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Trade marks

Will Google become a victim of its own success?

What do the brands Google, Xerox and Jacuzzi have in common?

Well for one they are all successful brands etched on the conscious of consumers across the globe. Xerox and Jacuzzi created the product categories in which they operate, with the invention of copiers and whirlpool baths respectively. Although Google did not create the first website search engine, it is clearly recognised as the market leader, with approximately sixty percent of all searches on the Internet being conducted via the Google search engine presently. However, do these successful brands have anything else in common? To answer this question it probably helpful to briefly revisit the history of these brands.

Google was developed out of a graduate project of Larry Page and Sergey Brin at Stanford University. Page and Brin first met in the summer of 1995 and Google came from their research into the indexing of the worldwide web. Google is based on the premise that a website can be ranked by the number of other websites which link to it. A link to a website is essentially a vote of confidence in that site, or a citation in the academic language of Stanford University.

As Page and Brin developed their research, they began to realise that their work could have implications for all types of search engines. They also realised that although their search engine was good, it would get better as the web got bigger. This realisation is where the name Google came from - named after Googol, the term for the number 1 followed by 100 zeros, which represented the scale of what Google was tackling. Success breeds success as the saying goes, but it can also cause problems which will be highlighted later.

The first version of Google was released on the Stanford University website in August 1996. On the 7th September 1998, Google Inc was created following an injection of capital and the decision of Page and Brin to devote their time completely to the development of the project. The rest is history. Between September 1998 and the present day, Google changed from a company employing a handful of people to a company valued at more than thirty billion dollars. Furthermore, the name Google, once only known by

a select few academics at Stanford University, is now a household name and on the verge of becoming a part of the English language. How many times have you heard the phrase 'I'll google it' or 'I googled him'?

Chester Carlson was the man who began the story of Xerox. In 1938 Chester Carlson invented plain paper copying. However, Xerography did not become a business until 1947, when the Haloid Company acquired the licence to use the xerography process. . Shortly thereafter, Haloid Company and Batelle Institute, looking for a name that was 'less technical' than 'electrophotography' called the process 'xerography', a name based on the Greek words for dry and writing. In 1949 the first Xerox copying machine was launched. A series of new models followed and the business grew rapidly. In 1961 Haloid Xerox became the Xerox Corporation. By 1968 sales had risen to one billion US dollars. The Xerox Corporation had created the product category of photocopying.

Although other companies entered the category, people inherently referred to photocopying as 'Xeroxing'. During the 1970's and 1980's, the Xerox Corporation posed the question 'How to tell the real Xerox from a Xerox copy?' in its advertisements at a considerable cost. The widespread use of the brand Xerox meant that the brand Xerox was increasingly becoming part of the English language.

Continued on reverse

At the turn of the century, seven Jacuzzi brothers emigrated to California from Italy. The Jacuzzi's were an innovative family and developed the first enclosed monoplane. However, 1956 was the year that would really bring the Jacuzzi name to the fore when the family firm invented a new hydrotherapy pump to treat the arthritis of a family member. In 1968, Roy Jacuzzi, a third generation member of the family invented and began marketing the first self contained fully integrated whirlpool bath and an industry was born. Today Jacuzzi is the world's most recognised and largest selling brand of whirlpool baths and spas. Jacuzzi Inc still dominates the product category it created.

So what do these three companies have in common? Well as stated earlier, they are all successful brands. Secondly, as you have probably guessed in the case of Xerox and Jacuzzi, both companies have encountered serious problems of their brands being used as the definitive description of the product category in which they operate. Google has recently acknowledged that this too is a real business threat that they are facing.

You might say, well that isn't a problem, it's a great asset - one that every advertising executive dreams of creating during their career. Is it not good for the companies concerned that when consumers ask for a Jacuzzi, they really mean non-Jacuzzi branded whirlpool bath, or ask for Xerox machine when they mean a non-Xerox branded photocopier? In the long term, it is not good. Google, Xerox and Jacuzzi have all recognised that the threat of brand genericisation is a problem which could seriously impact on their business, and have taken actions to counter this issue.

How many times have you heard a member of an advertising or marketing team say 'I want to make this brand a part of the English language'. If you ever hear such a statement in relation to any branding project, it should be countered immediately. The basic function of a trade mark from a legal perspective is to distinguish the products of one undertaking from another undertaking. The protection of this basic function of a trade mark has been incorporated into trade mark law across the world and is a basic tenet of the case law of the European Court of Justice.

To highlight the risks of genericisation to brands and their value, do you recognise any of these brands: linoleum, pogo, gramophone, escalator or tabloid? You might not now recognise these words as brands, but they all were once trade marks identifying the product of a specific trader

which are now generic terms and of no use or value to the companies who first used them. Escalator is probably the most apt example of the where the first mover advantage was not that much of an advantage. The first commercially available escalator was produced by the Otis Elevator Company in the early part of the last century people simply refused to call the product category which Otis had developed as moving staircases. Escalator was just too good a description and in 1950 the United States Trade Marks Office deemed that the word Escalator was now a generic term of art free for all to use.

Jacuzzi Inc and Xerox Corporation have for many years realised that if their brands become generic, they will have lost all that goodwill which has been built up by generations of company employees. Hoover and the owner of the Portakabin brand have also realised that a brand can become too successful, if its use is not properly controlled and policed. When a brand simply identifies a product category rather than products from a particular company it is of no use to the company and has no value.

In an age when open source software is challenging the hold of Microsoft in the operating software sector, consider the word Linux. What does this have to do with genericisation of brands? Well when Linus Torvalds first developed the Linux operating system he did not consider the question of proprietorship branding. In many ways, the monopolisation of words which the protection of trade marks entails might well have been an anathema to the king of open source. However, the importance of brands has even effected Linux.

Late last year the Australian Trade Mark Office refused to grant an application to register the word Linux by the Linux Mark Institute which had filed the application on behalf of Mr Torvalds. The reason given for its refusal was that the term was now effectively generic and did not identify the goods of any one trader. Although the Linux issue raises an important question of who is in the owner of marks applied to open source products, more importantly to our discussions it raises the issues that if the use of mark is not controlled from its outset it may be near on impossible later in the brands life to protect it against exploitation.

I can raise an even older example, that of the Earl of Sandwich, to expand my point. The Earl would no doubt have become a more wealthy man if he had controlled the use of his new brand when he invented the sandwich, and I understand one of the Earl's descendants has recently set up a sandwich business to try to exploit his forefather's

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reputation. Back to the present day, Google has learnt that with its undoubted branding success and the widespread use of its name comes a problem which must be tackled. Rose Hagan, Google's senior trade mark counsel, recently stated that genericisation is a concern for Google and something the company has to address.

What is Google doing to protect the its brand and police its use?

The correct use of a trade mark is as an adjective, which is followed by the name of the product category in which the brand operates. Google sells search engine and advertising services, it does not enable you to 'Google', but search the web or promote your website. Google should never be used as a verb.

In 2002, Sony lost its exclusive rights to the use of the mark Walkman in Austria to some extent due to the fact that it referred to its own product as 'a Walkman'. Further, a trade mark should always be differentiated from the surrounding text and highlight the fact that the brand is a trade mark of a particular company. Appropriate use of the symbols ™ or ® should be made in relation to the brand.

It is relatively easy for Google to impose brand guidelines regulating the use of its brand on material which it produces, but what happens about use of the brand by third parties? Xerox and Jacuzzi have for years policed the use of its brands in dictionaries and the press, making sure that its brands are always identified as such and not used in a generic sense. For Xerox it will be pleasing to note that when this article was spelled checked, the spellchecker insisted that the word Xerox had to have a capital letter. No doubt Xerox has at least been successful in educating Microsoft. In the Walkman case, the use of the word Walkman had appeared in an Austrian dictionary unchallenged since 1986.

Xerox has also undertaken a comprehensive policy of educating the general public about the issue of generic use of its brands by placing advertisements in the trade press confronting the issue head on since the early 1970's. Xerox has ads with the strapline 'if you use 'Xerox' the way you use 'zipper', our trademark could be left wide open. There's a new way to look at it.'

Margaret Williams-Walker, general counsel for Xerox Corporation, states, 'Among the many things we do, we contact dictionary publishers, run trademark education ads in targeted periodicals such as the Hollywood Reporter and The Chronicle of Higher Education in an attempt to educate the purveyors of information. We write directly to publications that misuse the Xerox trademark and we also monitor the internet for misuse.' Margaret says that she has found little resistance from the publishers of dictionaries to correct incorrect references to the Xerox brand. Although at present Google has yet to follow Xerox's example, it is not an option which has been ruled out for the future.

The fact that Google is a globally pervasive brand further its owners' recognition that generic use could ultimately harm the value of their brand. Google rightly does not simply want its company to become a footnote in some future history of the brands that no longer exist although remaining part of the English language, such as escalator or tabloid. While marketing executives may dream of their brands becoming a part of the English language, such a dream is a nightmare which can only doom the brand and its owners.

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