

**Case C-104/22****Request for a preliminary ruling****Date lodged:**

15 February 2022

**Referring court:**

Markkinaoikeus (Finland)

**Date of the decision to refer:**

14 February 2022

**Applicant:**

Lännen MCE Oy

**Defendants:**

Berky GmbH

Senwatec GmbH &amp; Co. KG

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**MARKKINAOIKEUS (Market ORDER [...]**  
**Court, Finland)**

14 February 2022 [...]

**APPLICANT** Lännen MCE Oy

**DEFENDANTS** Berky GmbH

Senwatec GmbH &amp; Co. KG

**SUBJECT** Infringement of an EU trade mark; Request to the Court of  
**MATTER** Justice of the European Union for a preliminary ruling  
under Article 267 of the Treaty on the Functioning of the  
European Union

## **SUBJECT MATTER OF THE DISPUTE**

- 1 The action brought by Lännen MCE Oy before the Market Court concerns the issue whether the defendants, Berky GmbH ('Berky') and Senwatec GmbH & Co. KG ('Senwatec'), both of which have their registered offices in Germany, have infringed EU trade mark No 003185758 WATERMASTER.
- 2 The request for a preliminary ruling concerns the conditions under which the alleged acts of infringement were committed in Finland, within the meaning of Article 125(5) of Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark ('EU Trade Mark Regulation'), and, therefore, the international jurisdiction of the Market Court to hear the action.
- 3 In particular, the question arises as to the conditions under which it may be concluded that the electronically published [Or. 2] advertising, to which the alleged acts of infringement relate, was directed at a Finnish target group, irrespective of whether the geographical area where the products in question were to be supplied was separately specified, in express terms, together with or in connection with the advertising.

## **RELEVANT FACTS**

### **Background to the dispute**

- 4 Lännen MCE Oy, which has its registered office in Finland, is the proprietor of EU trade mark No 003185758 WATERMASTER.
- 5 The defendant companies, Berky and Senwatec, belong to the same group. Although the two companies are involved in different alleged acts of infringement, those actions are being heard together in one set of proceedings. As the alleged acts of infringement are different, they are dealt with separately below.
- 6 As regards Senwatec, the allegation of infringement of the EU trade mark WATERMASTER is based on an advertisement displayed as a search result, in August 2016, in a search carried out using the keyword 'watermaster' on the website Google.fi.
- 7 The documentary evidence submitted in the case shows that the first result of the Google search was an advertising link for Senwatec's multi-purpose dredgers, entitled 'Watermaster – Multipurpose amphibian dredgers -senwatec.de'. The above search result was displayed together with the word 'Ad' and was separated from the other search results by a line. The printout of the above search shows that the person who ran the search was located in Helsinki, Finland, as evidenced by that person's IP address. Neither the advertising link displayed as a search result

nor the associated text contains any elements specifically referring to Finland or indeed the geographical area where the products were to be supplied. [Or. 3]

- 8 The abovementioned advertising link led to Senwatec's website, [www.senwatec.de](http://www.senwatec.de). That website contained, inter alia, a text in English stating that Senwatec's products are used worldwide: 'The machines and solutions from the company Senwatec are worldwide in use. To give you an overview of the area of operations we created for you an own Senwatec-world map'. The text was accompanied by an image of a world map, highlighting in darker colours the countries in which Senwatec claimed to be active. Most of Western Europe, all of North America and several Asian and African countries appeared in a darker colour on the map. Finland, however, did not appear in a darker colour. Aside from the foregoing, no further statements regarding the website's content concerning Senwatec's area of activity or the area where its products were to be supplied have been made in the proceedings.
- 9 As regards Berky, Lännen MCE Oy's claim that the EU trade mark WATERMASTER has been infringed is based on the fact that, between 2005 and 2019, a 'meta tag' consisting of the keyword 'watermaster' had been used on the photo-sharing service Flickr.com in connection with images presenting various Berky machines. According to Lännen MCE Oy, a search on Google.fi using the search term 'watermaster amphibious dredger' produced a link to the file-sharing service Flickr.com, where there were images of Berky machines. The link displayed as a search result was not an advertising link, but an 'organic' search result.
- 10 The captions for the images on the Flickr.com online service included the names of the machines in English and, in addition, their model numbers. Berky's logo also appeared in connection with the images. Each image was accompanied by numerous meta tags consisting of keywords in English and other languages. One such meta tag was 'watermaster'. It was also [Or. 4] possible to register as a follower of Berky's content on Flickr.com.
- 11 No information specifically referring to Finland accompanied the link displayed in the Google.fi search result or the images on the photo-sharing service Flickr.com. Nor were the images accompanied by any other information expressly specifying the geographical area where the Berky machines depicted in the images were to be supplied.

### **Proceedings before the Market Court**

- 12 The applicant, Lännen MCE Oy, submitted that the alleged acts of infringement took place in Finland and that, therefore, the Market Court, as the EU trade mark court, has jurisdiction to hear the infringement action on the basis of Article 125(5) of the EU Trade Mark Regulation.

- 13 According to Lännen MCE Oy, both defendants' marketing activities on the internet were related to the territory of Finland and were visible to Finnish consumers and traders. It submits that Berky's and Senwatec's products are sold throughout the world. The English-language advertising was targeted not only at the German target group, but at an international target group without restriction, that is to say, in all countries in which the advertising in question was visible. Since the advertising was not targeted at a single country, it was targeted at every country in which it was visible. According to Lännen MCE Oy, the fact that the infringing use had been visible to Finnish internet users is decisive in itself.
- 14 In their defence, the defendants Berky and Senwatec challenged the international jurisdiction of the Market Court in the present dispute. They take the view that the alleged acts of infringement did not take place in Finland. On that basis, the defendants have requested, primarily, that the Market Court dismiss the action as inadmissible. [Or. 5]
- 15 Berky and Senwatec argued that they neither targeted their marketing at Finland nor offered their products for sale in Finland and, further, Finland is not part of their market area. They submitted that the Google search result and the word 'watermaster' appearing in it did not indicate that the products were marketed in connection with Finland, nor did the marketing otherwise relate to Finland. The fact that the search was carried out via the Google.fi website has no bearing whatsoever on the assessment. The Berky images on the Flickr.com website did not even constitute advertisements or offers for sale. Therefore, the alleged acts of infringement did not relate to Finland. In that respect, the decisive factor is not whether the internet content alleged to constitute an act of infringement was visible in Finland, but whether such content has a relevant connection with Finland.
- 16 The parties disagree as to whether the map depicted on Senwatec's website shows that the company delimited the geographical area of supply of its products to the effect that they are not supplied to Finland. According to Senwatec, the map is evidence that Finland is not part of the market area for the company's products and, according to the company's own information, it does not have any authorised dealers or distributors in Finland. According to Lännen MCE Oy, the markets for Senwatec's products is global and Senwatec has also been active in countries not highlighted on the abovementioned map. In addition, witness testimony, according to which the abovementioned world map relates to not only Senwatec's area of activity but also that of Berky, was also submitted in the dispute.

## **LEGISLATION AND CASE-LAW**

### **EU Trade Mark Regulation**

- 17 The EU Trade Mark Regulation has been in force since 1 October 2017. In so far as the alleged infringements on which the action is based took place before that

date, the Market Court takes the view that Council Regulation (EC) No 207/2009 on the Community trade mark – which was in force until 30 September 2017, and thus at the time of the alleged infringements – as [Or. 6] amended by, inter alia, Regulation (EU) 2015/2424, which entered into force on 23 March 2016 (hereinafter referred to together as ‘the former EU Trade Mark Regulation’), applies.

- 18 Lännen MCE Oy’s infringement action was brought before the Market Court on 28 January 2020. The Market Court takes the view that, contrary to the abovementioned statements, its jurisdiction is governed by the current EU Trade Mark Regulation, which has the same content as the former EU Trade Mark Regulation, as set out below.
- 19 According to Article 124(a) of the EU Trade Mark Regulation, the EU trade mark courts are to have exclusive jurisdiction for all infringement actions relating to EU trade marks.
- 20 According to Article 125(5) of the EU Trade Mark Regulation, proceedings in respect of the actions and claims referred to in Article 124, with the exception of actions for a declaration of non-infringement of an EU trade mark, may also be brought in the courts of the Member State in which the act of infringement has been committed or threatened, or in which an act referred to in Article 11(2) has been committed.
- 21 According to Article 126(2) of the EU Trade Mark Regulation, an EU trade mark court whose jurisdiction is based on Article 125(5) is to have jurisdiction only in respect of acts committed or threatened within the territory of the Member State in which that court is situated.

#### **Case-law of the Court**

- 22 In the judgment of 5 September 2019, *AMS Neve and Others* (C-172/18, EU:C:2019:674), which concerned the interpretation of Article 97(5) of the former EU Trade Mark Regulation, which corresponds, in substance, to Article 125(5) [Or. 7] of the current EU Trade Mark Regulation, the Court considered the question as to the Member State in which an infringement takes place, in the case of advertisements and offers for sale published electronically with respect to products bearing a trade mark alleged to have been infringed.
- 23 According to paragraph 47 of the judgment, the alleged acts of infringement were committed in the territory where the consumers or traders to whom that advertising and those offers for sale are directed are located, notwithstanding the fact that the defendant is established elsewhere, that the server of the electronic network that he or she uses is located elsewhere, or even that the products that are the subject of such advertising and offers for sale are located elsewhere.

- 24 According to paragraph 54 of that judgment, acts of infringement relating to an EU trade mark must be held to have been ‘committed’ in the territory where they can be classified as advertising or as offers for sale, namely where their commercial content has in fact been made accessible to the consumers and traders to whom it was directed. Whether the result of that advertising and those offers for sale was that, thereafter, the defendant’s products were purchased is, however, irrelevant.
- 25 It is clear, from paragraph 56 of the judgment, that the question as to the Member State in which consumers or traders to whom the advertising and offers for sale contained on the website or platforms are targeted must be examined by the court, in particular, on the basis of the information contained on that website and those platforms with respect to the geographical areas where the products at issue were to be delivered.
- 26 Paragraph 56 of the abovementioned judgment refers to paragraphs 64 and 65 of the judgment of 12 July 2011, *L’Oreal and Others* (C-324/09, EU:C:2011:474), which examined the conditions under which the proprietor of an EU trade mark is entitled to prohibit the offering for sale of products bearing the trade mark [Or. 8] on an online marketplace.
- 27 According to paragraph 64 of the judgment in *L’Oreal*, it must, however, be made clear that the mere fact that a website is accessible from the territory covered by the trade mark is not a sufficient basis for concluding that the offers for sale displayed there are targeted at consumers in that territory. Indeed, if the fact that an online marketplace is accessible from that territory were sufficient for the advertisements displayed there to be within the scope of the legislation on the EU trade mark, websites and advertisements which, although obviously targeted solely at consumers in third States, are nevertheless technically accessible from EU territory would wrongly be subject to EU law.
- 28 According to paragraph 65 of the judgment in *L’Oreal*, it therefore falls to the national courts to assess, on a case-by-case basis, whether there are any relevant information from which it may be concluded that an offer for sale, displayed on an online marketplace accessible from the territory covered by the trade mark, is targeted at consumers in that territory. When the offer for sale is accompanied by details of the geographic areas to which the seller is willing to dispatch the product, that type of detail is of particular importance in that assessment.
- 29 According to paragraph 58 of the judgment in *AMS Neve*, the interpretation of the earlier provision corresponding to Article 125(5) of the EU Trade Mark Regulation must, it is true, be independent of the interpretation of Article 5(3) of Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, which was adopted by the Court with respect to actions alleging infringement of national marks. Nonetheless, the interpretations of the concepts of ‘Member State in which the act of infringement has been committed’ and ‘the place where the

harmful event occurred', in those provisions, must have a degree of consistency.  
[Or. 9]

- 30 According to paragraph 39 of the judgment of 19 April 2012, *Wintersteiger* (C-523/10, EU:C:2012:220), Article 5(3) of Regulation No 44/2001 must be interpreted as meaning that an action relating to infringement of a trade mark registered in a Member State because of the use, by an advertiser, of a keyword identical to that trade mark on a search engine website operating under a country-specific top-level domain of another Member State may be brought before either the courts of the Member State in which the trade mark is registered or the courts of the Member State of the place of establishment of the advertiser.

### THE NEED FOR A PRELIMINARY RULING

- 31 In the light of the case-law of the Court, set out above, when examining the question as to which Member State is the State in which consumers or traders, to whom advertising or offers for sale published electronically on a website are directed, are situated, account must be taken, in particular, of the details relating to the geographical areas where the products are to be supplied.
- 32 It can be inferred from the case-law that other circumstances may be taken into account in that examination, in addition to the details relating to the geographical areas where the products are to be supplied. That may be particularly important in the case where a geographical area where the products are to be supplied is either not specified at all or can be derived only indirectly from other circumstances. However, it remains unclear what those other circumstances might be.
- 33 It follows from the Advocate General's Opinion in *AMS Neve* (EU:C:2010:276, point 89) that, in determining jurisdiction on the basis of the place where the act of infringement occurred, factors other than information relating to the geographical areas where the products are to be supplied can be of particular importance. According to that opinion, those factors may include, inter alia: the fact that an offer and an advertisement refer expressly to the [Or. 10] public of a Member State, that they are available on a website with a country-specific top-level domain of that Member State, that the prices are given in the national currency or that telephone numbers on such a website contain the national prefix of the State concerned. According to the Advocate General's Opinion, that list of factors is neither exhaustive nor exclusive. In the preliminary ruling in *AMS Neve*, the Court did not make any statements regarding the importance of those other factors.
- 34 First, it is unclear whether the nature of the products covered by the advertising may be taken into account in the assessment of which Member State is that in which the consumers or traders, to whom an advertisement or offer for sale is directed, are situated, and, therefore, as to which Member State is that in which the alleged act of infringement was committed in accordance with Article 125(5) of the EU Trade Mark Regulation. In the present case, Lännen MCE Oy submitted, inter alia, that the area in which Berky and Senwatec marketed their

products was the whole world and that the related advertising was directed at all the countries in which the advertising was visible.

- 35 In the event that it is held that the advertising was related to the whole world and thus also to the whole territory of the European Union, it is unclear whether it can be held that the advertising related to a single Member State. With regard to Berky, the question that remains to be decided as a preliminary matter in the present case is whether the presentation of images of Berky's machines on the photo-sharing service Flickr.com constitutes advertising in the light of the facts of the case.
- 36 It is clear from point 90 of the Advocate General's Opinion in *AMS Neve* (EU:C:2019:276) that a general indication of the geographical area of supply, which covers the whole of the European Union, does not enable the audience or audiences specifically targeted to be identified. If a general indication of that kind was given any weight, the person responsible for the alleged infringement could be sued in the courts of all of the Member States. The Court [Or. 11] did not comment on that question in its preliminary ruling in *AMS Neve*.
- 37 In the abovementioned judgment in *Wintersteiger*, the top-level domain of the search engine website was deemed to be of importance as regards jurisdiction. However, that judgment concerns a national trade mark and differs from the present case in other respects also.
- 38 In the light of the foregoing, it remains unclear whether the question of jurisdiction under Article 125(5) of the EU Trade Mark Regulation may be determined by reference to the Member State under whose top-level domain the search engine website on which the advertisement is available is operated.
- 39 In particular, it is unclear whether it may be concluded that advertising published electronically by Company A, established in Member State X, is directed at consumers or traders in Member State Y, where Company A has used a sign identical to an EU trade mark in an advertisement or as a keyword on a search engine website operated under the top-level domain of Member State Y.
- 40 If the circumstances set out above are relevant in the present case, it is also unclear whether the EU trade mark courts of Member State Y have jurisdiction to rule on an infringement action on the basis of those circumstances alone, or whether there are further requirements for such jurisdiction.
- 41 The answers to those questions of interpretation are necessary for the resolution of the dispute in the main proceedings before the Market Court.

## QUESTIONS REFERRED FOR A PRELIMINARY RULING

After affording the parties the opportunity to submit observations on the content of the request for a preliminary ruling, the Market Court has decided to stay the

**[Or. 12]** proceedings and to refer the following questions to the Court of Justice of the European Union for a preliminary ruling under Article 267 TFEU:

Company A is established in Member State X, where it has its registered office, and has used on a website a sign identical to an EU trade mark belonging to Company B, in advertising or as a keyword.

1. In the situation described above, may it be concluded that the advertising is directed at consumers or traders in Member State Y, where Company B has its registered office, and does an EU trade mark court in Member State Y have jurisdiction to hear an action for infringement of an EU trade mark under Article 125(5) of the EU Trade Mark Regulation where, in the advertising published electronically or on an advertiser's website connected to that advertising via a link, the geographical area where the goods are to be supplied is not specified, at least not expressly, or no individual Member State is expressly excluded from that area? May the nature of the goods to which the advertising relates and the fact that the market for Company A's products is allegedly global and thus covers the entire territory of the European Union, including Member State Y, be taken into account in that respect?
2. May it be concluded that the above advertising is directed at consumers or traders in Member State Y if it appears on a search engine website operated under the national top-level domain of Member State Y?
3. If Question 1 or 2 is answered in the affirmative, what other factors, if any, should be taken into account in determining whether the advertisement is directed at consumers or traders in Member State Y? **[Or. 13]**

[...] [procedural details]

## **APPEALS**

No separate appeal lies against the present order.

[...] [formation of the court] [...] [recipients of the order]