

# **Landmark Intellectual Property Cases and Their Legacy**

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INSTITUTE OF EUROPEAN STUDIES OF MACAU  
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## Chapter 4

# *Odol*: The Introduction of a Watery Concept with Steeled Resilience

*Anselm Kamperman Sanders*

### 1. INTRODUCTION

The case of *Odol*,<sup>1</sup> decided in 1924 by the Landgericht at Elberfeld in Germany, has had a profound impact on the development of trademark law. It was the first case to explore the protection of trademarks in a manner concerning more than the issue of confusion as to origin, which is the traditional rationale in such cases. It has done so by introducing the concept of unfair competition into trademark law, paving the way for the concept of trademark dilutions to become part of statutory trademark law. The reason why the *Odol* case is so remarkable lies in the fact that the case has been read and relied upon by legal commentators outside of Germany to develop a new trademark theory and legislative initiative. In fact the reasoning in the *Odol* case found its first supporters across the Atlantic in the United States, only to be re-discovered in Europe later. To this day, however, the concept of trademark dilution, as well as related forms of protection beyond confusion, remains controversial.

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1. Landgericht Elberfeld, 11 Sep. 1924, *Juristische Wochenschrift* 1925, 502.

## 2. THE DISPUTE

The case itself involves the registered trademark 'Odol' for mouthwash. This mouthwash was first marketed in 1892 by the *Dresdner Chemisches Laboratorium Lingner*, which had developed the mouthwater and came up with the name through combining the Greek words *odus* (tooth) and *oleum* (oil). Due to the anti-bacterial properties of *Odol*, it became a huge success, establishing mouthwash as a prime hygiene product and the mark 'Odol' as a household name. On 5 March 1895 the Dresden company registered the mark with the German trademark office as a tooth-and-mouth cleaning product / product for oral hygiene.

In 1924 *Dresdner Chemisches Laboratorium Lingner* discovered that another firm was intending to use the same trademark in relation to steel railroad ties. The German trademark act of the time<sup>2</sup> only provided grounds for opposition or infringement if a likelihood of public confusion could be shown. Furthermore, the scope of protection was usually limited to similarity of goods. Only if the public was led to believe that the goods came from the same source could the scope of trademark protection be extended to non-competing goods. This can be seen as the use of a mark that gives rise to a likelihood of confusion 'in a wider sense'. Nevertheless, confusion as to source remained a necessary prerequisite for opposition and infringement proceedings, and this prevented 'Odol mouthwash' from bringing a successful action against the steel company's application for 'Odol'. It was held that the public was unlikely to believe that *Odol* steel would come from the company producing *Odol* mouthwash. The trial court at Elberfeld, however, came up with an alternative to those of confusion as to source, and introduced a new doctrine, which is now known as 'trademark dilution'. In order to break through the barrier of requirement for a likelihood of confusion, the court relied on general principles of tort enshrined in the German civil code, which later served as an example for the general clause in the German Law against Unfair Competition (UWG).<sup>3</sup> The German Civil Code (BGB),<sup>4</sup> which entered into force on 1 January 1900 contained two general clauses, in § 138 BGB and § 826 BGB, which referred to actions that could be deemed tortious because they would contravene 'guten Sitten', or good morals. With roots in the Roman legal principle of 'boni mores', these general clauses were included in order to allow judges to deal with new and unforeseen legal developments. In short, these general clauses allow for the creation of judge-made law.

## 3. THE ROOTS OF THE DILUTION RATIONALE

In order to substantiate its finding that the trademark holder of mouthwash had the right to prevent others from using the term 'Odol' in a non-confusing manner, the

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2. German Trademark Statute of 12 May 1894.

3. Das deutsche Gesetz gegen den unlauteren Wettbewerb (UWG).

4. Das deutsche Bürgerliche Gesetzbuch (BGB).

court relied on general principles of the civil code as well as the law against unfair competition. First, the court held that the mark *Odol* had become well known for the goods produced by the trademark owner, in the sense that the public would automatically associate the word *Odol* with the company manufacturing mouthwash. This was held to be the mark's advertising power. Second, the court held that this fact would lead to a defined interest on the part of the trademark owner in the advertising power, which should be protected against interference by other market participants. Third, it held that the rightholder may object to his mark's advertising power being diluted through use by other market participants on other products, including dissimilar products. The law against unfair competition thus provides a remedy against dilution of trademarks that have advertising power.

It is in this setting that the court felt empowered to assess the impact of market participants in competition as a whole, rather than view the dispute as an issue confined to a competitive relationship between plaintiff and defendant. The existence of a competitive nexus between the two parties is not necessary under unfair competition law. The frustration of the trademark owners' ability to compete on its own market for mouthwash is held as the central tenet for the decision. The use by the steel producer of the mark 'Odol' for its unrelated products qualifies as an unlawful interference, an act 'gegen den guten Sitten', in the market for mouthwash.

Although the advertising power is clearly encapsulated by the trademark, protection against dilution was not yet available under trademark law. The German UWG only protected the brand's advertising power on a case-by-case basis, which in later years necessitated the application of a general clause (§ 1 UWG) in the German law against unfair competition. In German law the *Odol* decision meanwhile remained a relatively isolated example of protection against dilution. The concept would not be comprehensively revisited until the 1980s, when the German Supreme Court was able to concretize the application of the general clause of the UWG<sup>5</sup> by deciding a number of comparable cases.<sup>6</sup>

#### 4. THE LEGACY OF *ODOL*: TRANS-ATLANTIC RECEPTION

Outside of Germany, however, the *Odol* decision did not go unnoticed. In a seminal article published in the *Harvard Law Review* in 1927,<sup>7</sup> Frank Schechter presented his 'Rational Basis of Trademark Protection', citing the decision as example and

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5. For an overview see Ohlgart, 'Gebrauch der Marke eines Dritten ohne Verwechslungsgefahr', *Gewerblicher Rechtsschutz und Urheberrecht, Internationaler Teil* (1989): 211; Ohly, *Richterrecht und Generalklausel im Recht des unlauteren Wettbewerbs* (Carl Heymanns Verlag, 1995), 268–314.

6. BGH GRUR 1983, 247 – 'Rolls Royce/Dimple'; BGH GRUR 1985, 876 – 'Tchibo/Rolux'; BGH GRUR 1986, 759 – 'BMW'; BGH GRUR 1987, 711 – 'Camel Tours'; BGH GRUR 1991, 465 – 'Salomon'.

7. 40 *Harvard Law Review* (1926–1927): 813.

proof of recognition outside of the United States of America of a change in the function of trademarks in the marketplace.<sup>8</sup> Schechter's position was that the function of a trademark had moved beyond indicating mere origin or ownership of the goods to which it was affixed, as the commercial reality is that the consumer is rarely aware of the actual origin of the goods, especially if that trademark is well known. This then points to the true function of the trademark, which is to bring about repeat purchases based on consumer satisfaction, where the manufacturer or importer is able to use the communicative power of the mark to: '“reach over the shoulder of the retailer” straight to the consumer'. According to Schechter, this should have a legal consequence, namely the protection of the trademark as 'an agency for the actual creation and perpetuation of good will', rather as a 'symbol of good will':<sup>9</sup>

[T]oday the trademark is not merely the symbol of good will but often the most effective agent for the creation of good will, imprinting upon the public mind an anonymous and impersonal guarantee of satisfaction, creating a desire for further satisfactions. The mark actually *sells* the goods. And, self-evidently, the more distinctive the mark, the more effective its selling power.<sup>10</sup>

In this sense Schechter sought to influence decision makers in recognizing that the changing face of modern business required 'fairness' in competition. In advocating the protection of trademarks from dilution, he believed that the true function and value of the trademark could be safeguarded.

The influence of his article was limited at first, until in 1932, in the case of *Tiffany & Co. v. Tiffany Productions*,<sup>11</sup> the New York Supreme Court enjoined a motion picture producer from using the name, 'Tiffany' in connection with his business, thereby protecting the well-known jeweller. At the same time, a strong advocate of the dilution theory emerged in the person of Rudolf Callmann, who had been a lawyer in Germany for fourteen years prior to immigrating to the United States. From the first edition of his influential treatise on *The Law of Unfair Competition and Trade-Marks*<sup>12</sup> from 1945 onwards, he advocated the incorporation of the protection of the advertising value of the trademark in trademark law, actually coining the term 'dilution'.<sup>13</sup> At state level the dilution doctrine was

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8. For an overview of thinking on the function of trademarks see Kamperman Sanders & Maniatis, 'A Consumer Trade Mark – Protection Based on Origin and Quality', *European Intellectual Property Review* 11 (1993): 406.

9. *Ibid.*, at 818.

10. *Ibid.*, at 819.

11. *Tiffany & Co. v. Tiffany Production*, 264 N.Y.S. 459 (N.Y. Sup. Ct. 1932).

12. 1st Edition (1945 Deerfield, Callaghan).

13. *Ibid.*, § 84.2: 'The injury [from dilution] differs materially from that arising out of confusion... [c]onfusion leads to immediate injury, while dilution is the infection, which, if allowed to spread, will inevitably destroy the advertising value of the mark... It should be recognized therefore that dilution gives rise to a cause of action and should not be relegated to the status of a test of infringement'.

subsequently taken up<sup>14</sup> in Massachusetts, by the passing of the first trademark dilution statute in 1947.<sup>15</sup> Other states followed,<sup>16</sup> but it was not until 1995<sup>17</sup> that the Federal Trademark Dilution Act was codified as section 43(c) of the Lanham Act.<sup>18</sup> The result was the full transformation of a tort against unfair competition into a right of property, which remained controversial.<sup>19</sup> Many judges simply insisted that trademark proprietors should prove the likelihood of confusion in dilution cases.<sup>20</sup> The Trademark Dilution Revision Act 2006 reasserted dilution as the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of competition between the owner of the famous mark and other parties, or the existence of likelihood of confusion, mistake, or deception. The controversy remains,<sup>21</sup> however, with many commentators deriding the monopolistic nature of protection beyond confusion.<sup>22</sup>

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14. Martino, *Trademark Dilution* (Oxford: Clarendon Press, 1996).

15. Act of 2 May 1947, ch. 307, 1947 Mass. Acts 300.

16. Illinois in 1953, Act of 24 Jun. 1953, S.B. No. 292, 1953 Ill Laws 455; Georgia in 1955, Act of 4 Mar. 1955, No. 240, 1955 Ga. Laws 453; and New York in 1955, Act of 18 Apr. 1955, ch. 453 § 1, 1955 N.Y. Laws 1127.

17. In 1995 the Trademark Reporter dedicated a special issue to the dilution doctrine with an overview of dilution cases see 'Annual Review' 85 *Trade Mark Reporter* (1995) at 704 to 707; Rosen & Gigliotti, 'Conopco-Kaputco for Trade Dress Plaintiffs?', *Trade Mark Reporter* 85 (1995): 135; Garcia, 'Trademark Dilution: Eliminating Confusion', *Trade Mark Reporter* 85 (1995): 489; Keller & Bernstein, 'As Satiric as They Wanna Be: Parody Lawsuits under Copyright, Trademark, Dilution and Publicity Laws', *Trade Mark Reporter* 85 (1995): 239.

18. Staffin, 'The Dilution Doctrine: Towards a Reconciliation with the Lanham Act', *Fordham Intellectual Property, Media & Entertainment Law Journal* 6 (1995): 105–177.

19. Bone, 'Schechter's Ideas in Historical Context and Dilution's Rocky Road', *Santa Clara Computer & High Technology Law Journal* 24 (2008): 469.

20. Rose, 'Will Atlas Shrug? Dilution Protection for "Famous" Trademarks: Anti-competitive "Monopoly" or Earned "Property" Right', *Florida Law Review* 47 (1995): 653; McNeal, 'Trademark, Victoria's Dirty Little Secret: A Revealing Look at What the Federal Trademark Dilution Act Is Trying to Conceal', *Oklahoma Law Review* 56 (2003): 977; Donahey, '“Distinctive” and “Famous” – Separate Requirement under the Federal Trademark Dilution Act?', *John Marshall Review of Intellectual Property Law* 3 (2004): 174; Long, 'Dilution', *Columbia Law Review* 106 (2006): 1029.

21. McCarthy, 'Dilution of a Trademark: European and United States Law Compared', *Trade Mark Reporter* 94 (2004): 1163; Haight Farley, 'Why We Are Confused about the Trademark Dilution Law', *Fordham Intellectual Property, Media & Entertainment Law Journal* 16 (2006): 1175; Joern, 'Goodwill Harboring: The Trademark Dilution Revision Act of 2006 Legitimizes the Goodwill Investment in a Trademark while Safeguarding the First Amendment', *DePaul-LCA Journal of Art and Entertainment Law* 17 (2007): 267.

22. Amin Naser, 'Re-examining the Functions of Trademark Law', *Chicago-Kent Intellectual Property* 8 (2008): 99; Janis & Yu, 'International and Comparative Aspects of Trademark Dilution', *Transnational Law and Contemporary Problems* 17 (2008): 603; Port, 'Judging Dilution in the United States and Japan', *Transnational Law and Contemporary Problems* 17 (2008): 667; Wilf, 'The Making of the Post-war Paradigm in American Intellectual Property Law', *Columbia Journal of Law & Arts* 31 (2008): 139.

5. THE LEGACY OF *ODOL*: CROSS-ATLANTIC  
PARALLEL IMPORT

While in most European jurisdictions the concept of dilution received recognition in the law against unfair competition,<sup>23</sup> unfair competition law itself never became a common European concept.<sup>24</sup> In fact, English courts have continuously resisted any attempt at harmonization of the tort of passing off with more Continental notions of unfair competition,<sup>25</sup> and despite having broadened the law of passing off:<sup>26</sup> *Never has the tort shown even a slight tendency to stray beyond cases of deception.*<sup>27</sup> The concept of dilution, however, was elevated from a tort to a property right through reception of the ideas expressed by Schechter and clarified by Callmann in the Uniform Benelux Trademarks Act. The act was the appendix to the 1962 Benelux Treaty on Trade Marks and entered into force in 1 January 1971, replacing in Belgium, the Netherlands and Luxemburg the national variants of the old French law of 1811. The three nations decided to base their uniform laws on the most 'modern' thinking on trademark law at the time, taking into account changes to business practices and marketing. An interesting detail is that one of the advocates of this modern approach, negotiating Dutch civil servant, Bodenhausen, became the director of the *United International Bureaux for the Protection of Intellectual Property* (BIRPI) from 1963 to 1970, and the first director-general of the World Intellectual Property Organization (WIPO) from 1970 to 1973. He wrote the *Guide to the Application of the Paris Convention for the Protection of Industrial Property As Revised at Stockholm in 1967*,<sup>28</sup> influencing much of the thinking on the protection of well-know marks from Article 6*bis* of the Paris Convention to the subsequent enhancements in Article 16 of the TRIPS Agreement. The Uniform Benelux Trademark Act meanwhile recognized the advertising

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23. Passa, *Contrefaçon et Concurrence Déloyale* (1997, Paris, Litec); Berger, *Die funktionale Konkretisierung von Art. 2 UWG* (Zürich: Schulthess, 1997); A. Kamperman Sanders, *Unfair Competition Law* (Oxford: Oxford University Press, 1997).

24. Henning-Bodewig & Schricker, 'New Initiatives for the Harmonisation of Unfair Competition Law in Europe', *European Intellectual Property Review* (2002): 27; Schricker, 'European Harmonisation of Unfair Competition Law – A Futile Venture?', *International Review of Industrial Property and Copyright* (1991): 788; De Very, *Towards a European Unfair Competition Law* (Leiden: Koninklijke Brill, 2005).

25. Fry LJ in *Mogul Steamship Co. v. McGregor Gow & Co.* (1889) 23 QBD 598, 615: '[T]o draw a line between fair and unfair competition, between what is reasonable and unreasonable, passes the power of the courts.'

26. One only needs to read the following cases to see a development that comes close to recognizing dilution, but the requirement for misleading remains: *Erven Warnink v. Townend* [1980] RPC 31; *Reckitt & Colman v. Borden* [1990] 1 WLR 491; *Cadbury Schweppes v. Pub Squash* [1981] 1 WLR 193; *Taittinger v. Allbev* [1993] FSR 641; see also Wadlow, *The Law Of Passing-Off*, 3rd edn (London: Sweet & Maxwell, 2005).

27. Jacob J. in *Hodgkinson & Corby v. Wards Mobility Services* [1995] FSR 169, 'There is no tort of copying. There is no tort of taking a man's market or customers. Neither the market nor the customers are the plaintiff's to own. There is no tort of making use of another's goodwill as such. There is no tort of competition.'

28. (1968, Geneva, World Intellectual Property).



function of the mark, culminating in the *Claeryn/Klarein* decision of the Benelux Court of Justice, in which a manufacturer of detergents was enjoined from using a mark phonetically similar to the well-known mark of a Dutch gin, based on the assertion that the use on a detergent would negatively affect the persuasive (advertising) power of the mark for gin.<sup>29</sup>

Without reference to the term ‘dilution’ itself<sup>30</sup> the concept found its way into the First Trademark Directive<sup>31</sup> as well as the corresponding provisions of the Community Trademark Regulation,<sup>32</sup> by protecting marks *with a reputation* against use on dissimilar goods or services as ‘taking unfair advantage of or causing detriment to the distinctive character or the repute of the trademark’.<sup>33</sup> The influence of the Benelux countries in this respect is clear, prompting AG Jacobs to state: [*I*]n the course of negotiations in the Council, a provision protecting marks ‘with a reputation’ was included at the request of the Benelux countries, and became Article 5(2) of the Directive.<sup>34</sup> The issue of whether employment of the same or a similar mark on the same or similar goods, in other words, or whether the concept of dilution was encapsulated in the more nebulous criterion of ‘likelihood of association’, eventually culminated in a heated exchange. This exchange<sup>35</sup> was prompted by an obiter statement in the English decision on *Wagamama v. City Centre Restaurants*,<sup>36</sup> in which Laddie J. dismissed the association criterion as a tautology, citing it as ‘repetitive’ or ‘unnecessary’. Although the European Court of Justice (ECJ) at first appeared to follow the English vision in the landmark case *Puma v. Sabel*, rejecting the view that ‘likelihood of association’ means that the accused mark merely ‘calls to mind’ the senior mark and that ‘the

29. *Colgate-Palmolive v. Bols* (Claeryn & Klarein), Benelux Court of Justice, 1 Mar. 1975, NJ 1975, 472.

30. See McCarthy, ‘Dilution of a Trademark: European and United States Law Compared’, *Trade Mark Reporter* 94 (2004): 1163, noting at 1165–1166 that the term ‘Dilution’ is not used in the European context, and if it is, it is by reference to US practice and Schechter’s 1927 article. The irony being that dilution is a European invention that can be traced to the Odol case.

31. First Directive 89/104/EEC of the Council, of 21 Dec. 1988, to Approximate the Laws of the Member States Relating to Trade Marks (OJ EC No L 40 of 11 Feb. 1989, 1).

32. Council Regulation (EC) No. 40/941 of 20 Dec. 1993 on the Community trademark, since amended.

33. Article 5(2) of the Directive rather provides: ‘Any Member State may also provide that the proprietor [of a registered trademark] shall be entitled to prevent all third parties not having his consent from using in the course of trade any sign which is identical with, or similar to, the trade mark in relation to goods or services which are not similar to those for which the trade mark is registered, where the latter has a reputation in the Member State and where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark.’

34. ECJ, 30 Oct. 1999, *General Motors v. Yplon* [1999] 3 CMLR 427, para. 28.

35. Kamperman Sanders, ‘The Wagamama Decision: Back to the Dark Ages of Trade Mark Law’, *European Intellectual Property Review* 1 (1996): 3; Prescott, ‘Think Before You Waga Finger’, *European Intellectual Property Review* 6 (1996): 317; Kamperman Sanders, ‘The Return to Wagamama’, *European Intellectual Property Review* 10 (1996): 521; Prescott, ‘Has the Benelux Trade Mark Law Been Written into the Directive?’, *European Intellectual Property Review* 3 (1997): 99.

36. English High Court, *Wagamama v. City Centre Restaurants* [1995] FSR 713.

concept of likelihood of association is not an alternative to that of likelihood of confusion, but serves to define its scope',<sup>37</sup> it later<sup>38</sup> found there to be a lacuna in protection against dilution in the absence of confusion, which the Member States could fill by allowing action against a competitor for causing 'detriment to, or taking unfair advantage of the distinctive character or repute of a trademark', rather than someone who uses the sign on dissimilar goods or services.<sup>39</sup>

In the case of *Intel v. Intelmark*, the renowned semiconductor manufacturer sought the revocation of a UK company's registration of 'Intelmark' for marketing and telemarketing services. There was no evidence of consumer confusion between the marks of both companies. The ECJ, however, reaffirmed<sup>40</sup> that causing detriment to the distinctive character of the mark is actionable when:

Such detriment is caused when that mark's ability to identify the goods or services for which it is registered and used as coming from the proprietor of that mark is weakened, since use of the later mark leads to dispersion of the identity and hold upon the public mind of the earlier mark. That is notably the case when the earlier mark, which used to arouse immediate association with the goods and services for which it is registered, is no longer capable of doing so.

The sting is in the tail, and the ECJ seemingly reversed on its route to expansion of protection against dilution. It also held that, in order to prove detriment to the distinctive character of the mark with a reputation, the proprietor must present evidence of a change in economic behaviour of the average consumer of the earlier goods or services as a consequence of the use of the later mark, or a likelihood that such a change will occur in the future. Although there is no need to show that the later user has obtained commercial benefit from the use of the earlier mark, the decision has been heralded as a firm restriction of the possibility to rely on dilution as a cause of action.<sup>41</sup>

Although the possibilities for action against dilution appear to be curbed after *Intel v. Intelmark*, the ECJ did revisit the broader concept of parasitism or 'free riding' in *L'Oréal v. Bellure*,<sup>42</sup> pointing to the existence of a European concept of unfair competition. The case dealt with the use of comparison lists for traders to market smell-alike perfumes by referring to the L'Oréal originals. In linking trademark law and the law on comparative advertising, the ECJ held that:

Since, under Directive 84/450, comparative advertising which presents the advertiser's products as an imitation of a product bearing a trade mark is

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37. ECJ, 11 Nov. 1997, *Sabel v. Puma*, [1998] 1 CMLR 445, para. 18; See also ECJ, 29 Sep. 1998, *Canon v. Metro-Goldwyn-Mayer* [1999] 1 CMLR 77.

38. ECJ, 9 Jan. 2003, *Davidoff v. Gofkid* [2003] 1 CMLR 35.

39. *Ibid.*, para. 25, indicating that Art. 5(2) 'cannot be given an interpretation which would lead to marks with a reputation having less protection where a sign is used for identical or similar goods or services than where a sign is used for non similar goods or services'; later affirmed in ECJ *Adidas-Salomon v. Fitnessworld* [2003] 1 CMLR 14.

40. ECJ, 27 Nov. 2008, *Intel v. CPM* [2009] RPC 15.

41. Palm, 'The ECJ's Puzzling Concept of a "Change in Economic Behaviour"', *Brands in the Boardroom* (2009): 20, <www.iam-magazine.com>.

42. ECJ 18 Jun. 2009, *L'Oreal v. Bellure* [2009] ETMR 13, para. 79.



inconsistent with fair competition and thus unlawful, any advantage gained by the advertiser through such advertising will have been achieved as the result of unfair competition and must, accordingly, be regarded as taking unfair advantage of the reputation of that mark.

The case highlighted the dividing lines in European thinking on the role of unfair competition in trademark law in that, whereas Dutch commentators welcomed the decision in jubilant terms,<sup>43</sup> or even as a *Liberation!* . . . *As if a window has been opened, suddenly blowing a breath of fresh air in a stale room*,<sup>44</sup> English commentators<sup>45</sup> continued to question how the decision could be reconciled with the tort of passing off.<sup>46</sup> A Swedish commentator even termed it a ‘most controversial trademark case’,<sup>47</sup> alluding to the fact that although the outcome may well be positive for big-industry holding famous marks, the development is of no socially-beneficial worth to competition as a whole. Consumers are in fact worse off, being deprived of comparative information to base a purchasing choice on.

## 6. CONCLUSION

The *Odol* decision has been a key factor in supporting the transition of a tort against unfair competition into a property right in the persuasive advertising function that well-known trademarks may perform in the marketplace. Freed from the doctrinal base that is rooted in the regulation of the market as a whole, however, it has become a proprietary right for individual marketers, which can be used to exclude both competitors and non-competitors from using the registered mark in question. It is this potentially (over)broad scope of protection beyond the traditional confusion rationale that leaves courts struggling to impose rational limits to this right of property. And what of the harmonization or development of European unfair competition law, which the ECJ has apparently uncovered? On the stormy waves of European trademark decisions we may sometimes find something floating to the surface that may well be dubbed *unfair competition* by the ECJ, but that this does not necessarily mean that ‘European Competition Law’ actually exists among the Member States.<sup>48</sup> For that a harmonization of the legal cultures, based on economic

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43. Gielen, Case comment in *Intellectuele Eigendom en Reclamerecht* 2009, 43.

44. Visser, Case Comment on *Boek9.nl* – Monday 22 Jun. 2009 –B9 7987.

45. Meale & Smith, ‘Enforcing a Trade Mark When Nobody’s Confused: Where the Law Stands after L’Oreal and Intel’, *Journal of Intellectual Property Law and Practice* 2 (2010): 96.

46. English High Court, *Mogul Steamship Co. v. McGregor Gow & Co.* (1889) 23 QBD 598, per Fry LJ at 615: ‘[T]o draw a line between fair and unfair competition, between what is reasonable and unreasonable, passes the power of the courts.’

47. Björkenfeldt, ‘The Genie Is Out of the Bottle: The ECJ’s Decision in L’Oréal v Bellure’, *Journal of Intellectual Property Law and Practice* 2 (2010): 105.

48. Wadlow, ‘Unfair Competition in Community Law: Harmonisation Becomes Gridlocked’, *European Intellectual Property Review* (2006): 469.

arguments, is required.<sup>49</sup> This is something from which the ECJ and other courts have, thus far, shied away. Without it, it will be impossible to reconcile the differences of opinion expressed through a questioning, coming from the underbelly of many different jurisdictions, as to what exactly is *fair*, or *unfair*, in the marketplace.

#### The Case<sup>50</sup>

##### Elberfeld

7. § 826 BGB. Der Inhaber einer sehr bekannten Mundwassermarke (Odol) kann verhindern, dass ein Anderer das gleiche Zeichen für andere Waren (Stahlwaren) benutzt.

Das Gericht erachtet die Klage für jedenfalls aus § 826 BGB. begründet. Es ist gerichtskundig, daß die klägerische Firma und das von ihr hergestellte Mundwasser unter dem Namen 'Odol'-Werke bezeichnet werden. Man kann daher wohl sagen, daß das Wort 'Odol' ein Schlagwort geworden ist, das für die Waren der M. gekennzeichnet worden ist und eine über die sonstige Bedeutung von Warenzeichen hinausgehende Werbekraft erlangt hat, so daß jedermann, wenn er das Wort 'Odol' liest oder hört, an das klägerische Mundwasser denkt. Diese Tatsachen sind für die klägerische Firma von größter Bedeutung; ihre Ware ist als gut bekannt und eine mit dem Namen 'Odol' bezeichnete Ware hat beim Publikum die Vermutung für sich, daß sie von guter Beschaffenheit sei. Die Kl. hat infolgedessen das größte Interesse daran, daß ihr Zeichen nicht verwässert wird; es würde an Werbekraft einbüßen, wenn jedermann es zur Bezeichnung seiner Waren verwenden würde. Das Warenzeichen wird für die Waren der Kl. entwertet, wenn es für andere, gänzlich verschiedene Waren verwendet wird.

Die Bekl. hat sich das Warenzeichen für ihre Stahlwaren in der offenbaren Absicht eintragen lasse, aus dessen Schlagkraft für die Verbreitung ihrer Waren Nutzen zu ziehen. Es gibt selbstverständlich unzählige wohlklingende Worte, die die Bekl. zur Bezeichnung ihrer Waren hätte verwenden können; wenn sie gerade das Wort 'Odol' wählte, so erhellt, daß sie es deshalb tat, weil dieses Zeichen durch die Bemühungen der Kl. einen besonders guten Klang bekommen hat. Sie musste sich ferner sagen, und hat es sich auch zweifellos gesagt, es bestehe mindestens die Möglichkeit, daß die Kl. durch ihr Vorgehen geschädigt werde. In diesem Bewußtsein hat die Bekl. ihr Zeichen eintragen lassen, also mindestens mit Eventualdolus gehandelt. Es verstößt gegen die guten Sitten, sich die Früchte fremder Arbeit in dieser Weise anzueignen in dem Bewusstsein, daß der andere dadurch

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49. Kamperman Sanders, 'Do Whiffs of Misappropriation and Standards for Slavish Imitation Weaken the Foundations of IP Law?', in *Research Handbook on the Future of EU Copyright*, ed. Derclaye (Cheltenham: Edward Elgar, 2009), 567, at 574: 'What remains to be undertaken is a fundamental discussion of the appropriate ambit and place of the law of unfair competition in the context of European harmonisation, but most important of all on the role of unfair competition law as a supplementary, alternative, or subsequent method of protection for intellectual and industrial property rights.'

50. Published in the *Juristische Wochenschrift* 1925, Heft 5, 502–503.

geschädigt werde bzw. geschädigt werden könne. Auch die Bekl. mußte sich sagen, daß, wenn jedermann sein Ware 'Odol' nennt, das Wort 'Odol' für die Kl. an Wert verliert.

Freilich stehen die Parteien wegen der gesetzlichen Verschiedenheit der von ihnen vertriebenen Waren nicht im Wettbewerb miteinander. Dies tut aber nichts zur Sache. Die Bekl. hat für ihre Ware Reklame gemacht, indem sie sich eines zugkräftigen Wortes bediente, das gerade durch die langjährige ausgedehnte Tätigkeit der Kl. allein seine Zugkraft erlangt hatte. Auch der § 1 des Ges. gegen den unlauteren Wettbewerb kann den Klagantrag schützen, weil diese Gesetzesbestimmung nicht voraussetzt, daß der gegen die guten Sitten Verstoßende im Wettbewerb gerade mit dem ihn auf Unterlassung und Schadensersatz in Anspruch Stehenden steht, vielmehr genügt es, daß der in Anspruch Genommene in den Wettbewerb zweier Konkurrenten hindernd eingreift (s. Rosenthal, Note 63 zu § 1). Hier aber wird die Wettbewerbsfähigkeit der Kl., ihre Fähigkeit, mit anderen Mundwasserfabrikanten zu konkurrieren, geschädigt, wenn die Bedeutung ihres Zeichens geschmälert würde.

Das Gericht befindet sich bei seiner Entscheidung in Übereinstimmung mit der Entsch. des LG. Chemnitz JW. 1924, 722 und MuW. XXIII, 12, die die reichsgerichtlichen Grundsätze (f. RG 66, 239 und MuW. VII, 26) weiter verfolgt und vervollständigt hat.

(LG. Elberfeld, Kammer für Handelssachen, Urt. v. 11.Sept. 1924, 13 O 89/24.)

