wiggin; and Daniel Glover & Arie van Wijngaarden at McCarthy Tétrault.



SCHEDULE 1

France ILN member paper – A Turquoise



SCHEDULE 2

Germany ILN member paper – Boehmert & Boehmert



SCHEDULE 3

Italy ILN member paper – M&R Europe



SCHEDULE 4

United Kingdom ILN member paper – Wiggin



SCHEDULE 5

Canada ILN member paper – McCarthy Tétrault



1. What role do the search engines play in France facilitating access to trademark infringing products?

As a preliminary remark, this memo focuses on Internet search engines (such as Google, Bing, Yahoo, Qwant and DuckDuckGo) rather than website-related search engines (such as the ones available on Amazon, eBay or Alibaba) allowing to search on a particular website.

In France, Internet search engines definitely play a big role in facilitating access to infringing websites.

In 2018, a survey carried out by IFOP at the request of UNIFAB found that 47% of people who had bought a trademark infringing product had typed the name of the product in a search engine. This proportion increased compared to 2012 (44%)⁶².

The same trend applies to the access of copyrighted works with 50% of webusers using search engines to access streaming websites in 2017, 48% using search engines to access peer-to-peer websites and 49% using search engines to access direct download websites⁶³.

As of November 2018, Google has an overwhelming position on the French market of search engines with a 94% market share.

Search Engine	All devices	Desktop	Mobile
Google	94.13%	89.44%	97.84%
Bing	3.06%	5.71%	1.01%
Yahoo	1.54%	2.60%	0.65%
Qwant	0.63%	1.26%	0.12%
DuckDuckGo	0.43%	0.63%	0.26%

Source: WebRankInfo⁶⁴

In cases involving illegal streaming, the film industry usually argues that coupling site-blocking with de-indexing contribute to limiting the circumvention of site-blocking orders through the use of proxies or virtual private networks (VPNs).

⁶² Union des Fabricants, "Les français et les dangers de la contrefaçon", sondage IFOP, page 23, <https://www.unifab.com/wp-content/uploads/2018/06/115226-R%C3%A9sultats-Vdef-2.pdf>

⁶³ ALPA, Médiamétrie, CNC, "La consommation illégale de vidéos en France – Evolution 2010-2017", pages 17 and 23, <http://www.alpa.paris/wp-content/uploads/2018/06/Etude-Piratage-Internet-Anne%C3%A9e-2017.pdf>

⁶⁴ <https://www.webrankinfo.com/dossiers/etudes/parts-marche-moteurs>

2. Current search engine policies for removing illegitimate websites and URLs concerning TM infringement in France

The table below provides for an overview of the search engines policies with regard to the removal of illegitimate websites and URLs concerning trademark infringement as of 1 April 2019:

Search Engine	Policies
Google	<p>Google does not provide a specific form to notify alleged trademark infringement, except for claims relating to use of a trademark in Google Ads.</p> <p>However, Google provides a form in English to submit a court order against third parties to Google, as well as a general form to report "other legal removal issue" (accessible when requesting the removal of suggestions). Google does not undertake to remove the content notified.</p>
Bing	<p>Bing does not provide a specific form to notify alleged trademark infringement.</p> <p>However, Bing provides a form in English to submit a court order against third parties to Bing, as well as a general form to request the removal of content in accordance with local law and a form to report problems with suggestions made by Bing.</p> <p>Bing does not undertake to remove the content notified.</p>

Yahoo	<p>Yahoo does not provide any specific form to notify alleged trademark infringement, submit a court order against third parties to Yahoo, or report other legal removal issues (except for the application of the right to be forgotten under EU case-law).</p> <p>Yahoo suggests contacting the owner of the website, the content provider and/or the domain name owner.</p>
Qwant	<p>No specific form is available but the process of notification under French law n°2004-575 of 21 June 2004 is explained and an e-mail address is provided for legal notices.</p>
DuckDuckGo	<p>No specific form or information to direct notices for de-indexing appear to be available.</p>

3. Availability of injunctive relief under Art. 11 of the Enforcement Directive in France

As a preliminary remark, French courts usually apply the regime applicable to hosting service providers as defined by article 6.I.2 of French law n°2004-575 of 21 June 2004 (which implements the EU "Ecommerce" Directive n°2000/31/EC of 8 June 2000) to search engines with regard to their indexing services. Search engines' liability may then only be found if they failed to de-index "obviously unlawful" content once they have received a notification that complies with the criteria set by law, including, among other criteria, specifying the location of the URLs and providing a copy of the legal notice sent to the author of the infringement or web editor, or evidence that they cannot be contacted.

It is therefore possible to send legal notices to search engines requesting them to de-index content provided that the legal notice complies with criteria set by law. However, there is room for interpretation concerning what is "obviously unlawful", thus leading to situations where search engines request an order from a court beforehand.

Moreover, French law expressly states that hosting service providers do not have any general obligation to monitor information they transfer or store, or any general obligation to look for facts or circumstances revealing illicit activities, notwithstanding any targeted and temporary monitoring that may be requested by judicial authorities. In other words, when dealing with a legal notice asking for de-indexing, search engines are not bound to monitor the indexing and display of new URLs.

Therefore, from a strategic point of view, it may be preferable to look for injunctive relief ordered by a court of law. In this respect, several grounds under French law may be contemplated to ask injunctive relief in case of trademark infringements:

SPECIFIC PROVISION FOR TRADEMARK INFRINGEMENTS

Article L. 716-6 of the French Intellectual Property Code allows courts to order any measures to prevent or stop trademark infringements against the trademark infringer or any intermediaries whose services are used by the trademark infringer. This provision has already been used to ask Alibaba to remove links to trademark infringing products, but the issue whether search

engines such as Google (and not only intermediary platforms such as Alibaba) should be considered as an intermediary whose services are used by the trademark infringer has not been contemplated yet. In addition, this provision requires claimants to file a legal action on the merits within a certain time after the measures have been granted, failing that, the measures can be cancelled.

This specific provision for trademark infringements substantially differs from the specific provision allowing injunctive relief against intermediaries in the event of copyright infringements. Article L. 336-2 of the French Intellectual Property Code allows courts to order any proper measures to prevent or stop infringements to copyright or neighbouring right against anyone likely to contribute to remedy. Case-law rendered so far by French courts involve Internet access providers and search engines in several instances. However, this article cannot serve as a legal basis in the event of trademark infringements.

GENERAL PROVISIONS APPLICABLE FOR ANY TYPE OF INFRINGEMENT (INCLUDING TRADEMARK AND COPYRIGHT INFRINGEMENTS)

French law provides for ordinary summary proceedings allowing to request courts either to order, in any matter of urgency, any measures that do not encounter any serious challenge or any measures that are justified by the existence of a dispute (article 808 of the French Code of civil procedure), or to order, even in the event of a serious dispute, any necessary protective measures or measures to restore a situation, either to avoid imminent harm or to stop an obviously illegal situation" (article 809 of the French Code of civil procedure).

Specific summary proceedings are also available to target hosting service providers and Internet service providers. Article 6.I.8° of French law n°2004-575 of 21 June 2004 on Confidence in the Digital Economy allows courts to order any proper measures to prevent harm or stop any harm resulting from any content provided by a hosting service provider or, failing that, by any Internet service provider through preliminary injunctions. Usually, case-law considers search engines as hosting service providers so that injunctive relief may be contemplated on that ground in the event of trademark infringements.

4. Some instances where there have been removals by search engines

To our knowledge, French courts have not dealt with injunctive relief ordering search engines such as Google to de-index illegitimate websites and URLs from search results in the event of trademark infringement.

However, one case involved a request made by Lafuma in summary proceedings to block the display of ads on the Alibaba marketplace that were infringing Lafuma's trademarks. The court ordered such blocking until a decision on the merits was rendered or until the parties settled (TGI Paris, Réf., 21 November 2017, RG n°17/59485).

Moreover, although the case did not involve search engines, it is worth mentioning that at least one case by the Paris Court of appeals involved a site-blocking injunction requiring Internet service providers to block access to several websites offering trademark infringement products. The decision was rendered on the ground of article 6.I.8° of French law n°2004-575 of 21 June 2004 on Confidence in the Digital Economy. After having sent several notices

to the operators of infringing websites, then to hosting service providers of the said websites as requested by the said law, Coty, as beneficiary of exclusive trademark license agreements, asked the court to order Internet service providers to block access to the infringing websites, and the Court of appeals accepted to do so (CA Paris, 28 May 2015, RG n°13/15570). While search engines were not targeted by the order, it could be contemplated to use said article 6.I.8° in the future to target them.

Another decision from the Paris Court of first instance is worth being quoted, although the decision was rendered on the ground of copyright infringement under article L. 336-2 of the French Intellectual Property Code (which is not applicable to trademark infringements), since the Court ordered a kind of dynamic injunction against Google, thereby requesting the search engine to take any measures to prevent the display on Google search engine services, further to a request made by webusers from the French territory (...), of any result directing obviously to one of the pages of the websites (...), including without limitation those accessible through" a list of domain names (TGI Paris, 14 December 2018, FNDF et al. vs. Orange et al.). The Court held in particular that:

- Google has the ability to identify new URLs to access websites including without limitation through 301 codes of redirection and the Google Search Console device;
- De-indexing URLs that would only be listed in the judgment would not be efficient after a few days due to the automatic system of indexing implemented by Google;

- De-indexing URLs that would not be listed in the judgment would not amount to a general obligation to monitor and filter as Google is not required to actively look for the websites where infringements to the rightholders' rights occur but is only required to contribute to the de-indexing of illegal links directing to infringing websites on Google search engine;
- The fact that some websites include forums would not lead blocking or de-indexing measures to constitute a breach to freedom of expression, as these forums participate to the pirate activity of the website.

Making a request for this type of dynamic de-indexing could be contemplated in trademark infringement cases. Article 6.I.8° of French law n°2004-575 of 21 June 2004 on Confidence in the Digital Economy could potentially be used as legal basis and a request for dynamic de-indexing be made, especially since Article 6.I.5 of the said law addresses the possibility for judicial authorities to order targeted and temporary monitoring.

Finally, another case involved a request made by a professional association in the music industry on the ground of article L. 336-2 of the French Intellectual Property Code (legal ground available in the event of copyright infringements) for injunctive relief against Google consisting in stopping to suggest words (such as Torrent, Megaupload and Rapidshare) through the Google Suggest tool when webusers entered the names of some artists. The French Supreme

Court validated this type of request (Cass. Civ. 1ère, 12 July 2012, n°11-20358). Thus, it could be contemplated to transpose this solution to trademark infringements by requesting search engines not to suggest words such as "counterfeiting" when their trademarks are typed in the search bar.

5. Evidential requirements and ease of securing injunctive relief under case-law

While no case-law granting injunctive relief against search engines has been identified so far in trademark infringement cases (unlike copyright infringement cases), the following evidence should obviously be gathered for de-indexing cases:

- Identification of the entity running the search engine in France;
- Evidencing ownership or exclusive licence in and to the infringing trademarks;
- Listing the websites and URLs where the infringing products are located;
- Evidencing access to the websites and URLs from the French territory.

Prior to launching proceedings, it is thus essential to have a detailed technical report be prepared by an independent technical service provider and a bailiff/sworn official.

6. How scalable is de-indexing as a remedy now and how scalable could it be

Most injunctions requiring search engines to de-index URLs to infringing websites and/or pages have been rendered in cases of copyright infringement at the request of the film industry. In addition, numerous decisions have requested Internet service providers to block access to websites in the event of copyright infringement. Solutions developed by French case-law on the ground of copyright infringement now seems mostly settled and includes interesting developments by the French Supreme Court whereby technical costs for site-blocking and de-indexing should be usually borne by Internet service providers and search engines (Cass. Civ. 1ère, 6 July 2007, n°16-17217, 16-18298, 16-18348, 16-18595). Courts have also rendered dynamic de-indexing injunctions against search engines while dynamic injunctions against Internet service providers have not been granted by French courts so far.

While the legal ground used to request de-indexing in cases of copyright infringement (article L. 336-2 of the French Intellectual Property Code) is not available for trademark infringement cases, other grounds may be used in case of trademark infringement: in particular, article 6, I, 8° of Law n°2004-575 of 21 June 2004 was used by Coty France in order to obtain a site-blocking injunction to be implemented by Internet service providers.

The Coty case did not involve search engines but search engines being usually considered as hosting service providers under French law and article 6, I, 8° of Law n°2004-575 of 21 June 2004 being applicable to search engine providers

(and Internet service providers), case-law involving de-indexing request may likely develop in the coming years on that ground and court rulings ordering de-indexing in copyright cases would likely serve as good examples to ask for de-indexing in cases of trademark infringement.

An interesting issue concerning de-indexing lies in the geographical scope of de-indexing orders. In this respect, the decision of the Court of Justice of the European Union in the CNIL vs. Google case (case n°C-507/17) is long-awaited since it will determine in “right to de-referencing” cases, as established by the said Court in its judgment of 13 May 2014, whether de-indexing should be implemented for all domain names used by search engines so that the links at issue no longer appear, irrespective of the place from where the search, or only for the domain name corresponding to the State in which the request is deemed to have been made.

Finally, the development of smart speakers (such as Google Assistant, Apple Siri, Amazon Alexa, etc.) to access content may lead to new issues in terms of de-indexing of infringing content. While a recent study by the French Copyright Agency (HADOPI) and Audiovisual Regulator (CSA) shows that smart speakers are mainly used to find information on the Internet, connect to radio and play music (see “Assistants vocaux et enceintes connectées – l’impact de la voix sur l’offre et les usages culturels et medias”, May 2019), use of smart speakers to order trademark infringing products should thus be closely monitored in the future.

Rodolphe Boissau and Anne-Marie Pecoraro



1. Current search engine policies for removing illegitimate websites and URLs concerning TM infringement in Germany

GOOGLE

Google established and published a self-imposed policy for dealing with trademark infringements in connection with Google Ads (See at https://services.google.com/inquiry/aw_tmcomplaint?hl=de). However, nothing comparable exists for trademark infringements in connection with Google's search results.

Google's transparency report does not include removals because of trademark infringements. Only in the report regarding removals requested by state authorities, including courts, removals based on trademark law are listed (see <https://transparencyreport.google.com/government-removals/by-country/DE>). Here, from January 2018 until June 2018 only 4 removal requests are listed (approx. 1% of all removal requests in that time).

We therefore do not have sufficient information to describe Google's policy for removing illegitimate websites and URLs concerning TM infringement in Germany.

Because of Google's relevance in Germany and the case law concentrating on Google, the focus of this paper veers around Google. Still, the requirements for liability are applicable to the other search engine operators as well.

YAHOO

The yahoo complaint process is handled by Oath Inc. There is no specific German version of the policy, so a detailed discussion would overlap with the same from other countries. Moreover, Yahoo does not provide a transparency report.

YANDEX AND BAIDU

As search engines, Yandex and Baidu have only a very limited relevance for the German market and do not provide separate conditions for trademark infringements in German.

2. Availability of injunctive relief under Art. 11 – Enforcement Directive (or equivalent in Germany)

ART. 11 ENFORCEMENT DIRECTIVE

Art. 11 Enforcement Directive requires that injunctions have to be available against the infringing party as well as intermediaries.

Google is not liable as a direct perpetrator of the trademark infringements (neither as direct nor indirect perpetrator) which are committed on websites to which Google links in its search results.

However, Google's liability as an aider to the infringement can be considered. Lastly, Google could be liable as an indirect infringer ("Stoerer"). Aiders and other indirect infringers fall under the category of intermediaries in the language of Art. 11 Enforcement Directive (German Federal Supreme Court GRUR 2007, 708 para. 36 et seq. – Internetversteigerung II).

LIABILITY AS AN AIDER

Google could face liability as an aider to the trademark infringement, committed on websites to which Google links. This would not only result in a cease-and-desist order but also in an award of damages to the trademark owner.

a) General requirements

Liability as an aider requires (1) an intentional illegal infringement by a third party, (2) a contribution by the aider aiding the infringing party and (3) an element of intent both with regard to the aider's own contribution as well as to the infringement committed by the infringing party.

It is the establishment of an element of intent both with regard to the search engine operator's own contribution as well as to the infringement committed by the infringing party, which is usually decisive as there is little doubt that search engines contribute to trademark infringements when listing trademark infringing websites in their search results. German courts view conditional intent (*dolus eventualis* or "the awareness of a likely outcome of an action and accepting said outcome") as sufficient, the general awareness of the risks and dangers tied to the intermediary's activity principally does not lead to its liability as an aider.

b) How specific does the intent have to be?

It is questionable how specific the intent needs to be in the case of trademark aider liability. This question is particularly relevant in Internet cases, where the aider often contributes to the illegal infringement by a general act of support, but at the same time has no knowledge of the concrete infringement. So far, no clear position has emerged out of the case law.

The German Federal Supreme Court regularly deems knowledge of a concrete, imminent infringement necessary (German Federal Supreme Court GRUR 2015,

485 para. 37 – *Kinderhochstühle im Internet III*). However, knowledge of the kind of infringement can already be sufficient if an activity is aided, which is very prone to rights-infringements or even directed at such (German Federal Supreme Court NJW-RR 2011, 1193 para. 32, 35). An elevated risk of infringements already lowers the requirements of how specific the intent needs to be. Specifically, if the act of the main perpetrator, e.g. the operation of a website which solely sells counterfeit goods, is clearly illegal and its main objective is to violate rights, then every willful act of contribution to the acts of the main perpetrator can be considered sufficient and knowledge of every individual infringement is not required (Compare Court of Appeal Munich MMR 2017, 625 para. 37 – *Uploaded*).

Consequently, a lot depends upon the perceived business model to which the search engine links: On the one hand, linking to websites where trademark infringements occur but are not the main objective of the website, will rather not be sufficient for aider liability. On the other hand, linking to websites that are clearly and predominantly designed to violate trademark rights can be sufficient to let liability as an aider and abettor arise.

3. Liability as an indirect infringer ("Stoerer")

In case willful intent of Google cannot be proven (e.g. because the website it is linking to is not predominantly trademark infringing) and liability of Google as an aider cannot be assumed, Google might be responsible as a so-called *Stoerer* for its search results. Damage claims are not encompassed within the liability as a *Stoerer*.

a) General requirements

One can be held liable as a Stoerer, who – while not being a perpetrator or an aider to the infringement – indirectly contributes to the unlawful activity by enabling the violation or making it easier for the actual perpetrators. As opposed to aider liability, causality of the act of contribution to the violation is a requirement for liability as a Stoerer.

The general rule concerning liability as an indirect infringer is that in light of a merely distant relation between the infringement and the intermediary's actions (or a lack thereof) the Stoerer's responsibility can only be considered when an additional breach of duty can be proven. This duty usually originates from the knowledge of a specific (either verified by the court or "blatant") infringement.

aa) Causal act of contribution

The German case law is not entirely clear if in fact a strictly causal act of contribution is needed. However, such a causal act of contribution should be assumed if search results of a search engine lead to a website where trademarks are used in violation of trademark rights as also a causal act of contribution to ongoing acts of violation is possible.

bb) Breach of duty of care

(1) No obligation before being notified

Effectively, search engine providers have no duty as Stoerer before

being notified of the infringement. According to German Federal Supreme Court decisions in copyright law and regarding privacy rights, the provider of a search engine cannot reasonably be expected to ascertain whether the content found by search engines has been lawfully posted on the Internet before making it searchable. A search engine provider's general duty to investigate the legality of the publication of the content found by search engines (proactive duty to check) is contrary to the task and functioning of search engines (For privacy rights German Federal Supreme Court NJW 2018, 2324 para. 34; in copyright law German Federal Supreme Court NJW 2018, 772 para. 61 – Vorschaubilder III).

The court held that a general control obligation would be inappropriate with regard to the task of Internet search engines. Because of their essential importance for the use of the Internet, no inspection obligations may be imposed which endanger or disproportionately complicate the operation of search engines. The assumption of a general monitoring obligation – which is virtually impossible to achieve – would call into question the existence of search engines, because the operators would be exposed to the obvious risk of a claim by a large number of right holders (See German Federal Supreme Court NJW 2018, 772 para. 62 with further ref.– Vorschaubilder III). This does not come as a surprise, as the Stoerer-liability typically requires informing the Respondent.

(2) Obligations after being notified

Once the intermediary has been notified about a blatant infringement, it is obligated to take action. Firstly, this includes the obligation to examine the right infringements, the extent of which depends on whether and to what extent an examination can be reasonably expected of the allegedly indirect infringer according to the circumstances. Hence, with relation to Google's search engine linking to trademark infringing websites one main problem which arises is the necessary apparentness of the trademark infringement. Google can only take action as an intermediary if it is aware of a possible infringement and there are no serious doubts as to the unlawfulness of the infringement in question. As a rule, the search engine operator only has access to the information of the person concerned who reports the trademark infringement. Further information might only arise should the allegedly infringing third party provide answers in the report mechanism.

Secondly, the Stoerer has to uphold reasonable monitoring procedures to prevent further trademark infringements of the same kind. This might include for example monitoring with word and image filtering software.

b) Legal consequences

Should the above-mentioned general requirements be met and the search engine operator violates its obligations after being notified, the search engine operator is subject to a claim for injunctive relief, however not for damage claims.

There is no equivalent to Stoerer-liability at the EU level – the CJEU tends to think in terms of perpetration and intermediary liability (contrary to mere responsibility for injunction without damage claims).

4. Examine instances where there have been removals (German case law)

We are not aware of any German case law in which Google was obliged to remove links from its search results due to trademark infringements.

5. What current case law tells us about the evidential requirements and the ease of securing such relief

There is no German case law holding search engines liable for the discussed trademark infringements yet.

However, we see very strong arguments that Google is liable as an aider for inter alia injunction and damages if it links to websites, which are predominantly trademark infringing, in its search results after having been made aware of the character of such websites. In court proceedings the Claimant would have to show the following:

- That the main objective of the website, to which the search engine links, is to violate rights which is reflected in the ratio of rights-violating content on the website. The rights-violating character of the website would have to be shown via a representative scrape of the website.
- It would have to be shown that the search engine was made aware of the character of the rights-violating website. Any notification of the search engine should make the rights-violating character of the website clear, ideally by presenting the results of the representative scrape.
- Ultimately, it must be shown that the search engine did not take any action to remove links to the rights-violating website after being made aware. Ideally, a second notification should follow with a final deadline.

6. How scalable is this as a remedy now and how scalable could it be

The notification of search engines can be easily automatized and is therefore scalable. However, as there is no case law on the liability of search engines for trademark infringements, search engines might oppose any claims of deleting links to specific trademark infringing websites in their search results. This would make litigation necessary.

If singular cases are very similar, they can be litigated together against one search engine in one specific Regional District Court. This would lead to a (limited) scalability.

Jan Bernd Nordemann, Andreas Dustmann and Stanislaus Jaworski



1. Current search engine policies for the removal of links to websites

The following table illustrates the policies of the following search engines available to Italian users in respect of removal of websites and/or webpages that infringe trademarks.

	Google	Yahoo	Bing	Yandex	Baidu
1a. Location of the policy /	Google Support Guide – Legal	Yahoo Help Center	Bing Guide	Yandex Support – Feedback	About Baidu – Notice to rightholders
1b. Language	Italian	Italian	Italian	English	English
2a. Removal form for alleged trademark infringement	No – the user is invited to contact the operator of the infringing site	No – the user is invited to contact the operator of the infringing site	Yes	No – the user is invited to contact the operator of the infringing site	No – the user is invited to send a formal notice of infringement
3a. Removal form to upload of court order (eg. judging a trademark infringement and containing an injunction)	Yes	No – the user is invited to contact the operator of the infringing site	Yes	No – the user is invited to contact the operator of the infringing site	No – the user is invited to send a formal notice of infringement

	Google	Yahoo	Bing	Yandex	Baidu
2b/3b. Request of URL addresses where the infringing product is located	Yes – this information is mandatory	N/A	Yes – this information is mandatory	N/A	Yes
3c. Request of details of the order indicating removal	Yes – this information is mandatory	N/A	No	N/A	N/A
2c/3d. Guarantee of removal	No	N/A	No	N/A	No
Information to the operator of the infringing site	Possible but not guaranteed	N/A	N/A	N/A	No – the operator may send a formal counter notice

2. Availability of injunctions addressed to search engines on the grounds of trademark infringement

2.1 THE CATEGORIZATION OF SEARCH ENGINES AS CACHING ISPS

EU Directive 2000/31/EC was implemented in Italy by Legislative Decree no. 70 of 9.4.2003 (the "Ecommerce Decree"), which articles 14 to 17 mirror the provisions of articles 12 to 15 of the said directive, but for limited variations.

No provision of the Ecommerce Decree specifically addresses search engines.

However, the decisions of Italian courts are in the sense that search engines are to be categorized as caching providers, for the essential reason that they index websites and make cached copies of their content with temporary storage of their information (Tribunal of Rome, order of 22.3.2011 – case PFA Films S.r.l. v. Google Italy S.r.l, Microsoft S.r.l. and Yahoo Italia S.r.l.; Tribunal of Florence, order of 25.5.2012 – case Meneghetti v. Google, Inc.; Court of Cassation, judgment no. 7709 of 19.3.2019 – case RTI S.p.A. v. Yahoo Italia S.p.A.).

2.2 THE LEGAL BASIS FOR INJUNCTIONS ADDRESSED TO SEARCH ENGINES AS CACHING PROVIDERS

Legislative Decree no. 140 of 16.3.2006 implemented article 11 of EU directive 2000/48/EC in Italy.

As a result, the Italian code of industrial property ("CIP" – Legislative Decree no. 30 of 10.2.2005) was amended to provide that:

- (a) a judicial decision ascertaining the infringement of an industrial property right may be coupled with an injunction "against the manufacturing, marketing and use of goods that constitute an infringement of said right, as well as an order to withdraw such goods from the market addressed to the person being their proprietor or having them in his availability. The injunction and the order to withdraw goods from the market may be issued also against any intermediary, who is a party to the proceedings and whose services are used to infringe an industrial property right" (article 124 of the CIP);
- (b) "The owner of an industrial property right may apply for an injunction against any imminent infringement of his right and the continuation or repetition of an infringement already occurred, and in particular may apply for an injunction against the manufacturing, the marketing and use of goods that constitute an infringement of his right, as well as an order to withdraw such goods from the market addressed to the person being their proprietor or having them in his availability, in accordance with the provisions of the code of civil procedure on interlocutory proceedings. The injunction and order to withdraw from the market may be applied for, on the same grounds, against any person whose services are used to infringe an industrial property right. In granting the injunction, the court may set a sum to be due for any subsequent violation of or non-compliance or any delay in compliance with the injunction (article 131 of the CIP).

On the other hand, under articles 15 and 17 of the Ecommerce Decree, a caching provider:

- (a) is the provider of a mere technical, automatic and passive service consisting of “the transmission, in a communication network, of information provided by a recipient of the service” coupled with “the automatic, intermediate and temporary storage of that information, performed for the sole purpose of making more efficient the information’s onward transmission to other recipients of the service upon their request” (article 15(1) of the Ecommerce Decree);
- (b) may, including on an urgent basis, be required by a court or the administrative authority having supervisory functions to prevent or terminate perpetrated infringements (article 15(2) of the Ecommerce Decree);
- (c) is required “to expeditiously inform the judicial authority or the administrative authority having supervisory functions in the event it obtains the knowledge of alleged unlawful activities or information concerning a recipient of its information society service” (article 17(2)(a) of the Ecommerce Decree);
- (d) is shielded from liability for the said storage of information subject to the following concurrent conditions:
 - (i) “it does not modify the information;
 - (ii) it complies with conditions on access to the information;
 - (iii) it complies with rules regarding the updating of the information, specified in a manner widely recognised and used by industry;
 - (iv) it does not interfere with the lawful use of technology, widely recognised and used by industry, to obtain data on the use of the information;
 - (v) it acts expeditiously to remove or to disable access to the information it has stored as soon as it obtains actual knowledge of the fact that the information at the initial source of the transmission has been removed from the network, or access to it has been disabled, or that a judicial authority or the administrative authority having supervisory functions has ordered such removal or disablement” (article 15(1) of the Ecommerce Decree);
- (e) additionally, is not exempted from civil liability for the content of its service in the event that
 - (vi) “if so requested by a judicial authority or the administrative authority having supervisory functions, it fails to promptly prevent access to the content of its service” (article 17(3) of the Ecommerce Decree);
 - (vii) “having obtained the knowledge that a content of its service is of unlawful character or prejudicial to a third party, it fails to inform the competent authority” (article 17(3) of the Ecommerce Decree).

3. Italian injunctions ordering search engines to remove links on the grounds of trademark infringement

We are not aware of Italian judicial orders enjoining search engines to remove links to infringing websites and/or pages on the grounds of trademark infringement.

4. Evidential requirements and the ease of securing injunctive relief against search engines

4.1 IDENTIFYING THE CORRECT PROVIDER AND OPERATOR OF THE RELEVANT SEARCH ENGINE IN ITALY

Italian subsidiaries of known ISP groups are not necessarily the providers and managers of the relevant search service accessible from the Italian territory. For instance, whilst Yahoo! Italia S.r.l. (now Yahoo! Italia S.p.A.) has repeatedly been judged as the provider of the Yahoo! Italia Search service made available to Italian users, Google Italy S.r.l. and Microsoft S.r.l. have been judged as lacking standing in Italian proceedings aimed at removal of links from the Google and MSN/Bing search services as accessible from Italy.

Prior to initiating proceedings and to avoid issues of standing (or lack thereof), the exact identity of the ISP running search services accessible to Italian users and its acts of incorporation, statutes and/or by-laws must be checked.

4.2 GATHERING AND LISTING THE URL ADDRESSES OF LINKS AND/OR WEBSITES AND/OR PAGES WHERE THE INFRINGING PRODUCTS ARE LOCATED

In preparing evidence of infringement of an industrial property right, a full and detailed list of URL addresses of the links and/or websites and/or pages where the infringing products are located (and where any of the allegedly infringed trademark's function is exploited) and are accessible from the Italian territory is advisable and serves a multiple purpose:

(a) avoiding generic applications for injunctive relief and ensuring that the applicant rightholder meets its onus of proof duties and thus provides

the defendant and the court with full and complete evidence of the infringement of its industrial property rights (Rome Court of Appeal, order of 16.6.2011 – case PFA Films S.r.l. v. Google Italy S.r.l, Microsoft S.r.l. and Yahoo Italia S.r.l; Milan Court of Appeal, judgment of 5.6.2014 – case RTI S.p.A- v. Yahoo Italia S.r.l.);

(b) bypassing the objection invariably raised by search engine operators that safe-harboured ISPs have no general obligation to monitor the information which they transmit or store, nor the general obligation to actively seek facts indicating illegal activity and thus ensuring that only their ex-post intervention is required;

(c) the purpose under point 4.3 below.

Prior to initiating proceedings a detailed technical report listing said URL addresses needs to be prepared.

4.3 ENSURING THE SEARCH ENGINE SERVICE PROVIDER OBTAINS THE KNOWLEDGE OF THE INFRINGEMENT PRIOR TO OR IN VIEW OF PROCEEDINGS

The acquisition of knowledge of infringement of an industrial property right does not per se obligate the provider of a search engine to remove links to allegedly infringing websites or pages.

However, upon obtaining the knowledge of an alleged infringement perpetrated by means of its neutral service and in order to avoid civil liability for the same infringement, its provider is required to expeditiously inform competent authorities of the infringement as alleged by the rightholder.

In addition, spontaneous removal of links by the operator may not be excluded.

On the other hand, it must also be noted that in one of the two recent judgments rendered by the Court of Cassation in third instance proceedings concerning a dispute between RTI S.p.A. and Yahoo! Italia S.p.A. (acting as a hosting provider), the Court of Cassation:

- (a) ruled that any safe harboured ISP is to be judged as having obtained the knowledge of an infringement of an intellectual property right if:
- (i) in pursuance of commonly applied rules on notices, the ISP effectively received a notice of such infringement by any third party, including the relevant rightholder. Naturally the relevant onus of proof of receipt of the notice by the ISP burdens the sender of the notice;
 - (ii) in applying the common requirement of diligence on the part of the ISP, the notice in question was sufficiently clear and detailed so as to render the alleged infringement understandable by the ISP as being reasonably grounded and/or manifest;
- (b) clarified, however, that the actual assessment of the sufficiency of notices to ISPs in terms of content is the competence of lower courts and is to be made on a case by case basis, taking into account all relevant circumstances of fact (Court of Cassation judgment n. 7708 of 13.3.2019 – case RTI S.p.A. v. Yahoo Italia S.p.A.).

Accordingly, prior to or in view of initiating any proceedings against a search engine, it remains advisable that a notice, including in the form of a report to be uploaded on line via its reporting service and/or a cease and desist letter, containing the URL addresses of the links to websites and pages where the infringing products are located, is sent to the operator of the relevant search engine.

Also, please note that the position of the provider in terms of it being the recipient of a notice and its consequent duty of diligence in evaluating it would not substantially change in the event the notice concerns an infringement that is not merely alleged by the rightholder but has already been judged as much by a court.

5. How scalable is the injunctive remedy now and how scalable could it be

Injunctions addressed to search engines and requiring the de-indexing of links to infringing websites and/or pages have more often than not been applied for and/or granted by Italian authorities on the grounds of copyright infringement or the violation of personality rights, including privacy rights, of individuals.

In particular, on the one hand, the Garante per la Protezione dei dati personali, the Italian administrative authority for the protection of personal data, recently confirmed the trend of pan European decisions addressed to search engines and ordering them to de-index links to websites and/or pages containing personal data of individuals on the basis of such individuals' right to be forgotten (Garante per la Protezione dei Dati personali, order of 31.12.2017, confirmed in terms of competence by Tribunal of Milan, judgment no. 7846 of 5.9.2018).

On the other hand, Italian senior courts, including the Court of Cassation, as well as Italian administrative authorities have now judged on the liability of all ISPs (and/or lack thereof as a result of European shields or commonly applicable rules on liability) for the infringement of intellectual property rights from various angles and at all times taking into account the guidance provided by the European Court of Justice in its most recent judgments. As a consequence, decisions have now reached a certain maturity in terms of juridical reasoning, requirements to access protection and transversality of applicable principles.

It would thus appear that the remedy of injunctions addressed to search engines on the grounds of any intellectual property right could be quantitatively and qualitatively further developed.

Stephanie Rotelli

wiggin



1. Introduction

Counterfeiting is a pervasive and growing issue which impacts brand owners operating in a wide variety of industry sectors. Its reach is global – and made more so by the rapidly evolving digital environment and the multitude of online channels through which counterfeiters can target and communicate with consumers. As recognised by the UK Supreme Court in *Cartier in the context of luxury goods*: “The Internet has provided infringers with a powerful tool for selling counterfeit copies of branded luxury goods, generally of lower quality than the genuine article and at lower prices. It allows them access to a world-wide market, as well as a simple way of concluding sales and collecting the price with practically complete anonymity.”⁶⁵

The magnitude of the counterfeiting problem is indicated in a report by Frontier Economics⁶⁶ (published in 2017), which estimates that by 2022 the global economic value of counterfeiting and piracy could reach US\$2.3 trillion. Taken together with the wider social and economic impacts on displaced economic activity, investment, public fiscal losses and criminal enforcement, the report projects that the negative cost impact on the global economy of counterfeiting and piracy could be as much as US\$4.2 trillion by 2022.

A joint study published by the Organisation for European Cooperation and Development (OECD) and the EU Intellectual Property Office in March 2019⁶⁷ found that, in 2016, the volume of international trade in counterfeited and pirated products could amount to as much as €460 billion⁶⁸, representing up to 3.3% of world trade.

The global reach of platforms such as Twitter, Gumtree, Amazon and Alibaba are attractive sales channels for counterfeiters; Facebook and Instagram also continue to be a focus of brand protection teams mitigating the risk to consumers of buying (often unsafe) counterfeit goods⁶⁹. Search, too, plays an important role in enabling counterfeiters to reach a global audience.

2. The Role of Search

Search engines are an intrinsic part of the online ecosystem. They play a decisive role in disseminating data and in enabling the discovery of webpages and websites whose existence consumers may or may not otherwise know about.

Taking illicit online pharmacies as an example, the EU Commission Staff Working Document on the Counterfeit and Piracy Watch List identified that operators “usually own clusters of hundreds of websites, some of which are the

⁶⁵ *Cartier International AG and others (Respondents) v British Telecommunications Plc and another (Appellants)* [2018] UKSC 28, paragraph 2

⁶⁶ The Economic Impacts of Counterfeiting and Piracy. Report prepared for BASCAP and INTA, accessible at: <https://cdn.iccwbo.org/content/uploads/sites/3/2017/02/ICC-BASCAP-Frontier-report-2016.pdf>.

⁶⁷ https://ec.europa.eu/growth/content/trends-trade-counterfeit-and-pirated-goods-updated-picture_en

⁶⁸ Excluding domestically produced and consumed counterfeit and pirated products, and pirated digital products distributed online.

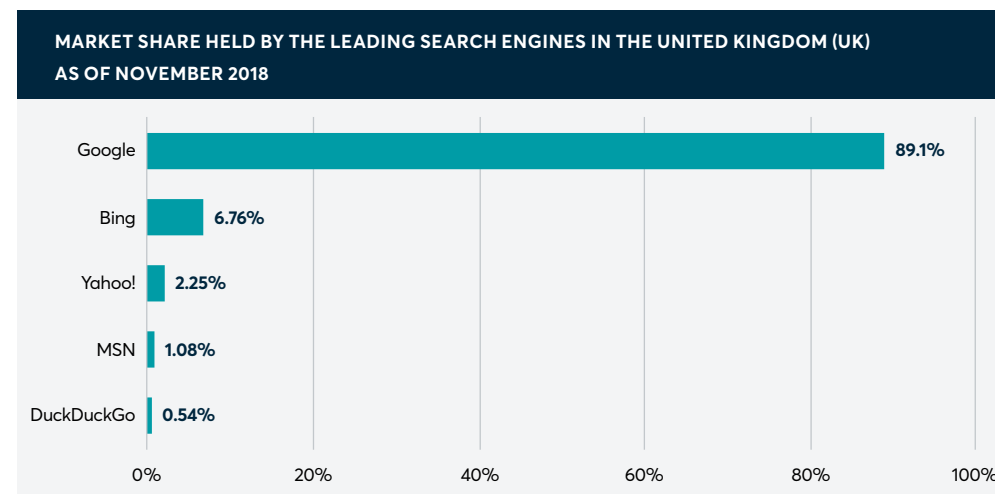
⁶⁹ See findings reports in the UK IPO's IP Crime and Enforcement Report 2017/18: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/740124/DPS-007593_IP_Crime_Report_2018_-_Web_v2.pdf

anchor websites where the actual sales take place. Most of them are websites that funnel Internet users back to the anchor websites, while the rest are sleeping websites used only when an active website is shut down by the enforcement authorities. The websites are promoted through search engine optimisation and email spams.”⁷⁰

Best practice guidelines published by the INTA Anti-Counterfeiting Committee in 2018⁷¹ recognise that: “Search engines should provide a timely and effective process for trademark owners to notify them of the illegal sale of counterfeit goods and of any court order that a trademark owner has obtained against a defendant in which the court has adjudicated that the defendant is engaged in the illegal sale of counterfeit goods. Search engines should remove the search results leading to the illegal counterfeiting content from their index and provide a process to respond to such reports of illegal counterfeiting.” **The UK experience, however, is that search engines could (and should) do substantially more to de-index links that lead to locations from which counterfeit goods are being sold.**

3. The UK Search Engine Market

In the UK, the search engine market is dominated by Google. According to data published by Statista⁷², Google’s share of the UK market was over 89% (as at November 2018). Bing, Yahoo, MSN and DuckDuckGo accounted for the remaining 11%:



⁷⁰ SWD(2018) 492 final (7 December 2018): http://trade.ec.europa.eu/doclib/docs/2018/december/tradoc_157564.pdf

⁷¹ Addressing the Sale of Counterfeits on the Internet: https://www.inta.org/Advocacy/Documents/2018/Addressing_the_Sale_of_Counterfeits_on_the_Internet_021518.pdf

⁷² <https://www.statista.com/statistics/280269/market-share-held-by-search-engines-in-the-united-kingdom/>

Whilst Google removes websites voluntarily and/or of its own volition in the context of spam, phishing and malware, it offers significantly less assistance to rightholders whose intellectual property rights are being infringed. This is particularly so in the case of trademark infringement.

Google states that it "may temporarily or permanently remove sites from its index and search results if it believes it is obliged to by law, if the sites do not meet Google's quality guidelines, or for other reasons, such as if the sites detract from users' ability to locate relevant information."⁷³ **The quality guidelines note that** "Google takes spam extremely seriously, and investigates reported instances. These reports are submitted directly to our webspam team and are used to devise scalable solutions to fight spam."⁷⁴ In respect of malware, Google encourages reporting of sites believed to be "infected with malware or malicious software ... so we can take action as necessary."⁷⁵ **In the copyright context, Google will de-index individual URLs leading to copyright-infringing material on receipt of a valid notice.**

As part of its terms of service, Google states that it may take action on individual Google accounts that allegedly provide or promote counterfeit goods⁷⁶. However, a brand owner wishing to report a web page appearing in Google search results that infringes its trademark rights is advised on Google's

service-specific troubleshooter that: "Google is a provider of information, not a mediator. We bring you different web pages that relate to your search request, but we don't make any claims about the content of these pages. ... In matters involving trademark, it is best to directly address the webmaster of the page in question. Once the webmaster has altered the page in question, Google's search results will automatically reflect this change after we crawl the site."⁷⁷

4. Intermediary Injunctions in the UK

Both EU and UK law recognise that intermediaries are often best placed to bring an end to infringements of intellectual property rights. There is a substantial body of national (and European) case law concerning the availability and grant of website blocking orders i.e., orders requiring Internet access providers to impede access by their subscribers to certain target websites.

In the UK, s.97A of the Copyright, Designs and Patents Act 1988 (CDPA)⁷⁸ provides the legislative basis on which copyright owners can seek injunctions against a service provider where that service provider has actual knowledge of another person using its service to infringe copyright. This is the provision under which website blocking orders concerning copyright infringement have been granted.

⁷³ <https://support.google.com/webmasters/answer/40052?hl=en>

⁷⁴ https://support.google.com/webmasters/answer/93713?hl=en&ref_topic=6001971

⁷⁵ https://support.google.com/webmasters/answer/93713?hl=en&ref_topic=6001971

⁷⁶ https://support.google.com/legal/answer/3463369?hl=en-GB&ref_topic=4556931

⁷⁷ <https://support.google.com/legal/troubleshooter/1114905?hl=en-GB#ts=1115655%2C1282900%2C1282899>

⁷⁸ s.97A CDPA was enacted to transpose Article 8(3) of the Information Society Directive (Directive 2001/29/EC) into UK domestic law.

Despite the absence of an equivalent provision in UK trademark legislation, the *Cartier* case⁷⁹ confirms that the UK courts have jurisdiction to grant equivalent orders based on trademark infringement pursuant to s.37(1) of the Senior Courts Act 1981 (SCA) and Article 11, third sentence, of the Enforcement Directive⁸⁰. The general thrust of the Court of Appeal ruling in *Cartier* was that a broad interpretation of the applicable legislative provisions is to be favoured. So, for example, the Court of Appeal held (per Kitchin LJ) that:

- The court's equitable power to make injunctions is broad and is not limited to the categories of injunctions already established by precedent⁸¹.
- Article 11 provides a principled basis for extending the practice of the court in connection with the grant of injunctions to encompass (where appropriate) an intermediary, such as an Internet service provider (ISP), whose services have been used by a third party to infringe a registered trademark⁸².
- The UK courts must now recognise pursuant to equitable principles that this is "one of those new categories of case in which the court may grant an injunction when it is satisfied that it is just and convenient to do so"⁸³.

- Both Article 11 of the Enforcement Directive and Article 8(3) of the Information Society Directive "are concerned with those providers who allow their customers to access the offending materials on the Internet and that is so irrespective of whether they actually exercise any control over the particular services those customers make use of. They are in this way inevitable actors in the infringement."⁸⁴
- There is no requirement that the services of the intermediary are used physically to transmit or disseminate protected material.⁸⁵
- The third sentence of Article 11 of the Enforcement Directive and Article 8(3) of the Information Society Directive are concerned not only with measures aimed at bringing infringements of intellectual property rights to an end but also with measures aimed at preventing them.⁸⁶

Although the Supreme Court in *Cartier* was not required to rule on jurisdictional issues, Lord Sumption nevertheless considered that the orders in that case "could have been made quite apart from the power derived from European law, on ordinary principles of equity"⁸⁷. This potentially broadens the circumstances in which intermediary injunctions can be sought, the principal consideration under s.37(1) SCA being whether it is "just and convenient" to grant the injunction sought.

⁷⁹ *Cartier International AG & ors v British Telecommunications plc & ors* [2014] EWHC 3354.

Upheld by the Court of Appeal in [2016] EWCA Civ 658

⁸⁰ 2004/48/EC

⁸¹ Paragraph 54

⁸² Paragraph 65.

⁸³ Paragraph 65

⁸⁴ Paragraph 90

⁸⁵ Paragraph 97

⁸⁶ Paragraph 97

⁸⁷ [2018] UKSC 28, paragraph 15

5. De-indexing orders

AVAILABILITY

To date, no order requiring a search engine to de-index search results based on the infringement of intellectual property rights has been granted in the UK. However, de-indexing orders have been granted within the EU in relation to, amongst other matters, the wrongful processing of personal data – see, for example, the judgment of the Court of Justice of the European Union (CJEU) in Case C-131/12, *Google Spain SL v Agencia Española de Protección de Datos*.

Website de-indexing orders in relation to websites that infringe intellectual property rights have, however, been made in other jurisdictions. The Paris Regional Court⁸⁸, in a decision upheld by the Paris Court of Appeal⁸⁹, ordered a number of search engines to de-index the “AlloStreaming” websites which provided access to unlicensed audio-visual content. In *Equustek*⁹⁰, the Supreme Court of Canada upheld an order requiring Google to “cease indexing or referencing in search results on its Internet search engines” websites operated by the defendant, Datalink. In Australia, new legislation which came into force in December 2018 has widened the scope of its intermediary injunction regime to include an ability for rightholders to seek an injunction against a search engine provider where a corresponding website blocking order is also sought against an ISP. Under the new provisions search engines can be required to “take such

steps as the Court considers reasonable” so as not to provide a search result that refers users to an online location outside Australia that (a) infringes, or facilitates an infringement, of copyright; and (b) has the primary purpose or the primary effect of infringing, or facilitating an infringement, of copyright (whether or not in Australia).

These are helpful precedents – and given the UK court’s approach to intermediary injunctions to date (as explained further below), there is every reason to believe that the UK precedent could be further extended to include de-indexing orders targeting counterfeit-selling websites where certain criteria are met.

THRESHOLD REQUIREMENTS

The *Cartier* case confirmed that four threshold conditions⁹¹ must be satisfied before a website blocking order is made: (i) the respondent is an intermediary; (ii) the operators of the target websites are infringing the claimant’s trademarks; (iii) the operators of the target websites are using the respondent’s services to do so; (iv) the respondent has actual knowledge of this.

Thereafter, the court is required to consider whether it is appropriate to make the order sought. The relevant principles to be applied are that the remedy must (i) be necessary; (ii) be effective; (iii) be dissuasive; (iv) not be unnecessarily costly or complicated; (v) avoid barriers to legitimate trade; (vi) be fair and equitable and strike a fair balance between the applicable fundamental rights; and (vii) be proportionate.

⁸⁸ *Association des Producteurs de Cinema v Auchan Telecom SAS* (judgment dated 28 November 2013)

⁸⁹ *Association des Producteurs de Cinema v Auchan Telecom SAS* (Paris Court of Appeal 040/2016)

⁹⁰ *Google Inc. v. Equustek Solutions Inc.*, 2017 SCC 34

⁹¹ The threshold conditions are derived from s.97A CDPA.

The proportionality assessment requires a fair balance to be struck between the claimant's intellectual property rights, the intermediary's freedom to conduct business and the freedom of information of Internet users. In *Cartier*, both the High Court and the Court of Appeal considered that the key question in the overall assessment of proportionality was whether the likely cost burden on the ISPs was justified by the likely efficacy of the blocking orders and the consequent benefit to the Claimants having regard to alternative measures available to the Claimants and the substitutability of the target websites.⁹²

There are strong arguments that the threshold conditions developed in the context of ISP website blocking orders could be applied with equal success to enable brand owners to secure search engine de-indexing orders in the UK directed to websites focused on the sale of counterfeit goods. This view is reinforced both by the UK court's approach in *Cartier* and by the French *AlloStreaming* decision, in which the Paris Regional Court found that there was "no question" that the operators of the copyright-infringing websites at issue used the services offered by search engine providers.

As to proportionality, judicial decisions rendered to date indicate that de-indexing is a no/low cost remedy. The Hamburg Regional Court has held that de-indexing is "simple, not very costly, and within reach of a moderately experienced programmer";⁹³ the High Court of England and Wales held that

Google could implement the de-indexing "without disproportionate effort or expense";⁹⁴ in *Equustek*, Google "[did] not assert that it would be inconvenienced in any material way or that it would incur expense to [de-list websites]"⁹⁵. The Paris Court of Appeal in *AlloStreaming* held that "measures to de-index infringing sites from search engines ... do not attack the freedom of expression and communication and comply with the principle of proportionality, as defined by the [CJEU] ..."

SCALABILITY

The UK courts have been prepared to modify and extend ISP blocking orders to ensure that they are as effective as possible provided that safeguards are in place and a fair balance is maintained between the various rights involved. In both *Cartier* and *FAPL v BT*⁹⁶ (the latter in the context of a "live" blocking order directed to target servers from which unlicensed sports broadcasts were being streamed), the English High Court has shown a willingness to develop intermediary injunctions to increase the efficacy of the orders having regard to the enforcement challenges that online intellectual property infringement presents. This precedent could be further developed to enable brand owners to effectively address the appearance of counterfeit sites in search results on a scalable basis. The nature of de-indexing (i.e., low/no cost and with no apparent capacity restraints) and existing precedents for worldwide de-indexing orders⁹⁷ give an indication of the potential scope of the remedy.

⁹² Given that the Supreme Court has since ruled that brand owners are required to reimburse the ISPs' reasonable costs of implementing a website blocking order, the proportionality balance arguably swings further in favour of the brand owner seeking a blocking order.

⁹³ *Max Mosley v Google Inc.*, Case No 324 O 264/11, Hamburg Regional Court

⁹⁴ *Max Mosley v Google Inc.*, [2015] EWHC 59 (QB)

⁹⁵ *Equustek Solutions Inc. v. Jack*, 2014 BCSC 1063

⁹⁶ *Football Association Premier League v British Telecommunications plc* [2017] EWHC 480 Ch

⁹⁷ See *Equustek*.

Rachel Alexander and Katharine Hepburn



1. Introduction

Rights holders in Canada face a variety of threats to their intellectual property ("IP") in the online environment. Helpfully, the Canadian landscape offers potential remedies for rights holders that can, in certain circumstances, offer multi-jurisdictional relief. Both the Copyright Act and Trademarks Act contain provisions governing the use of injunctive relief to protect intellectual property. More importantly, drawing on their equitable powers, Canadian courts have resoundingly affirmed their jurisdiction to issue injunctions prohibiting the infringement of IP, including across borders when necessary to grant effective relief against an online wrong. In the landmark case of *Google Inc. v. Equustek Solutions Inc.*, 2017 SCC 34 the Supreme Court of Canada upheld the first example of a global de-indexing order issued against a search engine.

2. Role of Search Engines

The ubiquitous nature of the Internet in modern life means that search engines such as Google and Bing play an important role in facilitating access to legitimate content, goods, and services. However, such search engines may also facilitate access to illegitimate content. Searches within platforms such as Twitter, eBay, or Facebook may also be used to make available illegitimate content.

Both Canada's Parliament and its courts have attempted to encourage search functionality through the provision of statutory and jurisprudential safe harbours. As an example, the Copyright Act offers partial shelter for an "information location tool" (restricting remedies against search intermediaries to injunctive relief); the Supreme Court of Canada has safeguarded Internet intermediaries and persons linking to other content online.⁹⁸ Both the statutory shelters and the common-law principles are subject to limitations intended to prevent abuses, including content providers claiming immunity through claiming that internal search engines immunize them from infringement.⁹⁹

3. Current Search Engine Policies for Removing Illegitimate Content

Search engines have not adopted Canada-specific policies for removing illegitimate content. Users are directed towards the parent company's legal page (e.g. google.com rather than google.ca). Users who believe content violates the law are asked to inform the search engine. The search engine will then review the material and consider blocking, removing or restricting access to it. Problematically, such requests require a URL by URL approach, although there are some means to provide a bulk list of URLs for consideration.

⁹⁸ *SOCAN v. CAIP*, 2004 SCC 45 (remarking "Don't shoot the messenger" in establishing safeguards for "innocent disseminators"); *Crookes v. Newton*, 2011 SCC 47 (deeming hyperlinks to be an "indispensable" part of the Internet's operation and refusing to find a link in itself to be a publication of defamatory content).

⁹⁹ Barry Sookman, "Information location tool and fair dealing copyright defenses rejected: *Trader v CarGurus*", available at <https://www.mccarthy.ca/en/insights/blogs/snippets/information-location-tool-and-fair-dealing-copyright-defenses-rejected-trader-v-cargurus>

Search engines claim not to be able to determine copyright ownership or mediate rights ownership disputes.¹⁰⁰ When receiving a complete and valid takedown notice pursuant to the U.S. DMCA standard, they remove the content as the law requires. In the event of a valid counter notification, a search engine will forward it to the person requesting the removal. If there is still a dispute, search engines may require the matter to be resolved in court.

Rights enforcers should be aware that legal notices received by search engines may be disclosed with certain personal contact information redacted on online databases such as the Lumen project. Information published in the Lumen database will include the offending URL.

4. Injunctive Relief under the Trade-marks Act and Copyright Act

Under s. 53.2(1) of the *Trade-marks Act*, if a court is satisfied that there has been a violation of the *Trade-marks Act*, it “may make any order that it considers appropriate in the circumstances, including an order providing for relief by way of injunction and the recovery of damages or profits, for punitive damages and for the destruction or other disposition of any offending goods, packaging, labels and advertising material and of any equipment used to produce the goods, packaging, labels or advertising material.” Interlocutory injunctions and quia timet injunctions are available. There is no takedown right provided under the *Trade-marks Act*.

Under s. 34(1) of the *Copyright Act*, “Where copyright has been infringed, the owner of the copyright is, subject to this Act, entitled to all remedies by way of injunction, damages, accounts, delivery up and otherwise that are or may be conferred by law for the infringement of a right.” However, under s. 41.27(4.1), specific balancing factors are imposed in respect of injunctions against search engines and other information location tools, including considerations of whether the injunction would be “technically feasible and effective”. Pursuant to s. 41.27(4.2), wide injunctions (protecting other works of a plaintiff) are not available under this regime.

At present, in lieu of a takedown regime, Canada employs a “notice and notice” system for dealing with illegitimate content on the Internet. Under this system, a copyright owner may provide an Internet service provider or information location tool provider with notice of claimed infringement if the systems or search engines are facilitating infringement. The form and content of the notice of claimed infringement is set out in s. 41.25(2) of the *Copyright Act*. Such notice is required to be in writing and provide mandatory information about the claimant, the works infringed, and the location and nature of the infringement. New prohibitions in s. 41.25(3) prevent the notice from being employed as a “demand letter vehicle” to the allegedly infringing party.

¹⁰⁰ See for example “What is “Copyright”?” by Google, online at: https://support.google.com/legal/answer/3463239?hl=en&ref_topic=4558877

5. Google v Equustek and Injunctive Relief under Common Law and Equity

The Google v Equustek saga began when Equustek launched an action in British Columbia against a series of defendants ("Datalink") claiming Datalink had relabeled Equustek's products as its own and used Equustek's trade secrets to sell a competing product over the Internet. The key causes of action involved breach of confidence, breach of contract, and passing off.

Early in the litigation, Datalink abandoned the proceedings and left the jurisdiction without producing any documents or complying with any of the preliminary court orders. Some of Datalink's statements of defence were subsequently struck. An injunction was issued by the Supreme Court of British Columbia ordering Datalink to cease operating or carrying on business through any website. Datalink continued to sell the offending goods via the Internet from a series of unknown locations notwithstanding contempt orders and arrest warrants.

Equustek requested Google's help in limiting the violations of its rights by de-indexing the Datalink websites from Google's search results. Google refused. Equustek then brought a motion against Google for an injunction requiring Google to de-index the Datalink websites from all of its search engines worldwide.

In *Equustek Solutions Inc. v. Jack* 2014 BCSC 1063, the British Columbia Supreme Court granted the injunction. Google applied for leave to appeal to the British Columbia Court of Appeal and for an order staying the enforcement of the order. In *Equustek Solutions Inc. v. Google Inc.*, 2014 BCCA 295, the court granted Google leave to appeal but refused to stay enforcement of the injunction.

The Court of Appeal subsequently dismissed Google's appeal in *Equustek Solutions Inc. v. Google Inc.* 2015 BCCA 265. Google then appealed to the Supreme Court. The issue before the SCC was whether Google could be ordered to globally de-index Datalink's websites which were in breach of several court orders.

The Supreme Court of Canada rejected Google's argument that no order could be made against it since it was not a party to the case. Injunctions may be issued "in all cases in which it appears to the court to be just or convenient that the order should be made... on terms and conditions the court thinks just". If non-parties violate injunctions, they are subject to conviction and punishment for contempt of court. The courts have jurisdiction to grant interim injunctions which all people, on pain of contempt, must obey. Courts have long-standing equitable protective jurisdiction to make orders against entities that facilitate, even unwittingly, the commission of a wrong. In this case, the Court found that Google was "the determinative player in allowing the harm to occur" and was "how Datalink has been able to continue harming Equustek in defiance of several court orders". Its continued facilitation of access to the infringing websites gave the Court the basis for a global de-indexing order.

Since the relief granted against Datalink was *in personam*, it was agreed that it could have a global effect. The Court observed that the problem in the case was occurring online and globally. The Internet has no borders – its natural habitat is global. The only way to ensure that the interlocutory injunction attained its objective was to have it apply where Google operates – globally. The Court also confirmed that courts can make orders with extra-territorial effects where necessary to ensure an injunction's effectiveness. If the injunction were restricted

to Canada alone or to google.ca, the remedy would be ineffective and continue irreparable harm to Equustek. Customers could easily find and purchase the infringing items through Google's other search platforms even if the Datalink websites were de-indexed on google.ca.

Google argued a global injunction violated international comity because of the possibility that complying with the order would result in Google violating the laws of a foreign jurisdiction. The Court dismissed this as theoretical. Google could bring an action to vary the interlocutory order if it had evidence of this effect. Without evidence, it would be inequitable to deny Equustek the order.

Google also argued that making such an order would violate freedom of speech online. The Court found that selling infringing products on the Internet did not offend any core values of freedom of expression. Google already de-indexes child pornography and copyright infringing websites. The balance of convenience therefore favoured making the order against Google.

6. Post-Equustek

This Equustek case attracted significant international attention. It is the first case in any country in which a plaintiff successfully obtained a court order against a search engine to remove infringing search results worldwide. This precedent matters because Equustek orders can apply worldwide and across all of an Internet intermediary's platforms. Google subsequently brought a suit in California for an order declaring that the Canadian order was not enforceable against Google in the

U.S. Equustek did not defend the U.S. case and the American court held that Google had protection from suit in the U.S. under s. 230 of the Communications Decency Act. Google then brought a motion to vary or set aside the global injunction against it before the British Columbia Supreme Court. The BCSC dismissed Google's motion on the basis that the California decision made no suggestion that any U.S. law **prohibits** Google from de-indexing the Datalink websites, either in compliance with the injunction or for any other reason. Accordingly, Google is still subject to the original Equustek order (and accompanying pressure points such as contempt remedies in British Columbia).

Courts in Canada are further developing the insights of Equustek in other contexts. For example, in *British Columbia (Attorney General) v. Brecknell*, 2018 BCCA 5, the Court of Appeal exercised jurisdiction for a criminal production order against Craigslist in respect of a posting that had been made in the province, even though Craigslist was headquartered in California. A "virtual presence" was enough to ground the order, with the Court finding that it would be formalistic and artificial to draw a distinction between physical and virtual presence in the Internet era, and expressing concerns that human trafficking, child pornography, money laundering, commercial fraud and international terrorism conducted by means of electronic communication could be insulated from investigation if a production order is viewed as being implemented where the data is stored and its issuance is, therefore, impermissibly extraterritorial.

Likewise, in the privacy setting, the Federal Court of Canada applied Canadian privacy law extraterritorially to order a Romanian website to cease trafficking in certain sensitive information in Canadian court and tribunal decisions, including by taking the necessary steps to remove the decisions from search engine caches.¹⁰¹ The *Equustek* model contemplates the possibility of further injunctive relief against those search engines should the website resist the Court order.

7. Conclusion

Tools are available for rights holders wishing to protect their IP rights in Canada in the search context, even against providers whose only presence is “virtual”. *Equustek* has reaffirmed the inherent ability of Canadian courts to enforce orders against third parties in the context of worldwide de-indexing. Given that Google’s effort to undercut that order through the California courts has failed, Canada remains an attractive jurisdiction to vindicate rights in the online environment.

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¹⁰¹ A.T. v. Globe24h.com, 2017 FC 114.



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