

## TRADEMARK PARODY SHOULD BE ASSESSED UNDER THE ORDINARY RULE OF CIVIL LIABILITY

March 2007

After many years, a case law position has developed concerning the application in trademark law of the parody exception existing in copyright law.

Indeed, Article L. 122-5-4 of the Intellectual Property Code on copyright states that "*when the work has been disclosed, the author may not prohibit [...] parody, pastiche and caricature, observing the rules of the genre*".

Parody can be defined as the imitation of the characteristic style of an author or work for comic or satirical effect.

It is this comic intent that allows the author of a parody to appropriate a work yet not be liable.

Relying on this exception and on the French tradition of parody, many practitioners have attempted to extend it to the field of trademark law, which has traditionally been more geared towards an economic logic.

The idea is to gain acceptance of the reproduction of a trademark (which, without the authorization of its holder, is strictly prohibited pursuant to Article L. 713-2 of the Intellectual Property Code) without any liability being incurred on the basis of infringement if the trademark was reproduced for parody purposes.

Two recent court decisions recall that trademark parody must be assessed in view of the ordinary rule of law on civil liability in tort.

### ■ *Camel / CNMRT decision*

On 19 October 2006, the 2<sup>nd</sup> civil division of the *Cour de cassation* rendered a decision in a dispute opposing the holders of the famous cigarette brand, "Camel", and the Comité National contre les Maladies Respiratoires et la Tuberculose ("CNMRT", standing for the National Committee against Respiratory Diseases and Tuberculosis).

In that case, which involved an awareness campaign of the risks of tobacco, the CNMRT had reproduced the famous camel which symbolizes the "Camel" brand, by humoristically depicting it in the position of a smoker on whom smoking has had harmful effects.

When the case came before it, the Court of Appeals of Paris had considered that "*the campaign admittedly pursues a legitimate public health objective, since what is involved is the fight against the harmful effects of cigarettes; however, reference to a specific brand of cigarettes, even in the form of parody, in the context of this campaign had the effect of discrediting one manufacturer in relation to others whose image was not used, and the legitimacy of the public health objective pursued by the CNMRT, as well as the freedom of expression it asserts, do not authorise it to infringe the rights of a third party [Camel] that is carrying out its activity pursuant to the law*" (CA Paris, 14 January 2005).

The *Cour de cassation* disagreed, considering that the CNMRT had not made unfair use of its freedom of expression.

### ■ *Greenpeace / Areva ruling*

On 17 November 2006, the Court of Appeals of Paris handed down a ruling in a lawsuit between Greenpeace and Areva group.

In the present instance, Greenpeace had reproduced the "Areva" trademarks on its website by associating them to macabre symbols so as, according to it, to increase public awareness of the dangers associated with nuclear activities.

Areva had based its complaint on civil liability (article 1382 of the Civil Code), considering that the use Greenpeace had made of its trademarks had devalued and denigrated its activities.

For its part, Greenpeace invoked the law of 29 July 1881 on freedom of expression of the press.

In that lawsuit, two main principles were in conflict: property law and freedom of expression.

The Court of Appeals had considered that while freedom of expression entails the right to inform the public, this right is not absolute and must not present "*by its form or its content, an excessive nature constitutive of abuse.*"

It is therefore on the basis of denigration that the *Cour de cassation* positioned itself in cracking down on Greenpeace's campaign.

**AREAS OF LEGAL PRACTICE**

• **MERGERS & ACQUISITIONS**

Engineering of takeovers and deal structuring, legal due diligence, restructuring operations, joint ventures, obtaining necessary administrative permits and licenses, drafting and negotiation of documentation (letters of intent, sale & purchase agreements, warranties that assets and liabilities are as stated, bank guarantees, shareholders' agreements, etc.), merger deals, takeovers of companies in difficulty or in the framework of collective procedures.

• **CAPITAL INVESTMENTS AND LBOs**

Representation of investment funds, issuers, targets and company officers, during the due diligence, advisory and negotiation processes.

• **COMPANY LAW**

"Long-term capital" transactions, capital increases, issuance of composite securities (convertible or repayable in shares, investment certificates, priority dividend shares etc.), stock option agreements, company founder share plans, temporary business combinations, management fees and cash management agreements, changes to charter/by-laws and legal secretariat services.

• **SECURITIES LAW**

IPOs and preparatory work, drafting of prospectuses, legal secretariat services for listed companies, relations with market authorities, securities litigation.

• **BANKING AND FINANCE**

Advice on loan and financing agreements, warranties/guarantees, syndication, banking regulations, financing of acquisitions and structured asset financing (particularly of real estate).

• **COMMERCIAL CONTRACTS / ECONOMIC LAW**

Advice and litigation with commercial contracts, i.e. service, sale, distribution, concession, franchise, commercial agent agreements, distributor/supplier relations, general terms of purchase/sale, commercial partnerships, manufacturing and subcontracting agreements, business sale agreements, management leases, consumer law, public and private procurement contracts.

• **LABOUR AND EMPLOYMENT LAW**

Advice and litigation work in collective and individual disputes as well as in social security law and criminal labour law.

• **INTERNATIONAL LITIGATION / ARBITRATION**

Advice and litigation work covering all facets of business, company and securities law, as well as collective procedures and white-collar crime. Representation at all stages of the dispute, from pre-litigation to litigation before judicial or arbitral courts, protective measures and enforcement.

• **REAL ESTATE LAW**

Advice and litigation work in connection with commercial leases, real estate due diligences, purchase/sale of property and of preponderantly real estate companies, financing of real estate acquisitions.

• **COLLECTIVE PROCEDURES**

Alert, restructuring and reorganisation procedures, amicable composition and ad hoc representation procedures. Court-ordered reorganisation, continued operation, sale and continuation plans, liquidation.

• **INDUSTRIAL PROPERTY**

Advice and litigation in the field of trademarks, patents and/or design and model applications, transfers of technology and/or know-how, unfair competition and passing off.

• **COMPETITION LAW (FRENCH AND EU)**

Advice and litigation work in respect of industrial cooperation agreements and structuring of distribution networks. Representation before the competition authorities and courts in cartel, anti-competitive practices, abuse of a dominant position and unfair competition cases. Advice on the control of concentrations (conduct of feasibility studies, preparation of notification files, negotiation with the national and Community control authorities) and on State aids/subsidies.

• **IT LAW**

Development and integration of software, licenses, assignments and other software contracts, facilities management, maintenance of IT systems and software, appraisals of the compliance of IT services, anti-piracy fight.

• **ELECTRONIC COMMUNICATIONS**

Regulatory domain; construction of networks, co-localization of facilities, agreements and general terms of supply of services, access and interconnection agreements, judicial or administrative litigation (against the decisions of the regulatory authority).

• **INTERNET**

Creation and hosting of websites, affiliation, partnership, audit of websites, application for and defence of domain names, market shares, online auctions, ASP licenses.

• **MEDIA**

Advertising (protection, operation) and marketing; sponsoring; regulation of broadcasting and of electronic communication services (TV, mobile phone TV, Internet TV, video on demand etc.).

• **PROTECTION OF PERSONAL DATA AND PRIVACY RIGHTS**

Relations with the CNIL; specific regulations on electronic communications (geolocalization services, storage of traffic data); breach of privacy rights, defamation.

• **LITERARY AND ARTISTIC PROPERTY RIGHTS, COPYRIGHT AND NEIGHBOURING RIGHTS**

Protection and licensing of copyright and neighbouring rights; audiovisual (cinema, TV) and multimedia (online and offline video games, cd-roms etc.) production and co-production; motion picture regulations; distribution licenses (TV, merchandizing, video distribution, derivative rights); rights of performing artists, sports law; infringement litigation (customs seizures, infringement seizures, proceedings before civil and criminal courts).

**Wide network of foreign correspondents**

The Firm has developed a wide network of foreign correspondents in most industrialised countries and in certain developing countries.

**ISO 9001**

The Firm was the first Paris law firm to obtain ISO 9001 certification back in 1998.

31, avenue Hoche  
75008 Paris

Phone : 33 (0)1 56 88 30 00  
Fax: 33 (0)1 56 88 30 01

22, rue Croix-Baragnon  
31000 Toulouse

Phone: 33 (0)5 62 26 20 79  
Fax: 33 (0)5 62 26 08 34

[www.bersay-associes.com](http://www.bersay-associes.com) / [cb@bersay-associes.com](mailto:cb@bersay-associes.com)