

Summary Report



Question Q188

Conflicts between trademark protection and free speech

The focus of Q188 was to explore to what extent conflicts between trademark protection and the fundamental right of free speech have occurred in the past and how such conflicts have been resolved, and to explore whether it is desirable and possible to obtain some level of international harmonization of the national trademarks laws in this respect.

In the working guidelines, it was suggested that a number of limitations of trademark rights may exist which are not necessarily motivated by concerns for the fundamental right of free speech, in that they are motivated primarily by other considerations, such as policies on free competition. Such exceptions from the scope of trademark rights may include a right to use trademarks as reference points in comparative advertising or to make other kinds of descriptive or "fair use". Furthermore, in many countries, use of a trademark which is not "commercial use" or use "as a trademark" is no trademark infringement, simply because such uses are not regarded as relevant for the interests which are intended to be protected by the trademark laws in those countries irrespective of concerns for freedom of speech.

For this reason, some of the questions within Q188 include provisos such as "to the extent that such use may be considered as an exercise of the constitutional right of freedom of speech" etc. The intention was to limit the scope of AIPPI's work within Q188 to instances where conflicts exist between trademark protection and the fundamental right of free speech and to exclude analyses of rules internal to trademark law which are not motivated by concerns for the fundamental right of free speech.

It appears from the Reports that, partly because of the diversity of national trademark laws, this delimitation of the scope of the study may have been difficult for the National Groups to adhere to. For this reason, an important element in the further work within Q188 will be to determine to what extent existing or desirable limitations in trademark law are or should be justified by concerns for the fundamental right of free speech, or to what extent the motivation of such limitations is irrelevant for the discussion on which Q188 is intended to focus. In this Summary Report, the contributions of the National Groups are summarized only to the extent they deal with issues directly related to free speech. However, several Reports contain valuable information on fair use, comparative advertising and other exceptions from the trademark holder's exclusive right.

The Reporter General has received 31 Reports from the following countries (in alphabetical order): Argentina, Australia, Belgium, Brazil, Bulgaria, Canada, Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, India, Indonesia, Ireland, Israel, Italy, Japan, Latvia, the Netherlands, Paraguay, Philippines, Portugal, Singapore, South Africa, Spain, Sweden, Switzerland, United Kingdom and United States of America.

1) Analysis of current legislation and case law

a) *What instrument of your law (eg. Constitution) guarantees the right to freedom of speech?*

The great majority of the contributing countries have constitutional provisions securing the right to free speech. However, Australia and Israel do not have any constitutional or other statutory provisions securing free speech. In Australia, the courts protect freedom of speech, but only in relation to communication in relation to political discussion. In Israel,

freedom of speech is recognized by the courts as a basic human right. Only a few of the European countries refer to Section 10 of the European Convention on Human Rights (ECHR), to which all European countries are parties.

- b) *What does the right to freedom of speech include? Is both artistic and commercial speech protected? If so, does commercial speech have a different degree of protection?*

In almost all of the countries, any kind of expression is protected in principle. In Italy, the Netherlands and Spain, commercial advertising is excluded from protection, and in the constitution of Paraguay, freedom of speech relates only to expressions by the press. A number of countries indicate that typically, commercial speech has a more limited degree of protection under rules of free speech (Argentina, Belgium, Brazil, Canada, Denmark, Finland, France, Germany, Israel, Japan, the Netherlands, Switzerland, the United Kingdom and the United States), whereas in other countries, the level of protection is stated to be the same, irrespective of whether the context is commercial (Czech Republic and Sweden).

- c) *Are also corporations or only individuals entitled to invoke freedom-of-speech arguments?*

All of the countries acknowledge that corporations enjoy a right of free speech as well as individuals, although in Finland this is only indirect, in that interference with corporate free speech may constitute a violation of the rights of individuals within the corporation.

- d) *Is free speech only protected from unwarranted governmental interference, or is it also implicated when a private party calls upon a court to enforce rules of law whose effect could be to restrict or penalise expression?*

In Australia, free speech is only relevant if defendant's speech is political. In Canada, private litigants may only invoke the constitution to attack legislation as unconstitutional. In Singapore, freedom of speech is only protected against Government intervention. In all of the other countries, free speech may be invoked in both situations, although it is observed by some Groups (Finland, Japan, Switzerland) that unwarranted government action is the primary object of the right of free speech. The Japanese and Swiss Groups state that a court may take into account free speech interests in the interpretation of the applicable legal provisions.

- 2) a) *How are free speech interests invoked in trademark litigation?*

Some of the National Groups respond to this question simply by Reporting that there have been no cases in their respective countries where such interests have been invoked (Bulgaria, Czech Republic, Estonia, Finland, Ireland, Israel, Japan, Latvia, Portugal, Singapore, Spain and Switzerland).

The Brazilian Group Reports that freedom of speech interests are often invoked in trademark litigation, albeit mostly without success. The Spanish and Swiss Groups Report that it is very unusual for defendants to invoke freedom of speech arguments in trademark litigation.

The United Kingdom Group states that freedom of speech interests may be invoked

- 1) by requesting interpretation of trademark law in accordance with constitutional rules (Article 10 ECHR),
- 2) by challenging acts of the trademark registrar or
- 3) by challenging validity of subordinate legislation. In the United Kingdom so far only 1) has been attempted. In Canada, freedom of speech interests may be invoked only to challenge validity of provisions of the trademark law, and this has been (unsuccessfully) attempted in respect of several different provisions in the law. The

Paraguayan Group suggests that freedom of speech interests may be invoked especially in relation to non-commercial use, whereas Germany and Sweden point out that in this situation no conflict could ever arise in those countries because non-commercial use is in any case outside the scope of trademark protection. According to the Japanese Group, there is no need to invoke the right to freedom of speech because the requirement of "use as a trademark" is narrowly interpreted.

b) *Is there a provision in your trademark law which specifically concerns the admissibility of e.g.*

- *criticism of another's mark or derogatory reference to another's mark;*
- *parody, satire or irony;*
- *artist's use of another's mark;*
- *using another's mark as a badge of loyalty or allegiance;*
- *using another's mark for the purposes of comparison, point of reference, description, identification, or to convey information about the characteristics of defendant's own product*

to the extent that such use may be considered as an exercise of the constitutional right of freedom of speech? (Please specify in case use is understood as involving a non-trademark use in which case the question of freedom of speech does not arise).

None of the contributing countries have such situation-specific rules based on freedom of speech interests.

c) *If no such provisions exist, how are free speech interests invoked in trademark litigation? Is there an "open end clause" or "fair use clause" in your trademark law which permits taking into account freedom-of-speech-arguments? If not, are there any other gateways in your trademark law to permeate free speech concerns? Or do courts apply freedom-of-speech arguments directly with reference to the constitution?*

In most of the countries, the courts may refer directly to the constitutional provisions (or ECHR) protecting freedom of speech.

None of the countries have "open end clauses" or "fair use clauses" in their trademark law that are specifically intended to balance trademark law against freedom of speech interests. However, the Belgian and Dutch Groups Report that their trademark laws provide for an exception to infringement if a "valid reason" is present. This open-ended clause may be invoked to permeate freedom of speech interests. The Japanese and Swiss Groups state that free speech interests can be taken into account in the interpretation of the applicable legal provisions, e.g. the notions of infringing use and procedural standing, or, generally, in any balancing of interests. The Belgian Group further points out that in the registration procedure freedom of speech interests can be invoked in the context of the *ordre public* and morality provision of the trademark act.

d) *How much discretion do the courts have in applying free speech concerns?*

Some Groups Report that there is no specified discretion left to the courts. The German Group Reports that as there is, in principle, only one right decision, there is in principle no discretion. The United Kingdom Group observes that the courts have a duty to interpret statute law in accordance with ECHR, which implies an obligation to balance freedom of speech interests against the equally protected fundamental right to property in the trademark (Article 1, 1st Protocol to ECHR). This is supported by the Hungarian Group. Similarly, in Ireland, courts have been reluctant to consider freedom of speech an absolute right. In Sweden, there is a presumption that freedom of speech interests prevail in case of doubt, which leaves courts only a limited discretion. In the United States, the courts are bound by precedent, which is not the case in France. The Finnish Group points out that courts are bound to consider freedom of speech interests on their own initiative (*ex officio*).

- 3) *If there are trademark infringement cases in your country where defendant primarily sought to attack a company's ecological or employment policy, commercial practices and the like, do these cases also address the application of rules prohibiting defamation such as libel and slander or do they focus on the tarnishment of plaintiff's trademarks only? (The National Groups are not expected to elaborate on their country's laws prohibiting defamation.)*

Legal protection against defamation has been relevant in a number of such cases in France and Germany. In Canada, there is a provision in the trademarks act that no person shall make a false or misleading statement tending to discredit the business, wares or services of a competitor; the Canadian Supreme Court has held that this is an equivalent to the tort of slander. In Brazil, there have been cases that have focused on defamation, but these cases have mostly related to references to the images and corporate names of corporations. In Belgium, the Netherlands and Spain, both sets of rules may be invoked. According to the Dutch Group Report, where the trademark is used to discuss policies and not just to harm the reputation of the trademark, this is permissible under the open-ended "valid reason" rule as *lex specialis*, and general tort law cannot be used against the defendant. In Sweden, general defamation rules could probably not be applied.

- 4) a) *If you consider the trademark infringement cases in your country in which freedom of speech-arguments were invoked what are the criteria applied by courts for determining whether a freedom-of-speech argument is justified? How important is the reputation of the trademark in question? Does it matter whether the use of the trademark in question is non commercial or may free speech-arguments also be invoked if the trademark use is mainly commercial in nature? Does it matter whether the use of the trademark involves an expression or social discourse of objective/considerable value or a contribution to the public debate? Is the defendant allowed to express his views in a trenchant way? Or is the defendant required to Report in a balanced way or even sparingly?*

If necessary, please differentiate between:

- *criticism of another's mark or derogatory reference to another's mark;*
- *parody, satire or irony;*
- *artist's use of another's mark;*
- *using another's mark as a badge of loyalty or allegiance;*
- *using another's mark for the purposes of comparison, point of reference, description, identification, or to convey information about the characteristics of defendant's own product*

to the extent that such use may be considered as an exercise of the constitutional right of freedom of speech (please specify in case use is understood as involving a non-trademark use in which case the question of freedom of speech does not arise).

None of the countries have strict or clearly set standard criteria.

In Canada, the Supreme Court has said that not even the most liberal interpretation of freedom of speech would embrace the freedom to depreciate the goodwill of a registered trademark.

Most Groups regard the reputation of the mark as immaterial. The French and Dutch Groups would regard the reputation of the mark as relevant, so that a freedom of speech defense would be less likely to succeed in relation to a mark enjoying a strong reputation. Conversely, under US trademark law, speech involving use of a mark that has become an icon of US culture may enjoy a higher degree of free speech protection than speech using less well-known marks.

Several Groups point out that non-commercial use is more likely to be allowed (Argentina, Belgium, Brazil, Denmark, France, the Netherlands and Spain). In Germany and Sweden, if the use is non-commercial, there is no trademark issue and no further balancing of interests to be made.

According to some Groups, where the object of the expression is artistic or critical or has value to the public debate, this will make a free speech defense more likely to succeed (Argentina, Belgium, Brazil, Denmark and the Netherlands). The United States Group holds that non-confusing criticism is constitutionally protected. The French Group finds it immaterial whether the expression has value to the public debate, and the Swedish Group seems to concur. According to the United Kingdom and United States Groups, free speech defenses in relation to parody etc. would succeed if the expression is perceived by the public as just that and is not just a pretext for referring to the mark.

The Argentinian Group observes that trenchant statements are less likely to be embraced by free speech protection. The French Group believes that statements can go far in trenchancy, and the Netherlands Group concurs, insofar as the expression is truthful and does not unnecessarily defamate the trademark. The Swedish Group believes it does not matter how the defendant expresses himself. According to the United Kingdom Group, the greater the extent of balanced Reportage and justified commentary is, the greater the likelihood of a successful free speech defense will be.

The Israeli Group holds that the good faith of the defendant is a relevant criterion, as well as the financial benefits to the defendant and the loss caused to the trademark owner as a consequence of the unauthorised use of the mark.

The United Kingdom Group believes the main criterion must be whether the statement made is substantially true. Where statements are untrue, a case for trademark infringement would add little to a libel case.

b) *Specifically, please describe how joke articles are assessed.*

Some National Groups have taken this item to refer to jocular writings in publications, whereas others have taken it to refer to merchandise of a jocular nature.

Apparently, only few of the countries (Brazil, Germany, the United Kingdom, the United States) have experienced such cases and the Groups generally observe that the use of a trademark in such a context should be judged as any other trademark use. In respect of merchandise, the German Group states that sales of joke articles constitute commercial use. In German, Spanish and United Kingdom case law it has been considered decisive whether the public would perceive the goods as originating from or being approved by the trademark owner. As a result, particularly offensive joke articles have been found not to constitute trademark infringement. In Spain, a court has recognized a moral damage to the trademark proprietor due to the tone of mockery used in advertisement. Switzerland, the use of a trademark in the context of joke articles has been found to constitute unfair competition. In Japan, the use of a trademark in the context of joke articles is not considered "use as a mark" and the question of freedom of speech, therefore, does not arise.

c) *May using another's mark as a badge of loyalty or allegiance be considered as an exercise of the constitutional right of freedom of speech? Does it matter whether the scarves and other goods are sold to consumers? Does it matter whether the manufacturer indicates that the goods are not original?*

Very few countries seem to have experienced such conflicts.

The Japanese Group points out that the use of another's mark on scarves and other goods by supporters and supporters clubs is not considered "use as a trademark", unless the goods are sold to consumers. The Australian, Belgian, Canadian, German and United

Kingdom Groups also hold that there is probably infringement if goods are sold to consumers so that there is trademark use. The Finnish Group points out the vital interest for sports clubs in being able to sell or license such merchandise, for which reason it would be unwarranted to grant fan clubs or others any right to do so without authorization by the club. The Belgian, Japanese and the United Kingdom Groups believe it is immaterial whether the vendor points out that the goods are not original.

The Hungarian, Swedish, Netherlands and Italian Groups believe such use would probably be non-infringing if there is no commercial interest involved, although in Italy this is unclear.

- d) *To the extent that such use may be considered as an exercise of the constitutional right of freedom of speech please specify the cases in which the defendant is entitled to use another's mark for the purposes of comparison, point of reference, description, identification or to convey information about the characteristics of defendant's own product.*

According to the Group Reports of the Danish, Dutch, Swedish and United States Groups, these cases do not normally raise constitutional issues of free speech but are limitations in the scope of trademark law that have been made out of other considerations than the interest of constitutional free speech.

2) Proposals for adoption of uniform rules

- a) *Should free speech interests be invoked in trademark litigation?*

The Groups are divided on this question.

A number of Groups believe it should be possible, where appropriate, to invoke free speech in trademark litigation (the Argentinian, Belgium, Brazilian, Danish, Estonian, French, German, Indonesian, Irish, Israeli, Italian, Dutch, Paraguayan, Portuguese, Spanish, Swiss, United Kingdom and United States Groups). For some, this follows from the mere fact that free speech is a constitutional right that must always be available as a defense. The Australian, Canadian, Hungarian and Latvian Groups do not believe free speech interests should be available as a defense in trademark cases.

The Swedish Group points out that any proposal to harmonize substantive laws in respect of the extent to which free speech interests could override principles of trademark law, would necessarily imply proposing to amend the constitutional instruments of the countries involved, and the superiority of constitutional rules would make this very difficult to achieve.

The Finnish Group believes the criteria of commercial *versus* non-commercial use has served well to distinguish cases where there is trademark infringement from cases where there is not, and does not see any imminent need to take recourse to freedom of speech as a correction to trade-mark law.

The Japanese Group states that the requirement of "use as a trademark" has served well as defense to claims of trademark infringement and that, therefore, there is no need to develop a framework that would allow invoking the right to freedom of speech.

The Spanish Group is of the opinion that it should not be possible to invoke free speech interests in defense of mere commercial interests and that, therefore, only NGOs and other non-profit entities, besides individuals, should be able to invoke such interests.

b) *If so, should there be provisions in trademark law which specifically concern the admissibility of e.g.:*

- *criticism of another’s mark or derogatory reference to another’s mark;*
- *parody, satire or irony;*
- *artist’s use of another’s mark;*
- *using another’s mark as a badge of loyalty or allegiance;*
- *using another’s mark for the purposes of comparison, point of reference, description, identification, or to convey information about the characteristics of defendant’s own product*

to the extent that such use should be considered as an exercise of the constitutional right of freedom of speech? (Please specify in case use should be understood as involving a non-trademark use in which case the question of freedom of speech does not arise).

The majority of the Groups does not favour the introduction of such situation specific rules (Argentina, Australia, Belgium, Canada, Denmark, Finland, France, Hungary, Ireland, Israel, Italy, Japan, Latvia, the Netherlands, Portugal, Spain, Sweden, Switzerland and the United Kingdom). The Danish Group observes that many of the situations referred to should be regulated (as they are to a large extent) but not on the basis of free speech interests. The French Group points out that several of the situations referred to in the examples do not necessarily merit constitutional protection as protected free speech.

The Brazilian, Estonian, German, Indonesian, Paraguayan and United States Groups would support the introduction of situation specific provisions. The United Kingdom Group, along with others, favours a general provision (see below) but it points out that a general provision might desirably refer to some of the examples given here. The Brazilian Group believes specific rules should only be introduced in respect of commercial speech. The Estonian Group points out that the introduction of situation specific rules would be in the interest of legal certainty.

c) *Or should there be an “open end clause” or “fair use clause” or any other gateway in trademark law which permits taking into account freedom-of-speech-arguments? Or should the courts apply freedom-of-speech arguments directly with reference to the Constitution? How much discretion should the courts have in applying free speech concerns?*

The majority of the Groups is against introducing an “open-ended” or “fair use” rule into trade-mark law (Argentina, Australia, Belgium, Canada, Denmark, Estonia, France, Germany, Ireland, Japan, Latvia, Paraguay, Spain and Switzerland). These Groups believe courts should continue, where appropriate, to make direct reference to relevant constitutional provisions.

Supporters of introducing an “open-ended” or “fair use” rule into trademark law are Brazil, Finland, Indonesia, Israel, Italy, the Netherlands, Portugal, the United Kingdom and the United States.

The Finnish Group points out that it is inevitable that unforeseen situations will arise, for which reason a general rule must be preferred to exhaustive, situation specific rules. The German Group, on the other hand, believes a general rule is likely to include too few criteria for its use, which is unsatisfactory from a legal certainty perspective. Furthermore, a general rule is unlikely to lead to substantive harmonization because national courts will develop their own catalogue of criteria. The same would be the case if courts were left to continue to refer directly to national constitutions. The Portuguese Group, in supporting a general clause, argues that, with time and more experience, boundaries will become clearer, and specific clauses may be devised.

The United Kingdom Group makes a proposal for the wording of such a general clause, viz.:

- i) "The trademark shall not entitle the proprietor to prohibit its use in exercise of the right of freedom of expression, for example, in criticism, parody, satire, irony or works of art.
- ii) Paragraph i) shall not apply to the extent that the prohibition is necessary in a democratic society for the protection of the proprietor's reputation or rights."

- 2) *In cases where defendant primarily seeks to attack a company's ecological or employment policy, commercial practices and the like, should these cases be addressed in the context of a potential tarnishment of the plaintiff's trademarks or should rules prohibiting defamation such as libel and slander be applied?*

A number of Groups believe general defamation (libel and slander) rules should be applicable, where appropriate under the circumstances (Argentina, Australia, Belgium, Brazil, Canada, Finland, France, Germany, Indonesia, Israel, Italy, the Netherlands, Spain, Switzerland and the United Kingdom). The Spanish and Swiss Groups state that it would be preferable to apply to such cases the general rules of defamation, personality law and criminal law.

A number of Groups believe trademark tarnishment rules should be applicable (Argentina, Australia (if use as a trademark), Belgium, Denmark, Finland, France, Germany, Ireland, Israel and the Netherlands).

It follows that Argentina, Australia, Belgium, Finland, France, Germany, Israel and the Netherlands believe both sets of rules could be used in parallel.

- 3) a) *Should there be limits to free speech in a trademark infringement context?*

All Groups, except Ireland, accept that there should be limits to the freedom of speech in a trademark context.

The Irish Group suggests that it is difficult to envisage how to viably limit free speech in this context without encroaching on the right of free speech in general. Perhaps this can be reconciled with the view expressed by the United Kingdom Group that the mere fact that there is a free speech issue does not mean that free speech must prevail.

- b) *If so, what should be the criteria be for determining whether a freedom-of-speech argument is justified? How important should the reputation of the trademark in question be? Should it matter whether the use of the trademark in question is non-commercial or should defendant also be entitled to invoke free speech-arguments if the trademark use is mainly commercial in nature? Should it matter whether the use of the trademark involves an expression or social discourse of objective/considerable value or a contribution to the public debate? Should the defendant be allowed to express his views in a trenchant way? Or should the defendant be required to Report in a balanced way or even sparingly?*

If necessary, please differentiate between:

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- *parody, satire or irony;*
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- *using another's mark as a badge of loyalty or allegiance;*
- *using another's mark for the purposes of comparison, point of reference, description, identification, or to convey information about the characteristics of defendant's own product*

to the extent that such use should be considered as an exercise of the constitutional right of freedom of speech? (Please specify in case use should be understood as involving a non-trademark use in which case the question of freedom of speech does not arise).

Some Groups believe the reputation of the mark should be an important factor in the assessment (Brazil, Finland, France, Indonesia and Portugal). Other Groups believe this is of little or no relevance in the present context (Argentina (provided non-commercial use), Germany, Israel, the Netherlands and Spain).

Some Groups believe the commercial or non-commercial nature of the use should be an important factor in the assessment (Argentina, Belgium, Brazil, Denmark, Estonia, Finland, France, Israel, Italy, the Netherlands, Portugal, Spain and Sweden). The Argentinian and Spanish Groups state that in case of commercial use, defendant should not be entitled to rely on free speech arguments. The Danish and Swiss Groups, on the other hand, are of the opinion that freedom of speech arguments only apply in the context of commercial use as non-commercial use does not constitute trademark infringement to begin with. Other Groups believe the commercial or non-commercial nature of the use is without relevance in the present context (Indonesia and the United States).

Some Groups believe the purpose or value of the expression to the public debate should be an important factor in the assessment (Argentina, Brazil, Germany, Israel and Portugal). The Spanish Group thinks that such purpose should not be taken into account.

Some Groups believe the form or trenchancy of the expression should be an important factor in the assessment (Argentina (where commercial use), Brazil, Germany and Indonesia). The United States Group believes this is without relevance in the present context.

Some Groups would consider the amount of potential tarnishment or damage to the trademark (Argentina, Estonia, Israel and Italy). Some Groups would consider whether the use of the trade-mark is misleading (Canada, Germany and Indonesia). Some Groups would distinguish between cases where there is risk of confusion and where there is not (France and the United States). The Israeli Group would consider the benefit to defendant obtained by the unauthorised use. Finally, the United Kingdom and Portuguese Groups would consider the proportionality of the unauthorised use.

The Spanish Group believes that in case of criticism or derogatory reference competitors should not be able to rely on free speech arguments. However, the use of another's mark by an artist should be covered by free speech as long as the artistic purpose is clearly identifiable.

c) How should joke articles be assessed?

The great majority of the Groups believe such articles should be treated as any other trade mark use, at least where it is of a commercial character, and that there should be no special provision for this situation.

d) Should using another's mark as a badge of loyalty or allegiance be considered as an exercise of the constitutional right of freedom of speech? Should it matter whether the scarves and other goods are sold to consumers? Should it matter whether the manufacturer indicates that the goods are not original?

There seems to be universal agreement that such use should not be treated otherwise than other uses, if goods are sold or there is any other commercial interest attached to the trademark use.

Similarly, there is agreement that it should make no difference whether or not it is stated that the goods are not original.

- e) *To the extent that such use should be considered as an exercise of the constitutional right of freedom of speech please specify the cases in which the defendant should be entitled to use another's mark for the purposes of comparison, point of reference, description, identification or to convey information about the characteristics of defendant's own product.*

Some Groups hold that free speech interests are irrelevant in these situations, and that the regulation thereof should be made in the light of freedom of trade rules or pragmatic commercial considerations (Argentina, Australia, Denmark, Spain). Some Groups simply state that their current rules on the issues mentioned are adequate and sufficient (Belgium, France, Ireland and the Netherlands).

The Brazilian Group distinguishes between commercial use and non-commercial use. In commercial use, statements must be true, must not unreasonably associate defendant's goods with another's trademark, or damage its reputation. In non-commercial use, the decisive issue should be whether there is damage to the reputation of the trademark. The German and Italian Groups largely concur. The Canadian and Estonian Groups believe that where there is no false or misleading statement and association between defendant's goods and the trademark, free speech should prevail.

Conclusions

All of the countries contributing to Q188 acknowledge a fundamental right of free speech. In almost all of the countries, this is secured in written constitutional law, and it can be used as a defense by private parties in civil litigation, as well as being cited against Government intervention.

It seems that only relatively few of the countries contributing to Q188 have experienced a great deal of conflicts between trademark protection and free speech. Hardly any of them have statutory provisions expressly designed with the purpose of striking a balance between trademark protection and free speech.

In its work, the Working Committee on Q188 should consider whether harmonisation is desirable and possible. It is suggested that the discussion should not be limited by constitutional considerations of each particular country.

If harmonisation is desirable, the Working Committee should consider whether this is best achieved by way of an international treaty to harmonise statutory laws or whether AIPPI should rather focus on giving guidance for trademark law enforcement in the national courts.

The Reports show a general hesitation towards the concept of allowing freedom of speech to be used as a defence in cases where trademarks are infringed, and a concern not to erode the legitimate protection of trademark law. Any resolution on Q188 should bear this in mind.

On the other hand, most of the National Groups acknowledge that it should be possible to invoke freedom of speech in trademark litigation in principle, but there is a wide diversity in the views as to how this should be done and to what extent freedom of speech arguments should override general principles of trademark law. All of the Groups do, however, believe there should be limits to free speech within a trademark context, and that the mere fact that a free speech issue is raised does not necessarily mean that it should prevail over the trademark rights involved.

There would seem to be consensus that it should be possible in principle to use freedom of speech as a defence in trademark infringement cases between private parties but that this should only exculpate the would-be infringer in

- i) exceptional cases
- ii) where an opinion is expressed
- iii) by a non-competitor
- iv) in a non-commercial context
- v) by way of fair comment
- vi) and provided the opinion contains no untrue statement of fact,
- vii) does not take benefit of the trademark,
- viii) is not unnecessarily insulting, and
- ix) is not detrimental to the goodwill of the trademark. There is also, in the main, consensus that
- x) defamation rules, as well as any procedural advantages to the defamed person or undertaking, should apply in parallel, where derogatory statements are made about a trademark owner or his goods or services.