Trademark protection and freedom of expression: an inquiry into the conflict between trademark rights and freedom of expression under European, German, and Dutch law

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3 Freedom of Expression as a Possible Limitation to Trademark Rights

3.1 Introduction

The analysis in the previous chapter has shown that trademark rights have expanded beyond the scope that is justified by their rationales. Since this extension has taken such forms that it may restrict freedom of commercial expression of third party traders and that it may interfere with core areas of social, cultural, and political discourse, I concluded that it may be necessary to limit trademark rights where they disproportionately impair the freedom of expression of third parties. In the present chapter, I will analyse whether and how freedom of expression can be invoked by a third party in a conflict with trademark rights and I will examine what the level of protection it will afford to third parties.¹

To start with, in section 3.2, I will provide a bird’s eye view of relevant provisions protecting freedom of expression, i.e. Article 10 ECHR and Article 5 of the German Grundgesetz. I will also explain why I will regard Article 11 of the Charter of Fundamental Rights of the European Union and on Article 7 of the Dutch Constitution as less relevant to this research.

In section 3.3, I will examine how freedom of expression can be invoked in a conflict with trademark rights. Freedom of expression primarily protects a private individual or entity from intrusions on the part of the state. It grants protection in the vertical relationship between the individual and the state, but a conflict between a trademark right holder and third party trademark user invoking his freedom of expression is a horizontal conflict. Both, the ECtHR and the German Bundesverfassungsgericht (‘BVerfG’) have accepted that freedom of expression may be invoked in horizontal conflicts, thus also in a conflict with trademark rights. I will clarify the reasons and the conditions for this horizontal application and, in particular, I will examine the duty of courts and other state authorities to give effect to freedom of expression in conflicts with trademark rights and the connected duty of legislators to give effect to freedom of expression in drafting trademark law.

In section 3.4, I will examine rationales that justify a freedom of expression of third party trademark users. This analysis of the rationales is essential as the provisions protecting freedom of expression are deliberately open and vague and do only provide a very broad list of protected interests. Hence, the determination of protected interests often requires a teleological interpretation in light of the rationales for protecting freedom of expression. I will examine the democracy rationale, the rationale of discovering truth, the rationale connected to self-realisation and the rationale for protection of purely commercial expression. In addition, I will examine a supplementary rationale connected

¹ As I explained in section 1.4, this research is not dealing with the freedom of expression of a trademark right holder to use his own trademark(s).
to the theory of dialogic democracy, which justifies a freedom of expression for those parties who engage, alter, or question the meaning of those trademarks that are of social, cultural, or political importance.

In section 3.5, I will examine the freedom of expression jurisprudence of the ECtHR and the BVerfG with a view to assessing the varying level of protection of freedom of expression, which must be considered by courts when weighing the freedom against trademark rights.

In sub-section 3.5.1, I will focus on freedom of non-commercial expression on expression, which includes expression that is of public interest. In particular, I will propose that an analogy be made between expression about public figures and expression about certain trademarks that can be considered ‘public symbols’, i.e. trademarks that represent positions of political, social, or economic power or importance and which can thus be the focus of public interest.

In paragraph 3.5.1.3, I address the protection of artistic expression and the particular need to respect the multi-layered nature of such expression. Furthermore, in paragraph 3.5.1.4, I will discuss jurisprudence dealing with chilling effects on public discourse that can be caused by procedural requirements and by severe sanctions, as e.g. the introduction of sanctions for infringement of intellectual property rights. Also a lack of legal counterbalancing of the often quite unequal position between trademark right holders and e.g. activists can cause chilling effects. In fact, chilling effects caused by trademark rights may be one of the gravest burdens on freedom of non-commercial expression.

In sub-section 3.5.2 on purely commercial expression, I will show that most forms of third party trademark use in commercial expression fall under the subject matter of Article 10 ECHR, but that the level of protection of such expression is lower than that of non-commercial expression.

Finally, in sub-section 3.5.3, I will turn to the assessment of criteria that can be used to establish the level of protection for mixed expression, i.e. expression that contains both commercial and non-commercial elements. Third party trademark use will very often take place in mixed commercial/ non-commercial situation (e.g. critical statements on commercially sold T-shirts, commercial trademark parodies, or messages in paid advertisements). Due to the significantly different levels of protection for purely commercial and non-commercial expression, a correct classification of mixed expression is essential.

3.2 PROVISIONS PROTECTING FREEDOM OF EXPRESSION IN A BIRD’S EYE VIEW

3.2.1 ARTICLE 10 ECHR

The 1950 European Convention for the Protection of Human Rights and Fundamental Freedoms (ECHR) contains a catalogue of civil and political human rights, which Member States of the Convention are obliged to protect. Its part of the system of conventions that is drawn up by the Council of Europe (CoE) and ratification of the ECHR is an obligation for all 36 Member of the CoE. Individual persons and entities in
the Member States can send complaints to the European Court of Human rights (ECtHR), seated in Strasbourg, after all domestic remedies have been exhausted. Any person, organisation, or group of persons within the de-facto power of a Member State, who is the victims of a violation, can bring a claim. This applies to natural as well as legal persons.

The ECtHR, as an international Court of last resort, takes decisions in the individual cases, but its judgements also set the relevant standards of protection that have to be observed by the Member States. Due to its international position and the need to observe the authority and sovereignty of national courts and tribunals, the ECtHR applies different standards of review. It grants states a varying ‘margin of appreciation’ in judging the potential infringement of a right. The degree of that margin of appreciation depends on factors such as the right at stake, the complexity of the factual situation, the reason for a limitation of the right or discrepancies between the legal situations in various Member States.

Article 10 ECHR grants the (right to) freedom of expression. It is the most important provision protecting freedom of expression in Europe. Article 10 ECHR reads:

Article 10 Freedom of expression

(1) Everyone has the right to freedom of expression. This right shall include freedom to hold opinions and to receive and impart information and ideas without interference by public authority and regardless of frontiers. This article shall not prevent States from requiring the licensing of broadcasting, television or cinema enterprises.

(2) The exercise of these freedoms, since it carries with it duties and responsibilities, may be subject to such formalities, conditions, restrictions or penalties as are prescribed by law and are necessary in a democratic society, in the interests of national security, territorial integrity or public safety, for the prevention of disorder or crime, for the protection of health or morals, for the protection of the reputation or rights of others, for preventing the disclosure of information received in confidence, or for maintaining the authority and impartiality of the judiciary.

Article 10.1 ECHR describes the subject matter in very broad terms as ‘freedom to hold opinions and to receive and impart information and ideas.’ It does thus not refer to certain types of expression or certain types of distribution.

In its jurisprudence, the ECtHR has made clear on many occasions that Article 10 is not restricted to certain categories of information, ideas, or only those forms of expression that are of democratic value. In principle, all kinds of expression fall under the

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2 ECtHR 12 December 2001 Banković and Others, para. 80.
3 See ECtHR 12 February 1993 Casado Coca v. Spain, para. 35; ECtHR 13 February 2003 Cetin and others v. Turkey, para. 57.
4 European Convention for the Protection of Human Rights and Fundamental Freedoms (ECHR), CETS No.: 005. The ECHR was created under the auspices of the Council of Europe (CoE), which has the aim to protect human rights, pluralist democracy, and the rule of law. All Council of Europe Member States are members of the ECHR.
subject matter of Article 10.1 ECHR. This includes opinions as well as factual information.5 The Article also covers radio programs with popular music,6 commercial information, or advertisements.7 The use of symbols equally falls under Article 10 ECHR.8

Expression that may fall outside the subject matter of Article 10 ECHR is racist or hate speech9 and, more important in this research, misleading commercial expression. The latter can be deduced from the reasoning of the ECtHR in the *Krone v. Austria* case.10

The reason for protection commercial expression is that information contained in advertising may be important to the economic decision-making of the recipients.11 Misleading information is by definition hurting this purpose rather than furthering it.

In relation to trademark rights, this means that in fact all forms of trademark use are part of the subject matter of Article 10.1 ECHR.

The scope of Article 10 ECHR is set primarily by the limitations contained in paragraph 2. The ECtHR has developed a standard manner of assessing limitations of expression under Article 10.2. First, a limitation must be foreseen by law, which, in case of a conflict with trademarks rights is trademark law. Second, the limitation must strive to achieve one of the legitimate aims contained in Article 10.2 ECHR. Trademark rights fall into the category of ‘the protection of the […] rights of others’.

Third, and most importantly, a limitation must be ‘necessary in a democratic society’. The ECtHR interprets the requirement of necessity by examining whether a ‘pressing social need’ exists for a restriction, whether the restriction is relevant and sufficient, and whether restrictions are proportionate to the legitimate aim pursued, i.e. whether they do not reach further than necessary in case of non-commercial expression, or whether the restriction is justified in principle and proportionate in case of commercial expression.12

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5 ECommHR 6 July 1876 *De Geillustreerde Pers v. Netherlands*, para 81, “[…] information includes the expression of facts and of news”, though as stated in ECtHR 8 July 1986 *Lingens v. Austria*, para. 46, value judgements may receive higher protection than factual information.

6 ECtHR 28 March 1990 *Groppera Radio AG v. Switzerland*.

7 ECtHR 24 February 1994 *Casado Coca v. Spain*, para. 35, “Article 10 guarantees freedom to ‘everyone’. No distinction is made in it according to whether the type of aim pursued is profit-making or not.” ECtHR 11 December 2003 *Krone Verlag v. Austria*.

8 ECtHR 8 July 2008 *Vajnai v. Hunagry*.

9 Art. 17 ECHR prohibits the abuse or misuse of a Convention right. It states, “Nothing in this Convention may be interpreted as implying for any State, group or person any right to engage in any activity or perform any act aimed at the destruction of any of the rights and freedoms set forth herein or at their limitation to a greater extent than is provided for in the Convention.” E.g. hate speech can be seen as falling under that provision. Barendt 2005a, p. 170.

10 ECtHR 11 December 2003 *Krone Verlag v. Austria*.

11 ECtHR 11 December 2003 *Krone Verlag v. Austria*, para. 31, “For the public, advertising is a means of discovering the characteristics of services and goods offered to them.”

12 First mentioned in ECtHR 7 December 1976 *Handyside v. The United Kingdom*, para. 48, “whilst the adjective ‘necessary’, within the meaning of Article 10 para. 2 (art. 10-2), is not synonymous with “indispensable” (cf., in Articles 2 para. 2 (art. 2-2) and 6 para. 1 (art. 6-1), the words “absolutely necessary” and “strictly necessary” and, in Article 15 para. 1 (art. 15-1), the phrase “to the extent strictly required by the exigencies of the situation”), neither has it the flexibility of such expressions as "admissible", "ordinary" (cf. Article 4 para. 3) (art. 4-3), "useful" (cf. the French text of the first paragraph of Article 1 of Protocol No. 1) (P1-1), "reasonable" (cf. Articles 5 para. 3 and 6 para. 1) (art. 5-3, art. 6-1) or "desirable". Nevertheless, it is for the national authorities to make the initial assessment of the reality of the pressing social need implied by the notion of "necessity" in this context.” Voorhoof 2005, no. 202.
Courts must examine in every individual case whether a restriction is necessary in a democratic society; it is thus not be sufficient to apply a rule of national law within which freedom of expression has already abstractly been integrated.\textsuperscript{13}

The test of necessity in a democratic society under Article 10.2 ECHR is not of equal strength in all cases. The ECtHR uses various criteria that determine the strength of the test. Voorhoof distinguishes seven criteria.\textsuperscript{14} In the context of the present research, these are first, the distinction in the content of the expression, i.e. whether the expression is on a matter of public interest, whether it is artistic expression, or whether it is commercial expression. Second, the particular role of the press or pressure groups in a democratic society can be of influence on the test. Third, the Court distinguishes between value judgements and factual allegations. Fourth, the potential harm of third party trademark use is of importance. Fifth, the intention of the speaker will be weighed. Sixth, the proportionality of the restriction must be examined, in particular if sanctions or inequalities between the parties could cause chilling effects on public discourse. And seventh, the variable margin of appreciation is of influence.

Furthermore, the strength of the test of necessity is greatly influenced by the variable ‘margin of appreciation’ that the ECtHR grants to Member States.\textsuperscript{15} In its jurisprudence, the ECtHR combines the margin of appreciation with the proportionality test to a single formula. The simultaneous application of these two standards reinforces the strength and also the weakness of the proportionality test.

Problems arise where the kind of expression involved requires a strict proportionality test, but the ECtHR still grants a wide margin of appreciation. The clearest example of this problem is the treatment of artistic expression, but problems may also arise with respect to expression covered by unfair competition law or trademark law.

Typically, this situation arises in regard of artistic expression, which is often of high public interest and should thus be highly protected under the proportionality test. When the restriction of the expression is aimed at protecting morals or religious feelings however, the ECtHR grants Member States a wide margin of appreciation.\textsuperscript{16} Consequently, review by the ECtHR is weak and Member States may not feel instructed to grant high protection of artistic expression that affects morals or religious feelings.\textsuperscript{17}

Similar problems can arise with regard to expression that falls under national unfair competition law. If the national qualification of unfair competition or trademark law remain unchallenged,\textsuperscript{18} there is a very real possibility that that expression, which should receive high protection, i.e. expression that is of public interest, would be subject to a low level of scrutiny.

The particular strength of the necessity test and the resulting level of protection is discussed below in section 3.5.

\textsuperscript{13} Ibid., no. 204, referring to ECtHR 28 June 2001 Verein gegen Tierfabriken.
\textsuperscript{14} Ibid., no. 208.
\textsuperscript{15} See Ibid., no. 326.
\textsuperscript{16} ECtHR 20 September 1994 Otto Preminger v. Austria; ECtHR 17 March 1997 Müller v. Switzerland.
\textsuperscript{17} Castendyk, Dommering & Scheuer 2008, p. 57.
\textsuperscript{18} E.g. ECommHR 2 December 1991 Österreichische Schutzgemeinschaft für Nichtraucher v. Austria.
3.2.2  **FREEDOM OF EXPRESSION UNDER EU LAW**

The 1957 Treaty of Rome, the founding document of the European Communities (EEC), did not include any reference to human rights. The treaty was concerned with reducing trade barriers, establishing an internal market, and granting fundamental economic freedoms. It was not considered to be touching upon issues that concern human rights or freedom of expression. In 1970, the ECJ accepted that EC legislation may interfere with fundamental rights and that these rights must be taken into account when assessing Community law. In the 1970 *Internationale Handelsgeesellschaft* case, it held that,

“general principles of EC law include protection for fundamental rights which are part of the common constitutional traditions of the Member States and contained in international human rights treaties.”

The applicability of specifically Article 10 ECHR as a possible restriction of economic freedoms has been accepted in many cases of e.g. media mergers, advertising regulation. It has also been accepted as a right that must be respected by the ECJ when interpreting EU legislation such as the TMDir.

With the extension of the competences of the European Union into non-economic areas, the question arose whether the Union would need to give a more prominent place to the protection of human rights. One solution could have been that the European Union had joined as a Member of the European Convention on Human Rights. In an opinion from 1996, the ECJ clarified that the EU lacked competence to accede to the ECHR since this would have far-reaching institutional consequences for the Union. (This will change with the full implementation of the 2006 Lisbon Treaty which enters into force on 1 December 2009.) As the EU itself is not yet a party to the ECHR, organs of the EU are not formally bound by Article 10 ECHR in the same manner as national authorities. As general principles of EU law the rights of the ECHR must, however, be respected by the EU legislator.

The first reference to human rights in primary EU law was introduced only with the 1997 Treaty of Amsterdam, which amended the 1992 Treaty establishing the European Union. Article 6.2 of the Treaty Establishing the European Union (“T.EU”) states that the Union is bound to respect

“fundamental rights, as guaranteed by the […] Convention for the Protection of Human Rights and Fundamental Freedoms [ECHR] […], and as they result from the constitutional conditions common to the Member States, as general principles of Community law.”

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23 ECJ Opinion 2/94.
Since in 1996 accession to the ECHR was not an option, the European Council decided in 1999, that human rights should be consolidated into a charter to give them greater visibility. In 2000, the EU adopted the Charter of Fundamental Rights of the European Union. Article 11 of this Charter protects freedom of expression:

“1. Everyone has the right to freedom of expression. This right shall include freedom to hold opinions and to receive and impart information and ideas without interference by public authority and regardless of frontiers.

2. The freedom and pluralism of the media shall be respected.”

According to Article 51 of the Charter, the rights contained therein are addressed to the institutions and bodies of the Union meaning that Article 11 of the Charter cannot be invoked by private individuals. Moreover, Article 11 read in conjunction with Article 52.3 of the Charter mean that the meaning and scope of Article 11 of the Charter is the same as that of Article 10 ECHR. Since Article 11 of the Charter cannot yet be invoked by individuals, since there is no specific jurisprudence about Article 11 and since its meaning and scope is the same as Article 10 ECHR, I have chosen not further to refer to Article 11 of the Charter but solely to Article 10 ECHR.

3.2.3 **Freedom of Expression under Dutch Law**

Article 7 of the Dutch Grondwet protects freedom of expression but is does not grant protection to the present conflict for both material and formal reasons. Article 7 Grondwet reads:

**Article 7 [Expression]**

(1) No one shall require prior permission to publish thoughts or opinions through the press, without prejudice to the responsibility of every person under the law.

(2) Rules concerning radio and television shall be laid down by Act of Parliament. There shall be no prior supervision of the content of a radio or television broadcast.

(3) No one shall be required to submit thoughts or opinions for prior approval in order to disseminate them by means other than those mentioned in the preceding paragraphs, without prejudice to the responsibility of every person under the law. The holding of performances open to persons younger than sixteen years of age may be regulated by Act of Parliament in order to protect good morals.

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26 Article 52.3 Charter of Fundamental Rights of the European Union, “In so far as this Charter contains rights which correspond to rights guaranteed by the Convention for the Protection of Human Rights and Fundamental Freedoms, the meaning and scope of those rights shall be the same as those laid down by the said Convention. This provision shall not prevent Union law providing more extensive protection.”
(4) The preceding paragraphs do not apply to commercial advertising. \(^{27}\)

An examination of the text of the Article shows that it cannot play a significant role in the conflict with trademark law. First, Article 7.4 of the Dutch Grondwet excludes commercial advertising or ‘handelsreclame’ from the scope of the freedom. This reduces significantly the relevance of Article 7 to third party trademark use, since such use will very often take place in commercial advertising. Second, paragraphs 1 to 3 of Article 7 are aimed at protecting expression against ‘prior approval’ whereas the restrictions placed on freedom of expression by trademark law can probably not be seen as ‘system of prior approval’, but rather a system of (repressive) sanctioning. \(^{28}\) The material provisions of Article 7 Grondwet do thus not provide protection in a conflict between trademark rights and freedom of expression.

Third, there are formal reasons why Article 7 Grondwet may not grant relevant protection. Article 120 of the Dutch Constitution bars judges from reviewing the constitutionality of formal national laws. \(^{29}\) This means that Article 7 Grondwet cannot be invoked by an individual before a court against a claim of trademark right infringement. Hypothetically, Article 7 could be used by judges in interpreting open provisions of trademark law; \(^{30}\) however, for the reasons just mentioned, Article 7 does not provide material protection against a claim of trademark right infringement. \(^{31}\)

For these formal and material reasons, Article 7 Grondwet shall not be referred to in this research.

That being said, Article 10 ECHR plays a very important role in Dutch jurisprudence, s Article 94 of the Dutch constitution, which enshrines the monistic approach of the Dutch constitution towards international law, states that,

“[s]tatutory regulations in force within the Kingdom shall not be applicable if such application is in conflict with provisions of treaties that are binding on all persons or of resolutions by international institutions.” \(^{32}\)

Consequently, Article 10 ECHR, which is binding on all persons, can set aside national Dutch law, which makes this article most relevant provision in protecting the freedom of expression of third party trademark users.

For these reasons, I will focus on Article 10 ECHR and I will not further refer to Article 7 Grondwet.


\(^{28}\) Van der Pot & Donner 2001, p. 291.


\(^{30}\) See below section 3.3.3.

\(^{31}\) Hartkamp 2000, p. 23. Hartkamp states, that the legislator is the only ‘judge’ in constitutional matters.

3.2.4 **ARTICLE 5 OF THE GERMAN GRUNDGESETZ**

The German *Grundgesetz* ("GG" or "Basic Law") was drafted after WWII. With the experience of the dehumanising national socialist regime fresh in mind, the constitution laid a very strong focus on the protection of individual dignity. Article 1.1 of the GG states, "Human dignity shall be inviolable. To respect and protect it shall be the duty of all state authority." In addition, Article 2 GG grants a general personality right. Article 18 GG clarifies that basic rights, and in particular freedom of expression, are forfeited if they are used 'in order to combat the free democratic basic order'.

Questions on the interpretation of the constitution are decided by the German Bundesverfassungsgericht ("BVerfG"). The BVerfG is no appellate court and its role is limited to reviewing the application of constitutional rights by lower courts, and to judge the constitutionality of acts of parliament.

Article 5 GG protects freedom of expression:

"Freedom of expression

(1) Every person shall have the right freely to express and disseminate his opinions in speech, writing, and pictures and to inform himself without hindrance from generally accessible sources. Freedom of the press and freedom of reporting by means of broadcasts and films shall be guaranteed. There shall be no censorship.

(2) These rights shall find their limits in the provisions of general laws, in provisions for the protection of young persons, and in the right to personal honor.

(3) Art and scholarship, research, and teaching shall be free. The freedom of teaching shall not release any person from allegiance to the constitution."

The right to express and disseminate opinions (Meinungsfreiheit) and the right to inform oneself (Informationsfreiheit) are recognised as separate rights under Article 5.1 1st sentence GG. Equally, freedom of the press (Pressefreiheit) and broadcasting freedom (Rundfunkfreiheit) are seen as separate rights under Article 5.1 2nd sentence GG. Artistic freedom is a separate right under Article 5.3 GG. According to Article 19.3 GG, Article 5 GG can be invoked by individuals and domestic artificial persons alike. As will be discussed below, it can also be invoked in horizontal conflicts.

In relation to trademark use, the freedom to express opinions and artistic freedom are of most relevance. Under Article 5.1 GG, the right to "freely to express and disseminate his opinions in speech, writing, and pictures" encompasses all subjective value judgements. Of importance is that there is a subjective relationship between the speaker

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33 Art. 1.1 GG.
34 Grundgesetz der Bundesrepublik Deutschland - Status: December 2000 (transl. German Bundestag)
35 This was confirmed by the Constitutional Court (BVerfG) in BVerfG 3 October 1969 Leipziger Volkszeitung.
36 Article 19.3 GG states "The basic rights shall also apply to domestic artificial persons to the extent that the nature of such rights permits."
37 BVerfG 10 October 1995 (Soldaten Sind Mörder); see also Roknke, Bott et.al. 2005, p. 1; Stiess 2000, p. 84, speaking of "jedes Stellung beziehende Dafürhalten".
and the message and that the opinion is the result of the process of rational thinking.\textsuperscript{38} It is however not relevant that the expression is of a certain intellectual level,\textsuperscript{39} which means that organs of the state may not determine whether an opinion is valuable or not,\textsuperscript{40} as such value judgements of state organs would conflict with the principle of a pluralistic public that is itself protected by the democracy principle enshrined in the Grundgesetz.\textsuperscript{41}

Article 5.1 GG specifically refers to opinions. However, the BVerfG has also brought factual statements under the scope of Article 5.1 GG, if these factual statements contribute to a process of forming opinions.\textsuperscript{42} The reason to include such factual statements is that a clear distinction between facts and opinions cannot be drawn and that, by their very essence, opinions will include statements of fact. Purely factual statements do however generally receive a lower level of protection than statements that contribute to the process of forming opinions.\textsuperscript{43}

The freedom to hold opinions also covers commercial expression if it contributes to the process of forming opinions.\textsuperscript{44} The level of protection for commercial expression is lower that that of debates on a matter of public interest.

Limitations to the rights in the constitution are either specifically provided in the rights themselves, or can be derived from other rights granted in the constitution.

Article 5.2 GG states that freedom of opinion and freedom of information “shall find their limits in the provisions of general laws...” Trademark law is considered a general law in this context. However, this does not mean that trademark law simply limits freedom of expression. Article 19.2 GG specifies that “[i]n no case may the essence of a basic right be affected” by a limitation. This so called ‘Wesensgehaltsgarantie’ ensures that trademark rights cannot simply set aside freedom of expression. Rather, according to the BVerfG’s judgement in the Lüth case general laws must themselves be interpreted in the light of constitutional norms.\textsuperscript{45} The balancing between freedom of expression and

\textsuperscript{38} BVerfG 14 March 1972 (Strafgefanagene); BVerfG 10 October 1995 (Soldaten Sind Mörder).
\textsuperscript{39} BVerfG 22 June 1982 (Die NPD von Europa), “Konstitutiv für die Bestimmung dessen, was als Äußerung einer "Meinung" vom Schutz des Grundrechts umfällt, ist mithin das Element der Stellungnahme, des Dafürhaltens, des Meinens im Rahmen einer geistigen Auseinandersetzung; auf den Wert, die Richtigkeit, die Vernünftigkeit der Äußerung kommt es nicht an. Die Mitteilung einer Tatsache ist im strengen Sinne keine Äußerung einer „Meinung“, weil ihr jenes Element fehlt. Durch das Grundrecht der Meinungsäußerungsfreiheit geschützt ist sie, weil und soweit sie Voraussetzung der Bildung von Meinungen ist, welche Art. 5 Abs. 1 GG in seiner Gesamtheit gewährleistet. Was dagegen nicht zur verfassungsmaßig vorausgesetzten Meinungsbildung beitragen kann, ist nicht geschützt, insbesondere die erwiesen oder bewußt unwahre Tatsachenbehauptung. Im Gegensatz zur eigentlichen Äußerung einer Meinung kann es also für den verfassungsrechtlichen Schutzeiner Tatsachenmitteilung auf die Richtigkeit der Mitteilung ankommen. Von hier aus ist der Begriff der „Meinung“ in Art. 5 Abs. 1 Satz 1 GG grundsätzlich weit zu verstehen: Sofern eine Äußerung durch die Elemente der Stellungnahme, des Dafürhaltens oder Meinens geprägt ist, fällt sie in den Schutzbereich des Grundrechts. Das muß auch dann gelten, wenn sich diese Elemente, wie häufig, mit Elementen einer Tatsachenmitteilung oder - behauptung verbinden oder vermischen, jedenfalls dann, wenn beide sich nicht trennen lassen und der tatsächliche Gehalt gegenüber der Wertung in den Hintergrund tritt. Würde in einem solchen Fall das tatsächliche Element als ausschlaggebend angesehen, so könnte der grundrechtliche Schutz der Meinungsfreiheit wesentlich verkürzt werden.”
\textsuperscript{40} Stiess 2000, p. 84.
\textsuperscript{41} Art. 20.1 GG; see also \textit{Ibid.}, p. 85;
\textsuperscript{42} \textit{Ibid.}, FN 39; Stegmann 2004; Seifert & Hömig 2003, Art. 5 no. 4a.
\textsuperscript{43} \textit{Ibid.}
\textsuperscript{44} BVerfG 26 February 1969 (Blinkfür); BVerfG 22 June 1960 (Jugendgefährdende Schriften); BVerfG 12 December 2000 (Benetton I); Stiess 2000; see below section 3.5.2.
\textsuperscript{45} BVerfG 15 January 1958 (Lüth).
Trademark rights must be conducted in a hermeneutical circle (the ‘Wechselwirkungslehre’), in which the basic right is restricted by trademark law, but trademark law is interpreted in the light of the basic right. Furthermore, the rights must be balanced concretely in each individual case by weighing the protected interests at stake against each other. In this process of balancing, opinions on matters that are of substantial public interest, the BVerfG grants a general presumption in favour of freedom of opinion under Article 5 GG.

Artistic freedom under Article 5.3 GG cannot be limited by general laws and must thus be balanced against other constitutional rights that limit Article 5. These can be Article 2 GG (right to personality), 12 GG (freedom of profession), 14 GG (right to property) and 18 GG (the general provision on abuse of constitutional rights). In relation to trademark rights, Article 14 GG is of most importance. It states,

“Property … shall be guaranteed,” and trademark rights are protected under this right to property.

Courts must weigh Article 5 GG against Article 14 GG, likewise in a concrete manner and by ensuring that the essence of the rights is not affected.

3.3 Invoking Freedom of Expression in a Conflict with Trademark Rights

Freedom of expression, as all human rights norms, usually applies in the vertical relationship between state and individual. If a state interferes with the freedom of expression of one of its citizens, that citizen can invoke his freedom of expression to fend off the interference of the state.

For a number of decades, it has been accepted that the protection granted by freedom of expression and other human rights extends beyond this vertical relationship between state and individual. Freedom of expression can also be invoked in cases of horizontal conflicts between private parties, e.g. in a conflict between trademark rights and the freedom of expression of third parties using trademarks.

The application of freedom of expression in horizontal conflicts raises conceptual questions of the interplay between human rights and private law as well as the nature of the rights and duties that human rights create in private relations. The duty bearer of international human rights like Article 10 ECHR is in all cases the state. The same holds

47 Ibid., Art. 5 no. 21; BVerfG 13 April 1994 Auschwitzlüge, p. 249. Stiess points out that this presumption in favour of matters that are of public interest may entail a value judgement in favour a particular type of expression. According to her, such a value judgement may run counter to the general rule against value judgements derived from the democracy principle or Article 20.1 GG Stiess 2000, p. 118.
48 Art. 2.1 GG guarantees that “[e]very person shall have the right to free development of his personality.”
49 E.g. BGH 3 February 2005 (Lila Postkarte); Kur 1996, p. 198. For the application of Art. 14 GG to copyrights see BVerfG 7 July 1971 (Schulbuchprivileg).
50 In this respect, Dworkin refers to human rights as ‘trumps’. Dworkin 1978, p. 266.
true for most national constitutional provisions, like Article 5 GG. This becomes even more apparent when one takes into consideration the restrictions contained in these norms.\footnote{Hartkamp 2000, p. 27. According to Ruffert, the German system of limitations of constitutional rights or ‘Schranksystematik der Grundrechte’ forestalls direct horizontal effect of these rights. Ruffert 2001, p. 14.} Restrictions under Article 10 ECHR or Article 5 of the German Grundgesetz need to be foreseen by law, which implies by organs of the state. Therefore, freedom of expression has an indirect effect if it is invoked in a conflict with trademark rights.

*Indirect* horizontal effect means that application of fundamental rights in horizontal conflicts is effected indirectly by interpreting the norms of private law in accordance with constitutional norms.

In the following paragraphs, I will give a short comparative overview of the indirect horizontal effect of freedom of expression in the jurisprudence of the ECtHR as well as in the German and the Dutch legal order.

### 3.3.1 Indirect Horizontal Effect of Article 10 ECHR

In cases before the ECtHR, only state parties can be held responsible for a violation. Therefore, in a technical sense, cases brought before the Court always concern a vertical legal conflict between private parties and State parties. The underlying conflict may however well be one between private parties. In such cases, the ECtHR has relied upon an institutional theory of indirect horizontal effect,\footnote{ECtHR 28 June 2001 Verein gegen Tierfabriken, para. 46 “The Court does not consider it desirable, let alone necessary, to elaborate a general theory concerning the extent to which the Convention guarantees should be extended to relations between private individuals *inter se.*” VandeLanotte & Haeck 2005, vol. I, p. 106.} i.e. on a broad understanding of the responsibility of state organs.

The basis of indirect horizontal effect of the rights contained in the ECHR can be found in the Preamble, as well as in Articles 1 and 13 of the Convention. The Preamble states that a Contracting State needs “to secure to everyone within its jurisdiction the rights and freedoms defined in the convention.” Similarly, Article 1 ECHR states that

“The High Contracting Parties shall secure to everyone within their jurisdiction the rights and freedoms defined in Section I of this Convention.”

In addition, Article 13 ECHR protects the right to an effective remedy, meaning that, Article 1 read in conjunction with Article 13 ECHR entail that Member States must provide everyone within their jurisdiction with an effective remedy if their rights have been violated. This implies that private individuals must be able to invoke their freedom of expression under Article 10 ECHR in a conflict with other private individuals.

### 3.3.1.1 Indirect Horizontal Effect and Positive Obligations

In its jurisprudence, the ECtHR links the indirect horizontal effect of the rights in the Convention to the positive obligations of State Parties, which are entailed in each Convention right and in the Convention as a whole.\footnote{At a very minimum, a number of rights under the convention require that States create and maintain a functioning legal system. Generally on positive duties see ECtHR 9 October 1979 *Airey v. Ireland*, para. 26; see also *Ibid.*, vol. I, p. 99 & 101.} The theory of positive obligations
was initially developed in the jurisprudence relating to Article 8 ECHR, the right to respect for private and family life. In the Marckx case, which dealt with the recognition a right of visitation of divorced spouses, the ECtHR first held that Article 8 of the Convention,

\[\text{“does not merely compel the State to abstain from such interference: in addition to this primarily negative undertaking, there may be positive obligations inherent in an effective “respect” for family life.”}\]

The ECtHR soon found that positive obligations also exist in relation to Article 10 ECHR, stating for instance that,

\[\text{“the key importance of freedom of expression as one of the preconditions for a functioning democracy. Genuine, effective exercise of this freedom does not depend merely on the State’s duty not to interfere, but may require positive measures of protection, even in the sphere of relations between individuals.”}\]

The notion of positive obligations is not clear-cut. At a very minimum, positive obligations entail the passing of adequate national legislation, the maintenance of a functioning judicial system and the respect of Convention rights. For instance, in the Young, James and Webster case, the ECtHR stressed the positive obligations of the legislator, holding that,

\[\text{“[u]nder Article 1 (art. 1) of the Convention, each Contracting State "shall secure to everyone within [its] jurisdiction the rights and freedoms defined in ... [the] Convention"; hence, if a violation of one of those rights and freedoms is the result of non-observance of that obligation in the enactment of domestic legislation, the responsibility of the State for that violation is engaged.”}\]

In the Özgür Gündem case, the Court stressed the positive obligations of national courts, as

\[\text{“[g]enuine effective exercise of [freedom of expression] does not depend merely on the state’s duty not to interfere, but may require positive measures of protection, even in the sphere of relations between individuals”}\]

In the conflict between third party freedom of expression and trademark rights, such positive obligations are very important. From the international perspective of the ECtHR, a State is under the obligation to ensure that the exercise of trademark rights will not cause a disproportionate impairment of freedom of expression. Internally, the State has discretion as to how to achieve this result. At the very minimum, courts as protectors of freedom of expression of last resort, must ensure compliance with Article 10 ECHR. I do, however, think, that such a reliance on the courts’ ability to achieve a balance that is missing in trademark law, is insufficient. In my opinion, it is crucial to bring the

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54 ECtHR 13 June 1979 Marckx v. Belgium, para 31; confirmed in ECtHR 9 October 1979 Airey v. Ireland, para. 32 (right to divorce); ECtHR 26 March 1985 X. and Y. v. The Netherlands, para. 23; ECtHR 9 December 1994 Lopez Ostra v. Spain (odorous fumes); ECtHR 8 July 2003 Hatton v. United Kingdom (protection against noise). See also Garlicki 2005.

55 ECtHR 6 May 2003 Appleby and Others v. The United Kingdom, para. 39; Voorhoof 2005, p. 925.

56 ECtHR 13 August 1981 Young, James and Webster v. The United Kingdom, para. 49.

57 ECtHR 16 March 2000, Özgür Gündem v. Turkey, para. 43.
considerations of Article 10 ECHR within trademark law, as the best respect for freedom of expression is achieved and the least chilling effects are caused, when trademark law itself provides clear limitations and room for balancing with third party freedom of expression. This entails that, in addition to courts, legislators of Member States should structure trademark law in a manner that the exercise of trademark rights will not violate freedom of expression of third parties, that registering authorities should take Article 10 ECHR into account when granting trademark rights and that courts of Member States are obliged to take Article 10 ECHR into account in cases before them.

3.3.1.2 Positive Obligations and Expressive Diversity

Positive obligations are also of importance to this research, because they entail the duty to guarantee (the conditions of) pluralism and expressive diversity. According to the ECommHR, Article 10 ECHR protects the “free flow of information in general.” Moreover, specifically in the media sector the ECtHR stressed, “the fundamental role of freedom of expression in a democratic society, in particular where, through the press, it serves to impart information and ideas of general interest, which the public is moreover entitled to receive. Such an undertaking cannot be successfully accomplished unless it is grounded in the principle of pluralism, of which the State is the ultimate guarantor.”

In my opinion, the obligation to guarantee the conditions of pluralism, or as want to refer to it – expressive diversity - exists also outside the media sector, e.g. when trademarks are concerned. As I will explain chapter 4, trademark rights may affect pluralism if they are granted in signs that are of key social, cultural, or political importance, such as the names of famous persons and when they are granted in relation to expressive goods such as T-shirts or expressive services such as media services. Such trademark rights could provide a right holder with a monopoly to produce cultural artefacts relating to e.g. Michael Jackson or Elvis Presley and thereby they may limit expressive diversity.

The nature of the obligation to guarantee expressive diversity differs from the obligation of e.g. courts in individual horizontal conflicts. There, courts have the obligation to protect the freedom of individuals and the individuals themselves have an enforceable right to be protected. In contrast, the obligation to guarantee expressive diversity is of a more abstract nature. For a large part it is covering the interests of recipients and to some extent the interests of members of the ‘audience’ who want to use the received information – or in our example the cultural artefacts – to express their views. These recipients do not have an enforceable right to receive privately held information, and consequently they have no right to receive diverse expressions or expressive goods from those private parties (i.e. those offering alternative expressive goods with the relevant signs) that would be prohibited from doing so by trademark

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59 For an in depth analysis of such positive obligations in the media sector see Helberger 2005, p. 67.
60 ECtHR 24 November 1993 Informationsverein Lentia v. Austria, para. 38. VandeLanotte & Haeck 2005, vol. I p. 100, explain that the Court does not always clearly distinguish between the duty to abstain and positive obligations.
61 See below sections 4.2 and 5.3.
The positive obligation does thus not lie in the fact that a state must protect an individual’s right to receive diverse cultural artefacts. Rather the obligation lies in the realm of setting the conditions for expressive diversity. Thereby, “regard must be had to the fair balance that has to be struck between the general interest of the community and the interests of the individual, the search for which is inherent throughout the Convention. The scope of this obligation will inevitably vary, having regard to the diversity of situations obtaining in Contracting States, the difficulties involved in policing modern societies and the choices which must be made in terms of priorities and resources. Nor must such an obligation be interpreted in such a way as to impose an impossible or disproportionate burden on the authorities.”

The positive obligation must, in my view, thus be characterised as follows: The state, as the ‘ultimate guarantor of pluralism’, is under an obligation to structuring trademark law in a manner that it does not create obstacles to expressive diversity and in fulfilling this obligation the state needs to weigh the interest in protection expressive diversity against the interests of prospective trademark right holders.

3.3.2 **HORIZONTAL EFFECT OF ARTICLE 10 ECHR IN EU LAW**

The applicability of Article 10 ECHR as a possible restriction of primary EU law, e.g. of the fundamental economic freedoms guaranteed in the EC Treaty, has been accepted by the ECJ in various cases. It applied Article 10 ECHR e.g. in a case of an alleged abuse of a dominant position or in a case of advertising regulation. It has also applied Article 10 ECHR as a rule that must be respected when interpreting EU directives. E.g. in the Laserdisken case, the ECJ assessed whether a provision of a directive regulating aspects of copyright law caused a disproportionate limitation of Article 10 ECHR. In that case, it carried out a balancing process between Article 10 ECHR and copyright as protected by Article 1 of the 1 Additional Protocol of the ECHR, i.e. the right to protection of property.

In relation to trademark rights, this means that the ECJ, in interpreting the TMDir, or in deciding upon registration of Community trademarks under the TMReg, is bound to respect Article 10 ECHR, not because of a direct duty under the Convention, but because Article 10 ECHR is one of the general principles of EU law.

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63 ECtHR 16 March 2000, Özgür Gündem v. Turkey, para. 43.
65 ECJ 26 June 1997 Familiapress.
68 Ibid.
69 That direct duty may arise upon the EU’s accession to the ECHR pursuant to the Treaty of Lissabon. See above section 3.2.2.
3.3.3 ‘HORIZONTALE DOORWERKING’ IN THE DUTCH LEGAL ORDER

Also Dutch constitutional rights have indirect horizontal effect or ‘horizontale doorwerking’,71 which means that open norms of private law like Article 6:162 BW on civil liability need to be interpreted in accordance with constitutional rights. Horizontale doorwerking of Article 7 Grondwet could also apply to trademark rights, were it not that this Article is of little relevance to this research.72

That being said, Article 10 ECHR is applied by Dutch courts in horizontal conflicts. Whereas Article 120 of the Grondewt pre-empts Dutch courts from assessing the constitutionality of trademark law, Articles 92 to 94 Grondwet allow third parties to invoke Article 10 ECHR before national courts. They enshrine the monist system of Dutch law by regulating that international law that “may be binding on all persons by virtue of their contents” is directly applicable in the Dutch legal order.73

The horizontal effect of rights contained in the ECHR was first confirmed by the Dutch Hoge Raad in the 1987 Bespiedde Bijstandsmaeder case.74 In this case, Article 8 ECHR was interpreted as a subjective right and the infringement by the other party upon this right was qualified as ‘onrechtmatige daad’, a general provision of tort, under Article 6:162 of the Dutch Civil Code.

In case of a conflict with trademark rights, judges may give effect to Article 10 ECHR in a number of ways.75 They can try to solve the conflict by interpreting trademark law in light of Article 10 ECHR. This manner of balancing can be referred to as ‘internal balancing’, meaning that ‘open’ norms, i.e. norms that leave room for interpretation, can be interpreted in light of freedom of expression. These open norms are the provisions like due cause, unfairness, or public policy. In addition, I think that many other criteria of trademark law leave room for interpretation in line with Article 10 ECHR, e.g. the criterion of ‘use in the course of trade’ or ‘use in relation to goods and services’.

When, in an individual case, internal balancing does not offer an adequate solution to the conflict, courts may resort to external balancing. Consequently, they can balance trademark rights with the freedom of expression of third parties externally in a human rights framework. Within that framework, trademark rights are protected as property

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71 Van der Pot & Donner 2001, p. 246; Dommering 1982, p. 17; Hartkamp 2000. According to the Dutch legislator, it is up to the judiciary to decide whether in a concrete case constitutional norms have horizontale doorwerking. The doorwerking can take place in five different manners, which represent a sliding scale: “1) The mandate of the legislator or the government to implement a specific policy or principle, including in private relationships; this is the case for example with the instruction norms found in the fundamental social rights, like the rights to education, work and housing; 2) The fundamental norm, which is not directed solely at the legislator, can also present itself to the judge as an important value that influences the interpretation of the rules or principles of private law, such as good morals, public order, or good faith; 3) The fundamental right can be the independent expression of a legal interest, which the judge must take into consideration when weighing all interests at hand. 4) The fundamental right can be the expression of a legal principle from which the judge may only deviate for compelling reasons. 5) The fundamental rights recognised in the Constitution impose themselves as interpretative norms of law, which can be restricted only in compliance with the constitutional limitation clauses.” (transl found in Guibault diss. 2002, p. 156).

72 Dutch judges are not allowed to review the constitutionality of trademark law and they are hesitant to interpret open norms in light of constitutionally rights. In addition, the wording of Article 7 GW is solely directed at creating rights of individuals vis-à-vis the state. It can thus not create obligations of the state in horizontal relations. See further above section 3.2.3.

73 Van der Pot & Donner 2001, p. 250.
74 HR 9 January 1987 (Bespiedde Bijstandsmaeder).
75 Hartkamp 2000, p. 31.
rights by Article 1 1st AP ECHR. E.g. in the *XS4ALL v. Scientology* case, the Hof Den Haag held,

> Although copyright falls under Article 1 of the First Additional Protocol to the ECHR and can thus be seen as a human right, it is not immune to the need for balancing with freedom of expression and information under Article 10 ECHR …

In that particular case, the Hof Den Haag examined whether the exercise of a copyright was a justifiable impairment of Article 10 ECHR.

### 3.3.4 *MITTELBARE DRITTWIRKUNG* OF ARTICLE 5 GG

In German doctrine, the application of constitutional provisions in conflicts between private parties is referred to as “Drittwirkung”. The German Bundesverfassungsgericht, following a theory of Dürig, adheres to the doctrine of “mittelbare Drittwirkung” or indirect horizontal effect. The doctrine of *mittelbare Drittwirkung* as developed by the BVerfG entails two elements: the responsibility of all state organs to respect constitutional rights and an all-encompassing effect of constitutional norms on the law as a whole.

The responsibility of state organs to give effect to constitutional rights follows from Articles 1.3 and 20.3 GG, which bind organs of the state to respect constitutional rights and the constitutional order. In its seminal *Lüth* decision, the German Bundesverfassungsgericht confirmed this ‘mittelbare Drittwirkung’ of constitutional rights. However, in its decision, the BVerfG went much further than presenting a mere institutional version of horizontal effect. It found that constitutional norms have a far-reaching impact on the legal system as a whole. In the words of the BVerfG,

> “the basic rights are primarily rights of defence of citizens against the state; however, the basic right provisions of the Grundgesetz also embody an objective
order of values which has, as a fundamental decision of constitutional law, validity for all areas of the law”.

This ‘objective order of values’ or “Wertordnung” embodied in constitutional rights means not only that general laws are limited by constitutional rights, but that the legal system as a whole must be interpreted in light of the values underlying the constitution. According to Preuss,

“it cannot be tolerated that there are spheres of social life in which the spirit or the values of the fundamental rights are absent.”

In these spheres of social life, the state plays the role of enabling individuals to enjoy their rights, by guaranteeing not just a negative freedom from the state but also a more positive sort of freedom through the state.

The BVerfG also specified how constitutional norms and their underlying values need to be given effect in horizontal conflicts. In the Spezifisches Verfassungsrecht case, the BVerfG referred to the duty of courts to engage in internal balancing. It held that,

“[c]ourts have a duty, in the interpretation and application of (simple) law, and particularly in when general clauses are concerned, to take account of basic values. If a court neglects these norms, it violates, as a carrier of public power, the relevant constitutional norms. Its judgment must be annulled by the Bundesverfassungsgericht in case of a constitutional complaint.”

In case of a conflict between freedom of expression and trademark rights, a judge must thus interpret the norms of trademark law in accordance with Article 5 Grundgesetz. This applies in particular to open provisions such as public policy, unfairness and due cause. Moreover, in my opinion, Article 5 GG can play a role in the interpretation of other the criteria of Article 14 Markengesetz, such as the criteria of ‘use in the course of trade’ or ‘use in relation to goods and services’. In this process of balancing, courts must pay attention to the hermeneutical circle (the ‘Wechselwirkung’), in which the basic right is restricted by trademark law, but trademark law is interpreted in the light of the basic right, and they must take account of Article 19.2 GG, which states that “[i]n no case may the essence of a basic right be affected” (the ‘Wesensgehaltsgarantie’).

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84 BVerfG 30 November 1962 (Spezifisches Verfassungsrecht), p. 93, “Gerichte haben bei der Auslegung und Anwendung von einfachem Recht, insbesondere von Generalklauseln, den grundgesetzlichen Wertmaßstäben Rechnung zu tragen. Verfehlt ein Gericht diese Maßstäbe, so verleitet es als Träger öffentlicher Gewalt die außer acht gelassenen Grundrechtsnormen; sein Urteil muß auf eine Verfassungsbeschwerde hin vom Bundesverfassungsgericht aufgehoben werden”.
85 See above section 3.2.4.
Furthermore, the rights must be balanced concretely in each individual case by weighing the protected interests at stake against each other.86

If the freedom of art as guaranteed by Article 5.3 GG collides with trademark rights, internal balancing is impossible. The freedom of art may not be restricted by ordinary laws. It can however be restricted by other norms of constitutional character. Courts may thus externally balance the freedom of art with the right to property contained in Article 14 GG. In this collision, courts must try to achieve a "practical concordance" (praktische Konkordanz) of the two constitutional rights. The BVerfG has explained the meaning of practical concordance as follows:


Practical concordance means thus that as a first step in the concrete case the interests behind the respective rights need to be examined and balanced. According to Article 19.2 GG, it must be ensured that the core values of the respective right are not encroached upon.88 In a second step, the intensity of the concrete interference must be assessed. In both steps, an optimal solution for a balance of the rights must be found.

3.3.5 THE CONSTITUTIONALISATION OF PRIVATE LAW

Especially in German doctrine, there is a discussion whether the application of constitutional or human rights to private law would create an unnecessary and undesirable substitution or duplication of the norms of private law.89 Private law and its specific norms, especially those on balance of interests, have developed since Roman times. Private law has thus passed through a process of historical evolution that has filtered out unsuccessful solutions. The remaining successful and fine-tuned norms, it is argued, should not be replaced with general and vague proportionality tests stemming from very recent constitutional norms.90 Such a ‘constitutionalisation’ of private law would lead to the erosion of the mechanisms of private law and in the case of intellectual property rights it may create legal uncertainty. It may replace specific norms of private law with ‘vague constitutional norms’.91

86 Seifert & Hömig 2003, Art. 5 no. 21; BVerfG 5 June 1973 Lebach, p. 224.
88 This is referred to as “Wesensgehaltgarantie.” Leisner 1960, p. 332.
91 Dreier 2001, p. 310.
I think that these arguments echo the concerns of intellectual property lawyers also outside of Germany, who are hesitant to accept that human rights norms such as Article 10 ECHR have a bearing on intellectual property rights.92

Private law offers indeed many fine-tuned legal mechanisms that must be maintained. However, in respect of the conflict between freedom of expression and trademark rights the arguments against the application of freedom of expression are not compelling.

First, the argument that the application of Article 10 ECHR would cause legal uncertainty must be rejected. The conflict between freedom of expression and trademark rights is a conflict between two private parties, which both have an equal entitlement to legal certainty. They are both equally entitled to the protection of their respective trademark rights and freedom of expression. Trademark law knows its specific definitions and limitations, which grant legal certainty to trademark right holders. It does however also contain open provisions like the ground of refusal of public policy, or the requirements of due cause and unfairness in Article 5.2 and 5.5 TMDir as well as various other requirements of trademark law that are open to interpretation. In addition, trademark law is already limited externally e.g. by antitrust law (in cases of abuse of a dominant position)93 or by provisions on abuse or misuse of right.94 Trademark law does thus, in fact, provide no watertight form of legal certainty. The legal certainty of trademark right holders would not be gravely worsened by the application of freedom of expression. Rather, the application of freedom of expression to trademark rights is an essential recognition of legal certainty of third parties because it provides them with an effective remedy in cases where their freedom of expression is curtailed.

Second, the argument of ‘historical value’ of private law is only compelling if constitutional law were to entirely replace the mechanisms of private law. In my opinion, this is not the case in the conflict between trademark rights and freedom of expression. For instance in German law the relationship between constitutional law and private law is not at all one-sided. Rather, according to the “Wechselwirkungslehre” constitutional rights and private law mutually influence each other. On a hierarchical level, constitutional law does prevail over private law. Private law does however retain the presumption of validity and insight (“Geltungs- und Erkenntnisvorrang”), meaning that, in balancing trademark rights with freedom of expression, judges will not simply replace valid provisions by entirely different considerations stemming from freedom of expression.95

Third and most importantly, as the analysis in chapter 2 has shown present day trademark law essentially lacks the fine tuned solutions to many of the problems that have been created by the expansion of trademark rights and by a change in the manner we deal with trademarks. Some trademarks have become important social and even political symbols that represent lifestyles, culture, and (private) power, but trademark law protects

93 See e.g. on the possible limitation of copyright by antitrust rules ECJ 6 April 1995 (Magill); on a conflicts between anti-trust rules and trademark protection in the United States, see above section 2.3.2.3, FN 151.
94 Article 17 ECHR in conjunction with Article 1 1st AP ECHR; Article 3.13 Dutch Civil Code. See also De Cock Bunning 2005, p. 161; H. Cohen Jehoram 2004 expressing a preference for the application of provisions on abuse of right.
95 Ruffert 2001, p. 49.
FREEDOM OF EXPRESSION AS A POSSIBLE LIMITATION OF TRADEMARK RIGHTS

Trademarks in a monologic manner, which clashes with the dialogic form of communication that is protected by freedom of expression. Moreover, trademark rights have been stretched beyond the limitations set by their own rationales into a sphere that lies at the core of freedom of expression.

As social, cultural, or political concerns have not been integrated in the structure of trademark law, freedom of expression and the jurisprudence developed under it may thus in many cases provide a more appropriate balancing mechanism. Moreover, freedom of commercial expression may provide an adequate balancing solution for third party traders, who are hindered in providing information to consumers by using trademarks of others in comparative advertising, referential sue of descriptive use.

In sum, Article 10 ECHR places states are under an obligation to ensure that the exercise of trademark rights does not violate the freedom of expression of third parties and states are obliged to respect their positive obligations and thus to structure trademark law in a manner that expressive diversity is not overly impaired. In order to achieve this, I argued that it is necessary that legislators draft trademark law in a manner that no disproportionate impairment of freedom of expression is caused by the exercise of trademark rights, and that courts and registering authorities interpret open norms of trademark law in light of freedom of expression.

3.4 RATIONALES FOR FREEDOM OF EXPRESSION

In this section, I provide an overview of those rationales that may justify freedom of expression for third parties to use trademarks. Taking a closer look at foundations of freedom of expression is important because constitutional, and international legal provisions of freedom of expression contain little guidance on the subject matter and level protection granted by the freedom. The rationales play thus an important role in the interpretation of the freedom of expression.

In section 3.4.1, I will examine traditional rationales of freedom of non-commercial expression, i.e. discovering truth and democratic participation, and the rationale of self-fulfilment. These traditional rationales justify a general freedom of expression for a third party who uses trademarks in non-commercial expression. However, since the traditional rationales have a rather institutional view on public discourse, I deem it necessary to provide a supplementary rationale, which focuses on the role of signs in public discourse. In sub-section 3.4.2, I will thus discuss a rationale based on a conception of ‘dialogic democracy’. This rationale is related to postmodernist theories and it justifies freedom of expression in particular when individuals and groups influence the meaning and ideas that are carried by dominant symbols, which includes certain trademarks.

In section 3.4.3, I will discuss the general rationale for the protection of a freedom of commercial expression, i.e. the freedom of expression of a third party who uses trademarks of another trader in a purely commercial manner in order to inform consumers, e.g. through comparative advertising, referential use or descriptive use. Since, courts have only recently accepted the protection of commercial expression as a part of freedom of expression and legal doctrine is still divided on the question whether
commercial expression should be protected, I will also address the criticism voiced against protecting freedom of commercial expression.

3.4.1 **GENERAL RATIONALES FOR FREEDOM OF NON-COMMERCIAL EXPRESSION**

3.4.1.1 **Truth, Democracy, and the Role of the State**

The rationale of discovering truth and the democracy rationale of are of a consequentional nature; they justify freedom of expression because of its positive outcome. The rationales apply to freedom of non-commercial expression, e.g. when a person uses trademarks in criticism of, or comment about a trademark right holder, its products, or a phenomenon connected to the trademark. In particular, the two rationales justify strong protection of minority views and oppositional expression.

The democracy rationale, furthermore, indicates that freedom of expression must be granted in order to control dominant political, social, cultural, or economic forces. In my opinion, this freedom to control implicates the freedom to criticise the symbols of power, which may often be trademarks.

However, freedom of expression as justified by the two rationales is not unlimited. The rationales also indicate the extent of permissible limitations of freedom of expression for third party trademark use. If third party trademark use causes harm to a trademark or a trademark right holder, the rights and interests at stake must be carefully balanced whereby the democracy rationale and the rationale of discovering truth may create an assumption in favour of allowing those types of expression that aim at criticising or controlling dominant entities or persons in society.

**a. Truth and Democracy**

The rationale of discovering truth justifies the protection of expression about beliefs, of opinions, and expression on political or social matters. It is often linked to John Stuart Mill who argued that governments must not prohibit potentially true expression, because they are not infallible. As governments will be inclined to suppress expression that they deem incorrect, their versions of truth must be open to criticism and debate; otherwise, Governments cannot be confident that the grounds upon which they legislate are appropriate. Equally, Mill contended that false expression should not be suppressed. Those holding the true views must be instigated to oppose and challenge false views. In Mill’s words,

“If [truth] is not fully, frequently, and fearlessly discussed, it will be held as dead dogma, not a living truth.”

A particular version of the argument of discovering truth is the market place of ideas rationale. The term ‘free market place of ideas’ goes back to U.S. jurisprudence in *Abrams vs. U.S.* Justice Holmes, who was describing the system of the U.S.

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96 Barendt 2005a, p. 8.
97 Mill 1859, p. 97.
98 U.S. Supreme Court 11 October 1919 *Abrams vs. United States.*
Constitution, argued that the competition of ideas and beliefs on a free market place provides the only viable test for uncovering the truth of ideas. In Holmes’ words,

“When men have realized that time has upset many fighting faiths, they may come to believe even more than they believe the very foundations of their own conduct that the ultimate good desired is better reached by free trade in ideas— that the best test of truth is the power of the thought to get itself accepted in the competition of the market, and that truth is the only ground upon which their wishes safely can be carried out.”

Holmes saw the competition on the market place of ideas as an ongoing process. Absolute truth of opinions and views cannot be established, it is therefore important to allow also false beliefs to enter the market place. Wrong or offensive opinions and ideas should thus not be forbidden but should be tested against other opinions. The best remedy against ‘wrong’ speech is ‘more speech’.

Both, the argument presented by Mill and the free market place of ideas metaphor show that true expression should receive strong protection, but that also potentially untrue expression should not always be prohibited. In relation to trademark rights, this means that a third party using a protected trademark in order to address social issues or political issues should receive high protection, even if the expression is potentially untrue.

The democracy rationale justifies high protection for democratically relevant expression. It focuses on the central role of freedom of expression in a democracy. Freedom of expression is essential to allow people to participate in self-governance, because only by taking account of diverging opinions, an optimum of societal justice and societal development can be reached.100 Freedom of expression in this sense is of equal importance to the right to vote and be elected or the right to association and assembly. In addition, freedom of expression is important because it contributes to the control of powers in a democracy, as e.g. the use of trademarks of oil companies by a campaign group like Greenpeace may clearly fall into this category.101

b. Freedom to Control Power

Freedom of expression is clearly an essential precondition to the control of the powers in a democracy. Governments may try to limit freedom of expression for the sake of stability in a democracy or in order to forestall unpleasant criticism. One could argue therefore that freedom of expression must be granted precisely because governments may not be trusted with deciding, which expression to allow and which to prohibit. Frederik Schauer finds in the mistrust of government authority a unifying rationale of freedom of

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99 Ibid. In a more recent judgement, Justice Kennedy wrote, “It is through speech that our convictions and beliefs are influenced, expressed, and tested. It is through speech that we bring those beliefs to bear on Government and on society. It is through speech that our personalities are formed and expressed. The citizen is entitled to seek out or reject certain ideas or influences without Government interference or control.” U.S. Supreme Court 22 May 2000 United States v. Playboy Entertainment.

100 Nuspilger 1980, p. 5.

expression. In his opinion, governments must not decide for individuals upon questions of life-styles, they must not proscribe their image of the ‘good life’ and they must not interfere with the opinions of individuals; they are prone to abuse this power. Following this line of reasoning, a great leeway for dissident, oppositional, or unpleasant expression must be granted.

The powers in a democracy may be government powers, but also religious powers or private powers. Through debate, criticism, satire, or even art, awareness of problems can be created and power can be controlled. The democracy rationale therefore grants preferred positions to certain institutions in society, which hold traditional control functions. Traditionally, the press plays a special role in controlling political power. The ECtHR, for instance, refers to the press a ‘watchdog’ and grants heightened protection to the press. Increasingly also pressure groups and even individuals who publish and criticise e.g. on the Internet are exerting an important control function. These groups may receive a similar high degree of protection. The ECtHR confirmed this role of pressure groups in the Steel and Morris v. the United Kingdom case, where it held that:

“The Court considers [...] that in a democratic society even small and informal campaign groups, such as London Greenpeace, must be able to carry on their activities effectively and that there exists a strong public interest in enabling such groups and individuals outside the mainstream to contribute to the public debate by disseminating information and ideas on matters of general public interest such as health and the environment”

In my opinion, the freedom to control and criticise power must also imply a freedom to criticise the symbols of power as they are the representatives of that power. Next to state symbols or religious symbols, power in a democracy may also be represented by private actors and in particular by their trademarks. As a logical consequence, the freedom to control and criticise private power implies a freedom to criticise the symbols of private power, i.e. trademarks.

c. Minority Views, Opposition, Exaggeration and Pluralism

In a democracy, the value of freedom of expression lies in particular in the facilitation of minority expression, unpopular expression, or dissent. Criticism of government symbols like flags or emblems will often cause heated debate. This should however be no reason to prohibit such expression as also exaggerated expression can be of great value. The need to ensure a plurality of opinions is echoed by the ECtHR in the Handyside case. In its decision, the Court stated,

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102 Schauer 1982.
104 ECtHR 26 April 1979 Sunday Times v. Untied Kingdom.
105 ECtHR 15 February 2005 Steel and Morris v. The United Kingdom.
106 ECtHR 15 February 2005 Steel and Morris v. The United Kingdom, para. 89; see also ECtHR 19 February 1998 Bowmman v. The United Kingdom and ECtHR 6 May 2003 Appleby and Others v. The United Kingdom.
107 In the United States, for instance, several state-laws forbade the desecration of the flag of the United States of America. In the Unites States Supreme Court held these laws unconstitutional. U.S. Supreme Court 21 June 1989 Texas v. Johnson.
“The Court’s supervisory functions oblige it to pay the utmost attention to the principles characterising a ‘democratic society’. Freedom of expression constitutes one of the essential foundations of such a society, one of the basic conditions for its progress and for the development of every man. Subject to paragraph 2 of Article 10 (art. 10-2), it is applicable not only to ‘information’ or ‘ideas’ that are favourably received or regarded as inoffensive or as a matter of indifference, but also to those that offend, shock or disturb the State or any sector of the population. Such are the demands of that pluralism, tolerance and broadmindedness without which there is no ‘democratic society’.

Some forms of trademark use may be exaggerated in a manner that its positive contribution to discovering truth or to public debate in a democracy may be doubted. Campaign groups may for instance alter trademarks drastically in order to create attention for their views. A drawing of a person urinating on the logo of a hunting federation may leave no doubt about the views of a group of protesters.108 Likewise, the poster of ‘Boycott Outspan Aksie’ depicted below in p. 235 calling for a boycott of an orange trader involved in the South African apartheid regime may have been too exaggerated to trigger a polite and ‘civilized’ public debate. (The poster showed a cut off head of a little African boy squeezed on an orange squeezer carrying the slogan ‘Do not squeeze South Africans’).109 Under the democracy rationale, however, expression may not be judged solely by its immediate benefits and it does not need to be polite. In fact, a great leeway must be granted to expression that could be regarded as not democratically ‘useful’.

In this respect, it is important to stress that the type of consequentialism underlying the democracy rationale as well as the rationale of discovering truth differs significantly from the type of consequentialism that underlies economic theories. In particular, the cause-effect relationship on the market place of ideas or in a democratic or public discourse differs from that of economic market places. In economic market places, a close relationship between causes and effects is presumed and the aim is to generate an optimum of information. In contrast, when freedom of expression is at stake, effects are not guaranteed nor do they have to be immediate. Wrong, divergent, or eccentric ideas can prove to be of high value at a later stage and they can influence the communication process in manners that cannot be foreseen. Scanlon made this point in relation to self-realisation, but I think that it is equally valid here:

“Even if I dismiss what is said or shown to me as foolish and exaggerated, I am slightly different for having seen or heard it. This difference can be trivial but it can also be significant and have a significant effect on my later decisions. For example, being shown powerful photographs of the horrors of war, no matter what my initial reaction to them may be, can have the effect of heightening (or ultimately of dulling) my sense of human suffering involved, and this may later affect my opinions about foreign policy in ways I am hardly aware of.”110

108 OLG Koeln 10 March 2000 ‘Kampagne gegen die Jagd’.
109 Hof Amsterdam 30 October 1981 (Boycott Outspan Aksie).
110 Compare Scanlon 1979, p. 525.
The aim of freedom of expression is then not to produce an *optimum of information* (without any distracting voices), but rather functioning public discourse with a *pluralism of opinions* and of forms of expression.

In order to fully realise such a pluralistic public sphere, a state in a democracy may have to play not just a passive but also an active role. It may have to engage actively in setting the conditions for a pluralistic public sphere. Unfettered expression in the search of truth, on the market place of ideas, or in a democracy may not produce by itself the desired results. *Smolla and Nimmer* stress that the market place of ideas, just as economic market places will over time be biased in favour of those with the resources to speak. ‘Floods’ of advertising money produces speech that is calculated to influence consumers’ behaviour and ownership concentrations over media entities leads to predominance of conventional ideas.111 Views and ideas may thus shift in favour of dominant forces, while minority views may be chronically underrepresented. In some cases, it will thus be necessary that governments actively take positive steps to facilitate freedom of expression.112

As I indicated in section 3.3.1.2, this may mean that governments are liable to structure trademark law in a manner that it does not enable trademark right holders to dominate the representation of e.g. cultural icons like Michael Jackson, via their trademark rights.

### d. Limitations

The rationale of discovering truth and the democracy rationale also provide indications of the limitations of the freedom. Such limitations of freedom of expression may be warranted if expression is overly harmful or offensive, meaning that a balancing process between the freedom and the harms caused must be carried out. In this process, it should not be forgotten that the value of expression may often only be judged in the long term. ‘Simple’ truths, like the fact that the earth is round or that it revolves around the sun were forbidden for a long time before they were accepted as official truths. Equally, strong criticism or emotive expression or expression that may be labelled as categorically harmful, e.g. condoning terrorism, may make an (indirectly) valuable contribution to a public debate that advances society. Prohibitions of such expression may lead to a hollow public debate and to the abuse of power.

*Mill* was a proponent of a very strict harm principle, arguing that,

> “[i]f all mankind minus one were of one opinion, and only one person were of the contrary opinion, mankind would be no more justified in silencing that one person than he, if he had the power, would be justified in silencing mankind.”

113

Mill considered that only a *direct and clear violation of the rights of others* should lead to limitation of freedom of expression. He gave the example of expression in the form of an article in the press, which accused a corn dealer of starving the poor through.

Such printed accusations would be legal as the do not produce a direct and clear violation of the right of the corn dealer. However, inciting an angry mob to personally attack the

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112 ECtHR 24 November 1993 *Informationsverein Lentia v. Austria*.
113 *Mill* 1859, p. 76.
Corn dealer would be illegal, as it would lead to direct and clear danger for the corn dealer.  

If one lays an emphasis on plurality and the respect of human dignity, as the ECHR and the German Grundgesetz do, such a strict harm principle is not warranted. It will be necessary to prohibit expression that causes hatred towards minorities or expression that attacks the dignity of other humans.

In the case of a third party using trademarks in non-commercial expression, the freedom may be limited if it causes disproportionate economic harm to the trademark right holder. This means that the freedom of expression and the economic harm must be weighed against each other, whereby the party claiming the need for a restriction of expression must present proof of harm. Since the relationship between expression and economic harm will often be hard to establish, a more abstract form of proof may be sufficient.

As, the rationale of discovering truth and the democracy rationale justify strong protection of oppositional and exaggerated expression and a freedom to control the carriers of power as well as the symbols of power, a trademark right holder may have to endure a degree of economic harm if third party trademark use in e.g. calls for a boycott. Successful campaigns of vegetarians will decrease the revenues of the meat industry. However, such changes in consumer behaviour cannot be seen as relevant harm. 

Neither should, in my opinion, sales drops due to factually true consumer awareness campaigns about poisonous vegetables be considered relevant harm.

3.4.1.2 The Self-Fulfilment of Individuals

The self-fulfilment rationale explains that freedom non-commercial expression, including third parties who use trademarks in e.g. artistic expression, can provide a means to individuals to determine their place in the world. The self-fulfilment rationale of freedom of expression focuses on the individual and the individual’s position in society. Liberties such as freedom of religion, freedom of assembly, the right to privacy, or the right to property need to be granted because the involvement of the state in these areas would fundamentally conflict with a person’s autonomy and self-fulfilment. The self-fulfilment rationale justifies an individual’s entitlement to freedom of expression “even though the exercise may be inimical to the welfare of society.”

Freedom of expression is important, because by expressing himself, an individual can determine and influence his place in society and he can give meaning to his life; by receiving information, he can make informed choices as an autonomous individual in society.

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114 Ibid., p. 119. This kind of harm principle is for instance present in the First Amendment protection of political speech. Harmful speech is allowed unless it ‘so imminently threaten[s] immediate interference with the lawful and pressing purposes of the law that an immediate check is required to save the country.’ U.S. Supreme Court 11 October 1919 Abrams v. United States, dissenting opinion of Justice Holmes. See also U.S. Supreme Court 3 March 1919 Schenck v. United States.

115 Granting the protection of Article 10 ECHR to such expression may be considered abusive and could be prohibited under Article 17 ECHR.


117 Ibid.


Autonomy is one of the central elements in the self-fulfilment rationale. There are many differing ideal-typical notions of autonomy. One definition of autonomy is the following: The autonomy or individuality of an individual lies in the capacity of the individual to reason, to understand the world around him and to make reasoned decisions about his life.\footnote{Mill 1859, p. 119; Buss 2008; Blockland 1995; Yochai Benkler describes individual autonomy or self-direction as “the capacity to perceive the state of the world, to conceive of available options for action, to connect actions to consequences, to evaluate alternative outcomes, and to decide upon and pursue an action accordingly.” Benkler 2006, p. 146.} For the purposes of this research, I want to mention two aspects of autonomy.

First, rationality is perceived as a precondition for autonomy and I think that such a rationality-based notion of autonomy provides a convincing rationale for granting liberties. However, the requirement of rationality must not be understood as a computer-like quality. Self-fulfilment is furthered not just by completely rational expression, but also by expression motivated by emotions. The expressive use of signs and trademarks is much more connected to this notion of self-fulfilment, as it is often highly loaded with emotions. In this sense, I think that if the self-fulfilment rationale, as encompassing also emotive statements, does provide a general rationale for a strong protection of and in particular artistic expression, which may include the use of protected trademarks.

Second, in order to guarantee the self-fulfilment of individuals the state may not purely have to abstain form interfering with a person’s self-development but may have to take active steps. Indeed, there is an ongoing debate about the question whether a state must provide liberties as mere defence rights (‘negative liberty’), or whether it must also provide conditions that enable individuals to realise their capacities and to enjoy their freedoms (‘positive liberty’).\footnote{Berlin 1982; Buss 2008; Blockland 1995.} This question about the notion of liberty cannot be answered one way or the other. It is related to political conviction about the ideal relationship between state and individual and the answer is ultimately one of political choice. I personally think that, while the notion of negative liberty must remain the primary aspect of freedom of expression, there is a need to provide the conditions for positive liberty and hence states should ensure that individuals can enjoy their freedom of expression by setting favourable conditions for self-fulfilment.

In sum, the self-fulfilment rationale can provide a forceful justification of freedom of expression in many areas of political, social, or cultural expression. What it does not provide is a specific rationale that justifies the use of trademarks in such expression.

3.4.2 DIALOGIC DEMOCRACY: A SUPPLEMENTARY RATIONALE FOR THE USE OF TRADEMARKS IN NON-COMMERCIAL EXPRESSION

The rationale from discovering truth and the democracy rationale as well as the self-fulfilment rationale justify the protection of the act of expression including the necessary access to information. They both take what a view on public discourse in a democracy, which focuses on participants and forums, by e.g. justifying specific protection the press, public service broadcasting and other media, and to participants such as certain pressure groups in society or artists. While rationales with this focus appropriately identify forums and participants that should receive strong protection, they do, in my opinion, not...
sufficiently explain the key role of signs in public discourse. As a necessary addition, I therefore think that a rational base don the theory of dialogic democracy can justify specifically the use and transformation of ‘meaning carriers’ in society, i.e. signs, including certain trademarks, which are the focus of social, cultural, and political discourse.

The background of dialogic democracy rationale is found in elements of postmodernist theories. It has been proposed as an additional rationale for freedom of expression in particular by Rosemary Coombe, who explains the role of trademarks after WWII in the following manner:

“Postmodernity is distinguished by a dramatic restructuring of capitalism in the postwar period, a reconstruction of labor and capital markets, the displacement of production relations to non-metropolitan regions, the consolidation of mass communications in corporate conglomerates, and the pervasive penetration of electronic media and information technologies. Such processes have coalesced in the Western world societies oriented toward consumption. Consumption is managed by the mass media’s capacity to convey imagery and information across vast areas to ensure a production of demand. Goods are increasingly sold by harnessing symbols, and the proliferation of mass media imagery means that we increasingly occupy a “cultural” world of signs and signifiers that have no traditional meanings within social communities or organic traditions […]”

The fact that trademarks now are equal to traditional cultural symbols becomes obvious if one were to ask a Dutch person to enumerate elements of Dutch identity or culture. One might end up with a mix of historic and cultural symbols and present day trademarks. It may not be uncommon to get a list that reads: Rembrandt’s ‘Nachtwacht’, Vermeer’s ‘Girl with the Pearl earring’, Queen Beatrix, Hema and Albert Hein. If one were to ask an Austrian, the list may read: The Alps, Wolfgang Amadeus Mozart, Johann Strauss, Billa, and Red Bull.

Moreover, in an increasingly globalised world, trademarks can provide an international feeling of home or, conversely, of alienation. For instance, from the year 2000 there was a Starbuck’s outlet in China’s Forbidden City. For a western tourist this meant an availability of familiar products and to some it may also have provided an instant feeling of recognition, of home. Conversely, the Starbuck’s outlet caused negative associations for the local government, which found that Starbuck’s certainly did not represent Chinese identity and that the outlet was a western intrusion into Chinese cultural heritage. Partly for this reason, Starbuck’s decided to close the shop in the Forbidden City in 2007.

122 Coombe 1991, p. 1862 (underline added by WS). Original proponents of this viewpoint, such as Baudrillard or Lyotard, explained that trademarks had not just taken over the role of traditional symbols, but that there was a fragmentation of the public sphere caused by a lack of commonly shared meaning of signs. Baudrillard 1993; Baudrillard 1994; Lyotard 1984. Baudrillard, for instance, spoke of a ‘hyperreality’ caused by signs, which did not refer to (external) socially shared experiences but only to themselves. Baudrillard 1993. I do not share this view of fragmentation, hyperreality and loss of public sphere, yet I still think that an the theory of dialogic democracy delivers an important addition to traditional rationales of freedom of expression, because it places emphasis not just on forums and participants, but on the need to ensure the ability to influence the meaning carried by certain signs in order to achieve full and equal participation in a democracy.

This example shows that trademarks may be linked to the manner, in which we define ourselves in a globalised world. Trademarks can be points of orientation in our self-direction and self-fulfilment (in a positive or negative manner). Simultaneously, they play a role in the self-definition of groups.

On an individual level, the theory of ‘bricolage’, which is attributed to French anthropologist Claude Lévi-Strauss, explains how the meaning of trademarks can be engaged and changed by ‘a bricoleur’ when he produces new forms of cultural expression. A bricoleur is a person “who creates improvised structures by appropriating pre-existing materials which are ready-to-hand.”124 “The bricoleur works with signs, constructing new arrangements by adopting existing signifieds as signifiers and ‘speaking’ through the medium of things’ - by the choices made from ‘limited possibilities’.125 The artistic creation of the bricoleur involves a “dialogue with the materials and means of execution.”126 “In such a dialogue, […] the choice of the materials which are ready-to-hand may not be purely instrumental: the bricoleur ‘speaks’ not only with things... but also through the medium of things’: the use of the medium is expressive.”127

In my opinion, this theory very accurately describes how the act of using the trademarks in cultural production can be important for individual self-fulfilment. It shows that the choice to use a particular trademark in art, parody, or even in criticism is in itself an act of speech. Examples of the use of trademarks in such bricolage are, Andy Warhol’s Campbell soup cans, Tom Sachs’ Channel Guillotine and Prada Concentration Camp, or a German artist’s transformation of a known poem by Goethe into a parody of Milka.

Trademarks, used in bricolage can also play a potential cross-cultural and political role. An example for such use is the postcard series of Trio Sarajevo, a graphic design group from Sarajevo, created a series of postcards using Western trademarks to “convey their demand for the return of their most fundamental human right, the right to exist.”128 The series included a bullet riddled Campbell Soup can, the “Coca-Cola” trademark transformed to “Sara-jevo”, or the Olympic rings made from barbed wire. By using these familiar symbols and trademarks, they were able to communicate effectively to audiences outside of Bosnia-Herzegovina the human suffering and the destruction of cultural heritage that took place in Bosnia-Herzegovina in the first part of the 1990ies. In particular, the use of the trademarks provides a means to reach those audiences that are not so much involved in political discourse, because it is understandable across language barriers and across cultures. As Aoki expresses it:

“What can be clearly understood from Trio’s work is that symbols have the ability to convey meaning across the globe because they are not restricted by language barriers, and they often have a uniformity of meaning that is understood across cultures. Courts that restrict this ability to convey meaning in a universally recognizable way restrict freedom of expression.”129

125 Ibid.
127 Ibid.
128 Aoki used this example to demonstrate the use of trademarks as an international language. Aoki 1998, p. 541.
129 Ibid., p. 542.
The example of Starbucks and Trio Sarajevo demonstrate that some trademarks represent more than information about goods and services. They have become carriers of political, social or cultural meaning, meaning that freedom of expression of third parties should include a freedom to use and transform the layered meaning contained in certain trademarks.

In this sense, the use and adaptation of trademarks can be seen as part of a greater social dialogue in a democracy. The central theme of this dialogue is the change and struggle about cultural, social, and political meaning, whereby the dialogue is also seen as a process of ‘meaning making’. According to Rosemary Coombe,

“people engage in meaning-making to adapt signs, texts, and images to their own agendas. These practices of appropriation or “recoding” cultural forms are the essence of popular culture […] mass media imagery and commodified cultural texts provide the most important cultural resources for the articulation of identity and community in Western societies, as traditional ethnic, class, and cultural indicia fade.”

On a greater scale, there exists a concern that the ability to take part in the democratic dialogue by means shaping the meaning contained in certain signs is limited to certain groups, which leads to a struggle to "fix and transform meanings in a world where access to the means and the medium of communication is limited." Like in the case of the democracy rationale, the perceived risk is that dominant forces try to control social dialogue. The particular addition lies in the recognition of the fact that such control can also be achieved by controlling the meaning of the key signs that make up public discourse. In this sense, freedom of expression must thus not just entail access to forums and special protection for key participants to public discourse, it must also entail a protection of the ability of groups and persons to use and influence the meaning carried by dominant symbols in society, which includes certain trademarks of social, political or cultural importance. As William Fisher states:

“In an attractive society, all persons would be able to participate in the process of meaning-making. Instead of being merely passive consumers of cultural artifacts produced by others, they would be producers, helping to shape the world of ideas and symbols in which they live. Active engagement of this sort would help both to sustain several of the features of the good life--e.g., meaningful work and self-determination--and to foster cultural diversity.”

Coombe lays the link between the theory of dialogic democracy and freedom of expression, by stating that

“[a] dialogic theory of human social life provides a means to reorient the law of free speech or freedom of expression so that it focuses more on the conditions of interaction that on the interacting individuals – freedom not as a lack of all constraints but as an ability to participate in engaged conversations.”

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130 Elkin-Koren 1995, p. 400.
131 Coombe 1991, p. 1863. see also Hughes 1999; Dreyfuss 1996, p. 148
134 Coombe 1998, p. 266.
The theory of dialogic democracy as applied to freedom of expression draws thus also on a notion of positive liberty entailing the ability of individuals to influence their palace in society and the definition of their identity through the use and transformation of the meaning carried by dominant signs.\textsuperscript{135} Multi-directional media, such as the Internet, have greatly increased the ability of individuals to influence and disseminate interpretations of trademarks, as they have increased the capability of individuals to engage in bricolage or recoding.\textsuperscript{136} Benkler points to the fact that someone can find on the Internet all kinds of cultural representations of e.g. Barbie. He calls the possibility for individuals to receive these differing representations as ‘a new cultural transparency’.\textsuperscript{137} In my opinion, just as the press plays a particular role in controlling the powers in a democracy, the Internet plays an important role in facilitating the sort of dialogic communication that contributes social dialogue.

In sum, the theory of dialogic democracy provides a convincing additional rationale for freedom of expression of third parties to use and change the meaning of trademarks of social, cultural, and political importance. Such a freedom must entail not only the possibility of a person to speak; it must also, or in particular, protect the choice for using a particular trademark in expression. Moreover, I argued that this freedom should be strong in dialogic media, such as the Internet.

**3.4.3 The Rationale for Freedom of Commercial Expression**

Third party trademark use is often of a purely commercial nature, e.g. when trademark are used in comparative advertising, descriptive use, or referential use on products or services may be entirely commercial. The rationale for a freedom of commercial expression justifying the use trademarks in such manners is of a different nature than the freedom of non-commercial expression. While freedom of non-commercial expression is justified because of its contribution to democratic governance, the discovery of truth, for its essential role in the self-fulfilment of individuals and because of the important role that is played by certain trademarks in social dialogue, freedom of (purely) commercial expression is justified because of its positive effects on the information position of consumers. This rationale, hence, resembles to some extent the search cost rationale for the protection of trademark rights.

Courts have started to protect freedom of commercial expression only recently and amongst scholars this freedom remains one of the strongly debated areas of freedom of expression.\textsuperscript{138} The gist of the criticism of freedom of commercial expression is connected to the negative influence of commercial expression on self-fulfilment and on society.

\textsuperscript{135} “The symbolic resources available for communicative activity shape our ways of knowing even as we use them to express identity and aspiration. […] Discursive social interactions and the opportunities for imaginative meaning-making they yield are paramount to human life and crucial to historical change. Speech is not a means to an end of self-expression or an instrument to convey information, but the marrow of the self one expresses, the social life of intersubjective practice and its potential for transformation. Dialogue is the activity in which people create their selves and their communities – texts and contexts. The interactive conditions for dialogue need to be fostered if we are to give tangible meaning to democracy.” \textit{Ibid.}, p. 265.

\textsuperscript{136} Elkin-Koren 1995.

\textsuperscript{137} Benkler 2006, p. 277.

This criticism is similar to that addressed in section 2.3.2 on the protection of the advertising function of trademarks. There, I argued that the existence of potential negative effects of advertising must mean that it is economically only partly justified to grant an exclusive right to the protection of the goodwill and advertising function of trademarks. Here, I will revisit these arguments and I will argue that such possible negative effects mean that the level of protection of freedom of commercial expression should be lower than that of non-commercial expression. First, I will introduce, however, the rationale for a freedom of purely commercial expression.

The main rationale for the protection of commercial expression lies in the argument that a free flow of commercial information is of crucial importance to citizens in a market economy and that hence traders must be granted the freedom to inform consumers. It may be of little surprise that this argument in favour of protecting commercial expression has been voiced by economics scholars. Aaron Director, a founder of the law and economics movement, argued that

“[for] the bulk of mankind […] freedom of choice as owners of resources in choosing within available and continually changing opportunities, areas of employment, investment, and consumption is fully as important as freedom of discussion and participation in government.”

Ronald Coase summarised this more generally and stated that,

“there is simply no reason to suppose that for the great mass of people the market for ideas is more important than the market for goods.”

Coase defined informative advertising broadly. To him,

“any advertisement which includes people to consume a product conveys information, since the act of consumption gives more information about the properties of a product or service than could be done by the advertisement itself.”

Kozinski and Banner, who are proponents of a high level of protection of commercial expression under the First Amendment to the United States Constitution, argue that no distinction between commercial expression and other kinds of expression can or should be made, as

“in a free market economy, the ability to give and receive information about commercial matters may be as important, sometimes more important, than expression of a political, artistic, or religious nature.”

Overall, the rationale for the freedom lies thus in the interest of consumers to receive a variety of information about goods and services, which is reflected in a right of a trader to inform consumers. This rationale is thus similar to search cost rationale justifying trademark rights in order to stop confusion in the market place and in order to allow consumers to use trademarks as information enhancing tools. The difference between the rationales is that freedom of commercial expression (merely) provides a freedom to

139 Director 1964, p. 7. See also Coase 1977, and further Coase 1974.
140 Coase 1977, p. 3.
141 Ibid., p. 9.
inform with the aim to take away serious obstacles of traders to inform consumer; under search cost rationale, a trader is granted an exclusive right in order to reach an optimum of information.

The argument of the value of commercial expression to consumers has been accepted by both the ECtHR and the United States Supreme Court. In its Virginia Board decision, the US Supreme Court accepted purely informative commercial expression as falling under the First Amendment. It stated that,

“Advertising, however tasteless and excessive it sometimes may seem, is nonetheless dissemination of information as to who is producing and selling what product, for what reason, and at what price. So long as we preserve a predominantly free enterprise economy, the allocation of our resources in large measure will be made through numerous private economic decisions. It is a matter of public interest that those decisions, in the aggregate, be intelligent and well informed. To this end, the free flow of commercial information is indispensable.”

In similar terms, the ECtHR has accepted the protection of purely informative advertisements in Krone Verlag v. Austria. It held that “for the public advertising is a means of discovering the characteristics of services and goods offered to them.”

The argument expressed by Director, Coase, Kozinski, and Banner rightly points to the fact that economic information that is provided through advertising is vital. Some scholars even argue that life-style advertising deserves equally high protection as expression aimed at self-fulfilment. The argument is that life-style advertising portrays images and ideas of the good life and that this form of expression is of equal rank to other expression about life and society and that life-style advertising may contribute to self-realisation, in particular, when it communicates ideas or helps formulate self-images.

In my opinion, it is an exaggeration to claim that commercial expression is as valuable as expression of a political social or cultural nature. As the previous sub-sections have shown, freedom of non-commercial expression protects a dialogic mode of communication. The rationale of discovering truth and the democracy rationale presuppose an ongoing public dialogue. In particular, the dialogic democracy rationale justifies a freedom of expression of individuals and groups to engage in a dialogue with the meaning represented by certain trademarks.

In contrast, commercial expression is a monologic form of communication. Commercial expression provides vital information to consumers, but it does, in most

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143 U.S. Supreme Court 24 May 1976 Virginia State Board of Pharmacy, p. 765.
144 ECtHR 11 December 2003 Krone Verlag v. Austria, para. 31.
145 Smolla & Nimmer on Freedom of Speech 2009, § 20:43, “The very ‘excesses’ of modern advertising that might at first make it seem a likely candidate for heavy legal regulation are actually the attributes that most qualify such speech for the heightened constitutional protection we routinely grant other categories of speech. Indeed, the distinction that is central to this line of attack on commercial speech, a distinction that seeks to drive a wedge between the rational and irrational components of advertising, is a distinction that has been repudiated in virtually all areas of current First Amendment doctrine other than commercial speech. The refusal of current First Amendment jurisprudence to accept a schism between the rational and irrational elements of speech (or, to use slightly different terms, between the ‘intellectual’ and ‘emotional’ content of speech) is sound—indeed, one can say vital to the American conception of freedom of speech. Commercial speech should be no exception.”
FREEDOM OF EXPRESSION AS A POSSIBLE LIMITATION OF TRADEMARK RIGHTS

125 cases, not invite dialogue, discussion, or even dispute in any meaningful sense. Advertisements for toothpaste or cars do not further the self-development of the advertiser himself or of his recipients. The argument from truth does thus not provide an argument for the protection of freedom of commercial expression, as the truth and falsity of commercial expression can be easily determined and no real freedom of expression that would facilitate the exchange of opinions is needed in order to determine this truth. According to Barend,

“commercial advertising induces consumers to buy products and to use services, but does not equip them to think about social issues or the conduct of government.”

This difference in the kind of expression involved has led some authors to view commercial expression as lacking all minimum properties necessary to qualify for protection under freedom of expression. According to Shiner, corporations should not be allowed,

“to pre-empt and pervert for their own ends the sources of protection for personal autonomy at the heart of our political life as individual persons and as citizens.”

Moon stresses that the facilitation of human agency is one of the key foundations of freedom of expression and that commercial expression and advertising perverts rather than furthers human agency.

Indeed, many critics assert that commercial expression easily manipulates people. On a social scale, commercial expression may promote or impose dominant cultural representations or social inequality. Advertising, including the advertising function of trademarks, is seen as a main source and instrument of power. Moon, for instance, states,

“in our liberal-democracy the risk of improper state censorship is far less than the risk of manipulation of consent through advertising for products such as cigarettes and political candidates.”

Shiner claims that perception advertising or life style advertising

“presents unreal lifestyles and false implications of portrayals of life-styles; in extreme forms it manipulates and interferes with autonomy.”

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147 For an exceptional example see below the two Benetton cases dealt with by the BVerfG (section 3.5.3.b).
148 Barendt 2005a, p. 399.
149 Ibid.
151 Shiner 2003 p. 3.
152 Moon 1991, p. 128.
154 Klein 2000, Klein argues that, in particular, multinational companies base their power on the ability to create positive images through advertising. This positive image, and thus their power, is embodied in their trademarks. According to Klein, The positive image is not only used to generate profit; it is also used to conceal the fact that such companies create and exploit social inequality.
155 Moon 1991, p. 129
156 Shiner 2003, 322.
I have already discussed similar arguments in section 2.3.2 in relation to the protection of the advertising function of trademarks. In short, the criticism relates to ‘perception advertising’ that ties in social and cultural representations to stimulate consumption. The criticism has two components. First, commercial expression may create negative effects on individuals because there is a great asymmetry of knowledge between the speaker and the recipient. The strategic character and the information asymmetry make manipulative abuse of commercial expression easy and likely. In addition, there is a more direct relation between manipulative commercial expression and harm than in the case of i.e. political expression.

In section 2.3.2.3, I argued that the potentially negative effects of advertising are a reason to limit the grant of exclusive rights that protect the goodwill and advertising function of trademarks. I agreed that perception advertising or life-style advertising may promote dominant forms of cultural representation and that such advertising may interfere with rational or optimal decision-making of consumers. However, in my opinion these concerns have different consequences with regard to freedom of commercial expression.

First, freedom of commercial expression may provide similar beneficial effects as those described by search cost rationale, i.e. the improvement of the information position of the consumer. However, freedom of expression does not aim at achieving an economic optimum. Certain latitude with regard to the consequences of expression is an essential element of freedom of expression.

Second, persuasion or trying to exert influence is one of the main components of all expression that aims at shaping ideas or opinions and likewise expression that aims at self-fulfilment. This ‘persuasion principle’, as Strauss calls it, is one of the basic elements of freedom of expression.\(^{157}\) Thus, persuasiveness \textit{per se} cannot be a reason to exclude commercial expression from protection.

Third, and most importantly, trademark rights and freedom of expression are fundamentally different. Trademark rights are exclusive rights and freedom of expression is ‘merely’ a freedom. Trademark rights provide right holders with a means to prohibit others to speak, if the expression causes harm to the trademark. By giving the trademark right holder a degree of control over the use of the trademark, trademark rights enforce the monologic mode of communication and harm the dialogic form of expression that underlies freedom of expression. In my opinion, an exclusive right to protection the goodwill and advertising function of trademarks cannot be justified, if the underlying advertising may cause negative effects. Others must remain free to challenge the propositions made by advertising. In contrast, freedom of expression merely provides a right for advertisers to speak. It does not exclude dialogic communication or a response by others to the commercial expression. I therefore think that the protection of commercial expression is not excluded by the possibility of negative consequences of advertising.

That being said, I do think that the protection of freedom of commercial expression must necessarily be of a lower intensity that that of non-commercial expression such as on matters of public interest or expression that is related to self-fulfilment, i.e. certain forms of regulation that counter the negative effects of commercial expression must be allowed.

In this light, the argument that the regulation of commercial expression is unwarranted paternalism is unconvincing. Commercial speech may advertise for harmful products like cigarettes or alcohol, or may portray unrealistic lifestyles that some consider harmful. It may be argued, “that people will perceive their own best interests if only they are well enough informed, and that the best means to that end is to open the channels of communication rather than to close them.”

However, I think that the classical idea that more speech is better, i.e. that the truth or falsity of expression will become apparent by allowing others to respond, cannot be equally applied to commercial expression. First, there is an information asymmetry between suppliers and consumers. Second, the possibility of causing negative effects by false commercial expression is much higher than in the case of e.g. political expression. Third, commercial expression is monologic. It does thus not take place in a context that would be favourable to responses that clarify the truth or falsity of speech.

In sum, freedom of commercial expression can indeed be justified by a consequentialist rationale, i.e. because a freedom of commercial expression may satisfy needs that are vital in a free market economy, however, the justification extends only to a freedom of a lower intensity than that of freedom of non-commercial expression.

### 3.4.4 INTERIM CONCLUSION

In the present section, I examined the rationales for freedom of expression as it applies to third party trademark users. I clearly distinguished the rationales for freedom of non-commercial expression and the rationale justifying freedom of commercial expression. In relation to freedom of non-commercial expression of third parties, I discussed the rationale of discovering truth, the democracy rationale, and the self-fulfilment rationale as well as specific rationale for the use of trademarks by third parties i.e. a rationale of dialogic democracy. The justification of freedom of commercial expression of third party traders to use trademarks in e.g. comparative advertising, referential use, and descriptive use lies in the information benefits provided by the expression to the consumer.

The rationale of discovering truth and the democracy rationale justify third party trademark use that contributes to public debate even if it is exaggerated, oppositional, or even potentially wrong. The rationales justify the protection of diverse expression and expression that does not directly contribute to public debate. Strong protection should be granted even if expression criticises or aims at controlling dominant views, entities, or persons in society and if it thereby harms the rights and interests of others. In such expression, whether it takes the form of news reporting, satire, gripe sites or public awareness campaigns, third parties must remain free to criticise or debate the symbols of power. These may be trademarks. If the use of trademark by a third party causes harm to a trademark or a trademark right holder, the rights and interests at stake must be carefully balanced.

I argued that in addition to the rationale of discovering truth and democracy rationale as well as the self-fulfilment rationale, a theory of dialogic democracy can provides a

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158 U.S. Supreme Court 24 May 1076 *Virginia State Board of Pharmacy.*
rationale for the use of trademarks by third parties. The theory explains that the meaning contained in dominant signs in a democracy including such as trademarks has a powerful influence over individuals and groups. As these individuals and groups struggle to determine their place in society, a freedom not just to gain access to forums of discourse or a special protection for certain key participants is important, but also the ability to influence the meaning of these signs (the ability to take part in a process of ‘meaning making’). I, therefore, argued that freedom of expression must protect trademark use of individuals and groups who try to influence the meaning of trademarks that are of social, political or cultural importance and I also argued that this freedom should be strong in dialogic media, such as the Internet.

The rationale of freedom of commercial expression of third parties to use trademarks in comparative advertising, referentially or descriptively lies in the positive effects of advertising for consumers. This rationale resembles the argument underlying search cost rationale, but differs from it in the sense that the freedom of commercial expression is not aimed at achieving an optimum of information but rather at removing significant impairments for traders to inform consumers. As commercial expression is potentially more harmful that non-commercial expression, I argued that the level of protection granted must be lower that that of non-commercial expression, i.e. a certain degree of regulation of commercial expression is permissible.

3.5 THE VARYING LEVEL OF PROTECTION

In the pervious section, I examined rationales that justify freedom of expression including the freedom of third parties to use trademarks. In the present section, I will examine freedom of expression jurisprudence with a focus on criteria that determine the level of protection, thereby drawing on these rationales.

3.5.1 NON-COMMERCIAL EXPRESSION

3.5.1.1 Expression on Matters of Public Interest

In line with the democracy rationale of freedom of expression, the ECtHR as well as the German Bundesverfassungsgericht grant heightened protection to political expression and, more in general, to expression on matters of public interest. This heightened level of protection is of particular relevance to trademark use in non-commercial expression such as criticism of, or comment on a trademark right holder, its products, or a social or cultural phenomenon represented by the trademark.

For the ECtHR “freedom of political debate is at the very core of the concept of a democratic society.”\textsuperscript{159} The Court however also stated that “there is no warrant […] for distinguishing […] between political discussion and discussion of other matters of public

\textsuperscript{159} ECtHR 8 July 1986 Lingens v. Austria, para. 42.
concern." 'Discussion on matters of public concern' did cover the criticism of
unnamed police officers, exaggerated reports about seal hunting, or allegations of
incompetence of a plastic surgeon.

In such cases, the Court thus applies the test of necessity in a democratic society
strictly and it applies a narrow margin of appreciation. It repeatedly held that "there is
little scope under the convention for restrictions on political speech or on debates of
matters of public interest." In the Handyside decision, the ECtHR clarified that this
strong protection encompasses strong dissent and it emphasised the need for pluralism
and broadmindedness. In the words of the Court:

"Freedom of expression constitutes one of the essential foundations of such a
society, one of the basic conditions for its progress and for the development of
every man. Subject to paragraph 2 of Article 10 (art. 10-2), it is applicable not only
to 'information' or 'ideas' that are favourably received or regarded as inoffensive or
as a matter of indifference, but also to those that offend, shock or disturb the State
or any sector of the population. Such are the demands of that pluralism, tolerance
and broadmindedness without which there is no 'democratic society'."

In the later Sunday Times decision, the Court confirmed the particular importance of
the press in a democratic society and in political expression. It held:

"Furthermore, whilst the mass media must not overstep the bounds [imposed in the
interests of the proper administration of justice], it is incumbent on them to impart
information and ideas concerning matters that come before the courts just as in
other areas of public interest. Not only do the media have the task of imparting such
information and ideas: the public also has a right to receive them. Were it
otherwise, the press would be unable to play its vital role of 'public watchdog'."

The ECtHR thus recognises the role of journalists as a "public watchdog" and its
essential role in "ensuring the proper functioning of a political democracy." The Court
however does not make political expression the prerogative of journalists. In addition,
pressure groups and demonstrators may enjoy high protection. In the Steel v. Morris
case, the ECtHR held that

"[t]here exists a strong public interest in enabling such groups and individuals
outside the mainstream to contribute to the public debate by disseminating

160 ECtHR 25 June 1992 Thorgeirson v. Iceland, para. 64.
161 Ibid.
164 E.g. ECtHR 25 November 1996 Wingrove v. The United Kingdom; ECtHR 28 September 1999 Öztürk v.
Turkey; ECtHR 25 November 1999 Nilsen and Johnsen v. Norway. See also VandeLanotte & Haeck 2005,
part II, vol. 1, p. 856.
165 ECtHR 7 December 1976 Handyside v. The United Kingdom. The Handyside case and a range of later cases
also show that the ECtHR does grants a wide margin of appreciation to states if the grounds of a restriction
of freedom of expression are morals or religion.
166 ECtHR 26 November 1991 Sunday Times v. The Untied Kingdom II, para. 50. The role of the press as a
watchdog was first mentioned in ECtHR 25 March 1985 Barthold v. Germany, para. 58.
167 ECtHR 28 September 1999 Dalban v. Romania, para. 48.
168 ECtHR 18 July 2000 Sener v. Turkey, para. 41.
information and ideas on matters of general interest such as health and the environment.”

This means that also the campaigns of pressure groups like Greenpeace, Amnesty International, or Milieudefensie may enjoy strong protection under Article 10 ECHR.

The German BVerfG places similar emphasis on the protection of political expression. In the Lüth case, it held that expression is of particular weight if it is not made in the course of a private debate, but with the aim to contribute to the forming of public opinions. The BVerfG does not limit the high level of protection to a particular medium. Expression of interest to the public can also be contained in a paid advertisement. In the Benetton case, the BVerfG for instance held that an advertisement of a clothing company that showed the naked behind of a person with the stamp ‘H.I.V. positive’ had to be granted heightened protection. It held that the expression was of public interest despite the fact that the advertisement was simultaneously commercial. It also found that potential fear or offence by some people did not justify a restriction on freedom of expression.

Like the ECtHR, the BVerfG finds that strong or fierce expressions of opinion must be tolerated. In particular, the BVerfG recognised already in 1968 that there is an overflow of impressions in society. According to the BVerfG,

“it is the legitimate aim of any expression, which contributes to the forming of opinions, to gain attention. Therefore, all sorts of speech that leaves an impression or strong expressions must be tolerated.”

This recognition is important in relation to third party trademark use in parodies, satire, or criticism. Campaign groups that address social or environmental issues will often use those trademarks of a company that carry a lot of attention, i.e. the main logos. In the campaign material, these logos will often be transformed in an exaggerated manner in order to catch attention. This technique will often be necessary in order to instigate a discussion on the relevant topic. Therefore, I think that the consideration of the BVerfG with regard to exaggerated and strong expression is of particular relevance to third parties in a conflict with trademark rights.

Another valuable element of the jurisprudence of the BVerfG is that it instructs courts to be very conscious of the fact that determining the character of the expression is a precarious matter. As a basic rule, an expression must be judged in each individual case with considerations of all the relevant facts. When judging expressions that carry multi-
layered messages or that aimed at a variety of goals, courts must take a viewpoint that is as differentiated as the expression itself.173

According to the German BGH, the court judging the facts of a case must assess the meaning of the expression. This meaning is not the subjective meaning attributed by the plaintiff nor that of the defendant. The relevant court needs to consider the opinion of an open-minded audience without prior knowledge. It needs to consider the wording as well as the linguistic and other context. It must however not decide upon a definitive meaning of the expression.174 This instruction is very important with respect to expression that carries both commercial and non-commercial elements. It is also important with regard to judging expression of art.

3.5.1.2 Public Figures and Public Symbols

Public figures like politicians, heads of religious organisations, of cultural organisations, or of companies, play an important role in public discourse because they may hold key positions of power or authority. Freedom of non-commercial expression is particularly strong if the expression involves criticism or comment of public figures. As a rule of thumb, public figures will have to endure a great degree of criticism than private individuals. In my opinion, analogous considerations apply to certain trademarks that play an equal role in public discourse as public figures.175 Some trademarks have become the key representatives of companies, much more so than the companies’ chief executives have. In addition, trademarks may represent social phenomena and, as the theory of dialogic democracy showed, it is of key importance that the ability of individuals and groups to use and influence the meaning contained in trademarks, which have become signs of cultural, political, or social representation, is protected.

In the following paragraphs, I will provide an overview of jurisprudence with respect to public figures in which I will indicate elements that analogously apply to trademarks as public symbols.

173 BVerfG 11 March 2003 (Benetton II), “Die Meinungsfreiheit gebietet indessen, eine Sichtweise einzunehmen, die so differenziert ist wie die zu bewertende Aussage selbst.”


175 See also Van Manen 1985; Denicola 1982, p. 198. “Famous trademarks are the functional equivalent of famous names; indeed, if the mark consists of a distinctive graphic representation, it functions as the visual ‘likeness’ of its incorporeal owner as well. It is therefore not surprising that the constitution demands similar restraint in the recognition of trademark rights.” Cantwell 1997, p. 583. “[T]rademark owners, like public figures, who seek the public spotlight must accept the concomitant risk of public ridicule in the form of parody. It is well established that public figures cannot recover for parodies, however vulgar. If ‘good name in man and woman’ can be said in today's world to remain ‘the immediate jewel of their souls,’ surely there is no principled basis to afford greater protection to the reputation of a commercial symbol than is afforded a human being.”
a. Public Figures and Public Symbols

Internationally, one of the key cases about public figures is *New York Times v. Sullivan*, a libel case decided by the United States Supreme Court, which concerned the struggle of the civil rights movement in the southern states. At the time, libel suits against members of the civil rights movement and newspapers reporting about the protests were very common. The New York Times newspaper published a paid political advertisement criticising the police force and commissioner Sullivan from Montgomery, Alabama. Sullivan sued the New York Times for libel. In its decision, the Supreme Court severely limited the possibility for public figures to sue successfully for defamation or libellous expression, by holding that only when a public figure is able to prove with ‘convincing clarity’ that the expression was made with ‘actual malice’, will he be able to recover damages. This decision laid a heavy burden of proof on the plaintiff and seriously reduced any possibility of success in libel proceedings.

In the later *Gertz* case, the Supreme Court nuanced its findings from the *New York Times* case. It distinguished between ‘unlimited’ public figures, to whom actual malice standard should apply and ‘limited’ public figures, who are subject to that standard only if the defamation took place in relation to them being the focus of public debate. According to Smolla, the Supreme Court established the need for a “nexus between the ‘newsworthiness’ of a story and the plaintiff’s role in voluntarily entering the arena of public debate regarding the story.”

The rationale for the far-reaching protection of potentially libellous and defamatory speech is of interest, as it could equally apply to certain trademarks. First, according to U.S. doctrine, public figures are able to protect their reputation themselves because they have privileged access to the media. Second, it is generally supposed that speech about public figures is speech of genuine public interest. Third, public figures, who seek publicity themselves, must learn to live with critical responses. Fourth, if public officials could bring libel actions with ease, such actions would create a chilling effect on the media, which could seriously restrict critical reporting about public figures.

In my opinion, the first and the third argument applies to many trademark as they are heavily advertised trademarks, aiming at improving their public standing, i.e. they may be pervasively used in the media, they seek publicity. The second argument may apply to these heavily advertised trademarks, but it may also apply to trademarks that have otherwise become the focus of public interest, e.g. because of political or social public interest in the goods or services at stake. Clearly also the fourth argument, pertaining to the chilling effects, also applies in the trademark context.

Similar to the United States Supreme Court, the ECtHR has developed a public figures rule in the jurisprudence with regard to conflicts between the protection reputation and the protection of privacy and Article 10 ECHR. In the *Lingens* case, the ECtHR decided that an allegation of journalist Lingens against the then chancellor of Austria Bruno

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179 Ibid., § 23:4.
180 Ibid.
Kreisky, whom he had criticised for defending a former SS officer who had become an influential politician, should receive strong protection. In its decision, the Court held that,

"[T]he limits of acceptable criticism are accordingly wider as regards a politician as such than as regards a private individual. Unlike the latter, the former inevitably and knowingly lays himself open to close scrutiny of his every word and deed by both journalists and the public at large, and he must consequently display a greater degree of tolerance. No doubt Article 10 para. 2 (art. 10-2) enables the reputation of others - that is to say, of all individuals - to be protected, and this protection extends to politicians too, even when they are not acting in their private capacity; but in such cases the requirements of such protection have to be weighed in relation to the interests of open discussion of political issues."

In the Fayed case, the ECtHR applied the public figures reasoning to those businessmen, who run large public companies. The case concerned claims of unfair competition and fraud between business rivals. According to the ECtHR,

"the limits of acceptable criticism are wider with regard to businessmen actively involved in the affairs of large public companies than with regard to private individuals, to paraphrase a principle enunciated by the Court in the context of the State’s power to restrict freedom of expression in accordance with Article 10 para. 2 (art. 10-2) of the Convention. Persons, such as the applicants, who fall into the former category of businessmen inevitably and knowingly lay themselves open to close scrutiny of their acts, not only by the press but also and above all by bodies representing the public interest."

Finally, in the Steel and Morris case, the ECtHR expanded the public figure argument beyond natural person also to companies, thereby applying the rule, which was developed in order to balance privacy or personality interests with freedom of expression, to cases that involve economic or commercial interests and freedom of expression. The case concerned a campaign of the environmentalist group London Greenpeace by means of the leaflet ‘What’s wrong with McDonald’s?’, containing factually wrong criticism against McDonald’s. The Court held that,

"[I]t is true that large public companies inevitably and knowingly lay themselves open to close scrutiny of their acts and, as in the case of the businessmen and women who manage them, the limits of acceptable criticism are wider in the case of such companies.”

In my opinion, the Steel and Morris case shows that a similar rule to that involving public figures must equally be applied to such trademarks that are public symbols. Similar to public persons this will not apply to all trademarks but only to trademarks that are of a certain level of public interest. Criteria for such a status may be that they are widely know, pervasively used in advertising campaign, that they are the subject of or related to an ongoing public debate, or that they represent socially, culturally or politically relevant meanings. In determining such status and thus a heightened level of

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181 ECtHR 8 July 1996 Lingens v. Austria, para. 46; ECtHR 5 May 1991 Oberschlick v. Austria, para. 59.
182 ECtHR 21 September 1994 Fayed v. The United Kingdom, para. 75 (citation omitted).
183 ECtHR 15 February 2005 Steel and Morris v. The United Kingdom, para. 94.
protection for expression involving such trademarks, it is essential that courts recognise the importance of the ability to influence the meaning represented by such signs.

b. The Countervailing Interests

In most of the above cases, freedom of expression must be balanced against the privacy or personality interests of public figures, whereby a distinction between the private and the public sphere of public persons is made by the ECHR. Persons like politicians may have to endure also expression that affects their private interests, whereas other public figures receive more protection of their private lives.\(^\text{184}\) Equally, the BVerfG protects the personality of public persons under Article 2 GG, the general personality right.\(^\text{185}\) Politicians and anyone who engages voluntarily in public debate lose part of the right to protect their reputation.\(^\text{186}\)

When the reputation or distinctiveness of trademarks is concerned, the countervailing interests are different. It is not the protection of privacy or personality interests that is at stake; rather, the balance must be struck between the economic interests of right-holders and freedom of expression of the third party trademark user. In the words of the ECHR in its \textit{Steel and Morris} decision,

\begin{quote}
`in addition to the public interest in open debate about business practices, there is a competing interest in protecting the commercial success and viability of companies, for the benefit of shareholders and employees, but also for the wider economic good.'\(^\text{187}\)
\end{quote}

In weighing these economic interests of right holders against freedom of expression, generally applicable balancing criteria from freedom of expression jurisprudence must be applied. A particularly relevant criterion in considering criticism or comment of trademarks or trademark right holders is the distinction in protection between value judgements and statements of fact. It is consistent jurisprudence of the ECHR that expression may ‘shock offend or disturb’. This applies in particular to value judgements, where great leniency must be granted. However, the ECHR clearly did not intend to allow value judgments that are without any factual basis to be fully protected and it requires that also value judgements must be grounded in factual evidence.\(^\text{188}\)

\(^\text{184}\) ECHR 18 May 2004 \textit{Plon v. France}. In the \textit{Plon} case, reports of the personal physician of Francois Mitterrand, the then deceased President of the French Republic, on the medical condition of the late president were held to be protected strongly under Article 10 ECHR as these reports were of public interest.

\(^\text{185}\) BVerfG 15 January 1958 (Lüth); BVerfG 3 June 1987 (Strauss Karrikatur).

\(^\text{186}\) This balance is also reflected in Article 22 and 23 of the German \textit{Kunsturheberrechtsgesetz}, which gives persons the right to prohibit the publication of pictures that have been taken without their consent. In this respect ‘Personen der Zeitgeschichte’, (transl. ‘figures of contemporary society’) have a lesser entitlement of protection. Thereby, the BGH distinguished between ‘absolute Personen der Zeitgeschichte’ or ‘figures of contemporary society par excellence’ and ‘relative Personen der Zeitgeschichte’, i.e. persons who have become the subject of news by coincidence. Pictures relating to the first category of persons were considered news \textit{per se}. Exactly this classification was criticised by the ECHR in the \textit{Von Hannover} case, where the Court found that also celebrities are entitled to the protection of their private life. ECHR 24 June 2004 \textit{Von Hannover v. Germany}. The same balance is contained in Articles 19 to 21 of the \textit{Auteurswet 1912} (the Dutch Copyright Act) regulating the right to object to the publication of a picture.

\(^\text{187}\) ECHR 15 February 2005 \textit{Steel and Morris v. The United Kingdom}, para. 94.

\(^\text{188}\) ECHR 24 February 1997 \textit{De Hues and Gijssels v. Belgium}. See also Castendyk, Dommering & Scheuer 2008, p. 33.
Similarly, the German BVerfG distinguishes between allegations of fact and opinions. Opinions receive wider protection than allegations of fact. They may be polemic or exaggerated. Pejorative terms like ‘crook’ or ‘cutthroat’ may, dependent on the particular factual situation, be seen as value judgements rather than factual allegations.189

Interestingly, it may not just be the interpretation of the audience that counts in such cases, but the intention of the speaker must also be given strong weight. The Dutch Hoge Raad decided that the use of the word “kwakzalver” (transl. ‘quackery’) by the ‘Vereniging tegen de Kwakzalverij’ (‘Association against Quackery’) for a form of therapy was justified, despite the fact that a part of the audience would understand the term “kwakzalver” as pejorative reference.190 The decisive criterion for the Hoge Raad was that the Association had made clear in its public statements that it was using the term in order to refer to its own objective definition of quackery and not in order to make a pejorative statement. A point stressed by Dommering is of interest here, namely that it is the speaker, who sets the conditions under which he wants to participate in public debate; a misunderstanding of these intentions by the public should not be attributed to the speaker.191

In case of factual allegations, exaggerations are less tolerated and a requirement of proof is compatible with freedom of expression.192 In a case where a journalist could not substantiate his allegation, the court mentioned that journalists should “provide accurate and reliable information in accordance with the ethics of journalism.”193 Equally, the ECtHR deemed it in accordance with Article 10 ECHR that the campaigners from London Greenpeace were required to adduce proof of the allegations that they made against McDonalds.194

Under German law, a speaker who makes allegations of fact does have a duty of care to verify the allegations. This duty of care of the press is higher than that of individuals. Individuals may e.g. rely on undisputed press reports.195

In some cases, the ECtHR deemed it permissible that facts are presented in an exaggerated manner. In the Bladet Tromso case, a journalist based his report on seal hunting on a leaked government report that had been held back due to inaccuracies.196 Based on the report, he wrote that ‘seals were skinned alive’ and that someone trying to

189 ECtHR 8 July 1986 Lingens v. Austria; ECtHR 7 May 2002 McVicar v. The United Kingdom; ECtHR 24 February 1997 De Haes and Gijssels v. Belgium; BGH 29 January 2002 (Schmähkritik); BGH 1 February 1977 (Halsabschneider).
190 HR 15 May 2009 (‘Vereniging tegen de Kwakzalverij’).
191 Dommering 2009.
192 In the Lingens case, journalist Lingens had been held liable by Austrian courts to proof the allegation that Bruno Kreisky acted with “basest opportunism” in support of a former Nazi officer turned politician. Adducing proof of this allegation was quite impossible, since it the statement concerned a value judgement. In the decision, the Court held that, “[A] careful distinction needs to be made between facts and value-judgements. The existence of facts can be demonstrated, whereas the truth of value-judgements is not susceptible of proof. ... As regards value judgements this requirement [to prove the truth of allegations] is impossible of fulfilment and it infringes freedom of opinion itself.” ECtHR 8 July 1996 Lingens v. Austria, para. 46; affirmed ECtHR 5 May 1991 Oberschlick v. Austria; ECtHR 28 August 1992 Schwabe v. Austria.
193 ECtHR 7 May 2002 McVicar v. The United Kingdom, para. 73.
194 ECtHR 15 May 2005 Steel and Morris v. The United Kingdom.
stop the hunters was ‘beaten up by furious hunters’. While these facts were untrue, the ECHR found that readers of the newspaper would correctly interpret the story as an exaggeration. Likewise, it found that the journalist had not violated his duty of care.

This is important to the present research as campaign groups that express their criticism about trademark right holders or trademarked goods are prone to voice their criticism in an exaggerated manner. In addition, criticism or comment entailing trademarks as any symbolic speech may very often mix facts with emotions. Greenpeace for instance depicted the ESSO trademark as E$$O in a campaign about the environmental impact of that company; a Dutch environmental organisation used the word ‘poison’ in red letters over the trademark of a super market chain that sells vegetables with a high concentration of pesticides; another Dutch campaign group called for a boycott of an orange trader involved in the South African apartheid regime. The poster showed a cut off head of a little African boy squeezed on an orange squeezer carrying the slogan ‘Do not squeeze South Africans’. In judging these expressions, courts should not try to split factual allegations from value judgements and they should leave room for exaggeration.

Seen from the perspective of freedom of expression, campaign groups have the freedom to change the public opinion about trademarks and trademark right holders. They may be allowed to use harsh criticism just because trademark right holders have sought the public stage by pushing forward a pervasive positive image. On the other hand, freedom of expression, may not warrant baseless allegations or criticism that harms the economic or commercial status of trademarks.

The limits of the harm that a trademark right holder must be prepared to accept may be hard to define. In a German Boycott case from 1982, the BVerfG held that,

‘in pursuit of the aim the person calling for a boycott may not go further in the necessary influence upon the addressee than what would be justified by the circumstances. This would be the case, if the person calling for a Boycott employs means that are restricted to means contribute to the struggle of opinions. It is not warranted to exert economic pressure in a manner that causes grave economic disadvantage and that consequently makes it impossible for the addressee to take a free economic decision.’\(^{197}\)

In my opinion, such a criterion of taking influence on the ‘free economic decision making’ of a trademark right holder would be too restrictive. I rather think that economic harm must be balanced in a balancing process that takes all relevant factors into account, such as the contribution to public debate, the degree of public interest, the various meanings that in particular expression about signs can carry, the interests of the speaker, or the fact that harm of exaggerated statements may be reduced, because the public in many cases knows how to filter out the exaggeration from the facts.

\(^{197}\) BVerfG 15 November 1982 (Boykottaufruft); paraphrased from German, „Die Verfolgung der Ziele des Verrufers darf ferner das Maß der nach den Umständen notwendigen und angemessenen Beeinträchtigung des Angegriffenen oder des Betroffenen nicht überschreiten. Schließlich müssen die Mittel der Durchsetzung des Boykottauftrags verfassungsrechtlich zu biligen sein. Das ist der Fall, wenn der Verrufer sich gegenüber dem Adressaten auf den Versuch geistiger Einflußnahme und Überzeugung, also auf Mittel beschränkt, die den geistigen Kampf der Meinungen gewährleisten. Dagegen ist die Ausübung wirtschaftlichen Drucks, der für die Adressaten eines Boykottauftrufs schwere Nachteile bewirkt und ihnen demgemäß die Möglichkeit nimmt, ihre Entscheidung in voller innerer Freiheit zu treffen, nicht durch Art. 5 Abs. 1 GG geschützt.” (Citations ommitted).
A limit to freedom of expression exists, in my opinion, where the expression is no longer justified by the facts. This is accepted by the ECtHR\textsuperscript{198} and by the BVerfG, which defines the limit of acceptable criticism or comment at the level of defamation or “Schmähkritik,” meaning that expression may be polemic and exaggerated, but a prohibition is justified when use of a trademark does not address the an issue of public interest connected to the trademark, but rather primarily disparages the trademark.\textsuperscript{199}

In this respect, the Vajnai decision of the ECtHR is of interest, wherein the Court confirmed that,

“utmost care must be observed in applying any restrictions, especially when the case involves symbols which have multiple meanings. In such situations, the Court perceives a risk that a blanket ban on such symbols may also restrict their use in contexts in which no restriction would be justified. [...] [I]t is only by a careful examination of the context in which the offending words appear that one can draw a meaningful distinction between shocking and offensive language which is protected by Article 10 and that which forfeits its right to tolerance in a democratic society.”\textsuperscript{200}

Hence, in determining whether expression is primarily defamatory, courts are called upon to be careful not to attribute a singular meaning to expression, which can be interpreted in various manners.

3.5.1.3 Artistic Expression

Artistic expression takes a special place in freedom of non-commercial expression next to expression on matters of public interest, public figures, and public symbols by playing an important role in the self-fulfilment of artists. As the theory of dialogic democracy explains, it can also deliver an important contribution to social and cultural development. Pop-art, for instance, often places trademarks out of context to comment on consumer culture, thereby triggering a process of reflection in the viewers. Thereby, artists may contort reality, overemphasize certain aspects, or exaggerate and shock, whereby they may cause harm to protected trademarks. Given the fact that artistic expression is often seen as provocative, offensive or tasteless, I think that particular value of a freedom of artistic expression would lie in instructing courts to take account of the

\textsuperscript{198} E.g. ECtHR 8 July 1986 Lingens v. Austria; ECtHR 7 May 2002 McVicar v. The United Kingdom; ECtHR 6 February 2001 Tammer v. Estonia; ECtHR 24 February 1997 De Haes and Gijssels v. Belgium; Castendyk, Dommering & Scheuer 2008, p. 33 and 38; Barendt 2005a, p. 224.

\textsuperscript{199} BVerfG 26 June 1990 (Postmortale Schmähkritik), „Einer verfassungsrechtlichen Nachprüfung hält aber auch die Einordnung der Äußerung als Schmähkritik nicht stand. Eine Meinungsdäufierung wird nicht schon wegen ihrer herabsetzenden Wirkung für Dritte zur Schmähung. Auch eine überzogene und selbst eine ausflügige Kritik macht für sich genommen eine Äußerung noch nicht zur Schmähung. Eine herabsetzende Äußerung nimmt vielmehr erst dann den Charakter der Schmähung an, wenn in ihr nicht mehr die Auseinandersetzung in der Sache, sondern die Diffamierung der Person im Vordergrund steht. Sie muß jenseits auch polemischer und überspitzter Kritik in der Herabsetzung der Person bestehen.“

\textsuperscript{200} ECtHR 8 July 2008 Vajnai v. Hungary, paras. 51 and 52.
particular manner in which artists communicate, i.e. in an often very indirect, multilayered, contorted or exaggerated way.\textsuperscript{201}

In the following paragraphs, I will examine the jurisprudence of the ECtHR and BVerfG with respect to artistic expression in order to see if these courts take specific account of the nature of artistic expression and the role it plays in the process of social, cultural or political debate.

Article 10 ECHR does not distinguish between art and other sorts of expression. It covers

“freedom of artistic expression – notably within freedom to receive and impart information and ideas – which affords the opportunity to take part in the public exchange of cultural, political and social information and ideas of all kinds.”\textsuperscript{202}

The ECtHR links the importance of artistic expression to the self-fulfilment of individuals\textsuperscript{203} but also to the role it plays in public discussion. Similar to political expression, artistic expression is protected even when it offends shocks, or disturbs. However, artistic expression is often limited in order to protect morals or religious feelings. Contrary from what one would expect, the ECtHR grants a wide margin of appreciation to states to restrict expression in the name of morals or religious feelings.\textsuperscript{204}

The case of Vereinigung Bildender Künstler v. Austria is of particular interest to trademark use in satire or in cartoons. The case concerned a prohibition of Austrian artist Otto Mühl’s painting ‘Apocalypse’, depicting 34 Austrian public figures (mostly members of the right-wing FPÖ and of the catholic clergy) taking part in an orgy. Otto Mühl, who had lived in a Viennese anti-bourgeois commune that propagated, amongst others, free sexual relations between adults and minors, had been convicted in 1991 for child molestation and had been sentenced to seven years imprisonment. Members of Austrian Freedom Party and the Catholic Church publicly voiced fierce criticism of Mühl. His painting, which was exhibited in 1998 in a Viennese gallery, was intended as a ‘reply’ to his critics. Upon application of one of the portrayed politicians, an Austrian court ordered an injunction against the exhibition of the painting, as it infringed the portrait right of one of the politicians.

A minority of the ECtHR found the prohibition of the exposition of the painting permissible as such paintings,

“undermine the reputation or dignity of others, especially if they are devoid of any meaningful message and contain nothing more than senseless, repugnant and disgusting images.”

\textsuperscript{201} According to Voorhoof, “often cartoons are provocative, with a dose of (black) humour. And often they are disrespectful towards persons, victims, minorities, governments, states or groups and sectors in society.” Voorhoof 2009.


\textsuperscript{203} In the Mueller, Otto Preminger, and Wingrove cases, the ECtHR confirmed that states have a wide margin of appreciation in cases concerning the protection of morals. ECtHR 24 May 1988 Müller and Others v. Switzerland; ECtHR 20 September 1994 Otto Preminger v. Austria; ECtHR 25 November 1996 Wingrove v. United Kingdom. Castendyk, Dommering & Scheuer 2008, p. 40.
In contrast, the majority interpreted the painting differently and viewed the depictions as referring to the public life of the politician in question, meaning that he had to “display a wider tolerance in respect of criticism”. The majority also found that the harm to politician who had filed for the injunction was not that great as he was only one of the 34 depicted figures and played only a relatively unimportant role in the painting. Consequently, the Court held the injunction of the Austrian courts to be in violation of Article 10 ECHR.

In my opinion, it is difficult to draw general conclusions from this judgement, due to the divided opinions of the judges and the highly factual nature of the decision. One statement of the Court is however of importance to the protection of third party trademark use in satire or parody. In paragraph 33, the ECtHR noted that,

“satire is a form of artistic expression and social commentary and, by its inherent features of exaggeration and distortion of reality, naturally aims to provoke and agitate. Accordingly, any interference with an artist's right to such expression must be examined with particular care.”

I think that this statement is an important recognition of the particular freedom that must be granted to artists when they draw a satiric image or a parody in an exaggerated fashion.

Regretfully, the jurisprudence of the ECtHR shows little consistency with regard to the application of this criterion. In a later case, the ECtHR granted less protection to a cartoon published shortly after 11 September 2001. The cartoon was published in a small Bask newspaper, which had previously disseminated Anti-American views. It showed a plane crashing into the twin towers. The caption read, “We have all dreamt of it... Hamas did it.” This was a parody of a commercial slogan of Sony, which read, “We have all dreamt of it... Sony did it.” The Artist had been convicted under the French penal law for condoning terrorism. In this case, the court did not follow the same consideration as in the Vereinigung Bildender Künstler case. It rather followed the line of reasoning of the French courts holding the artist responsible for the exaggeration and agitation in the tense atmosphere after 11 September. Accordingly, it found the French conviction to be justified under Article 10.2 ECHR.

Also in the Lindon case, the Court – while confirming that those who themselves are vociferous participants in public debate must accept particularly strong criticism - considered the prohibition of a fictional book about a trial against French right wing political Mr. Le Pen, in which he was accused of being responsible for the murder of an immigrant, to be permissible under Article 10.2 ECHR. Certainly, the author of that book had acted with the intent to stimulate public discussion about the possible consequences of xenophobic rhetoric used by Mr. Le Pen, thereby contributing to a debate that was already ongoing in France.

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205 ECtHR 25 January 2007 Vereinigung Bildender Künstler v. Austria, para. 34.
206 ECtHR 6 April 2008 Leroy v. France.
207 ECtHR 22 October 2007 Lindon v. France, para. 56, “as Mr Le Pen, a leading politician, is known for the virulence of his speech and his extremist views, on account of which he has been convicted a number of times on charges of incitement to racial hatred, trivialising crimes against humanity, making allowances for atrocities, apologia for war crimes, proffering insults against public figures and making offensive remarks. As a result, he has exposed himself to harsh criticism and must therefore display a particularly high degree of tolerance in this context.”
208 ECtHR 22 October 2007 Lindon v. France.
Under the German constitution, artistic freedom plays a very important role. Article 5.3 GG protects artistic freedom in a different manner from freedom of opinion. Pursuant to Article 5.2 GG, ordinary law may limit the freedom of opinion and the other freedoms contained in Article 5.1 GG. The limitation of Article 5.2 GG is not applicable to Article 5.3 GG, which protects artistic freedom. As a result, only constitutional provisions such as the general personality right of Article 2 GG can limit artistic freedom.

In the definition of art and in the judgement of artistic expression, German courts must exercise particular care. The German Bundesverfassungsgericht has attempted to define art in a number of decisions. It thereby takes a midway approach between the need to define art for the purposes of a decision and the need to avoid such a definition in order not to unduly exclude expression from the ambit of Article 5.3 GG. The test, which determines that expression should be considered art, is thus deliberately open, vague.

In the *Mephisto* case, the BVerfG held that,

‘the essence of art lies in free creation, in which impressions and experiences of the artist are immediately communicated to the public by means of a ‘material language’ [Formensprache][…] Intuition, fantasy and artistic knowledge work together in the process of artistic creation; it is not primarily information, but expression of the immediate and individual personality of the artist.’

This definition clearly lays the link to the self-fulfilment rationale and in particular to the relevance of using a particular form of expression. The reference to intuition and fantasy also shows that the meaning of art cannot easily be judged by a court. The

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210 In the Anachronistischer Zug case, the BVerfG further expanded on the definition of art. It used three alternative manners of determining the nature and meaning of a street theatre performance. First, it relied on the criterion of personalised free creativity from the Mephisto case. Second, it applied a more objective criterion. It assessed the artistic expression by using the typologies of art that are used in the field of art itself. Third and most important, it concluded that the meaning of art by its very nature is open to a variety possible interpretations. In its decision, the BVerfG also stated that artistic expression must be interpreted in its totality. It is not permissible to detach elements of the expression and to judge whether they separately would indicate (criminal) liability. BVerfG 18 July 1984 (Anachronistischer Zug).

Finally, in the Strauss Karrikatur case, the BVerfG held that although a general definition of art is impossible, court must define the scope of artistic freedom. Such a definition must only distinguish between what should be considered art and what not. A classification of art into high or low art may not be undertaken by courts, because it is not warranted by the constitution. This means that courts must judge artistic expression on a case by case basis. BVerfG 3 June 1987 (Strauss Karrikatur), p. 377, “Ungeachtet der Unmöglichkeit, Kunst generell zu definieren, gebietet die verfassungsrechtliche Verbürgung dieser Freiheit, ihnen Schutzbereich bei der konkreten Rechtsanwendung zu bestimmen. […] Erlaubt und notwendig ist allerdings nur die Unterscheidung zwischen Kunst und Nichtkunst; eine Niveaukontrolle, also eine Differenzierung zwischen “höherer” und “niederer”, “guter” und “schlechter” (und deshalb nicht oder weniger schutzwürdiger) Kunst, ließe demgegenüber auf eine verfassungsrechtlich unstatthaft Inhaltskontrolle hinaus.” (citation omitted).

BVerfG further explained how it understands the relationship between art and reality by holding that

‘even if the artist is dealing with processes of real life, will this reality be ‘compressed’ in the artefact. The reality will be loosened from the contexts and laws of the empirical world and it will be placed into a new context, in which not the themes of reality, but the artistic necessities of the expressive creation [das künstlerische Gebot der anschaulichen Gestaltung] will take the foreground. The truth of the individual process can and must in some circumstances be sacrificed in the name of artistic unity.’

In my opinion, this is an important recognition of transformative process of art. It is fully in line with the theory of bricolage, which I discussed above. It means that art must not be judged in the same manner as factual statements as the meaning of art by its very nature is open to a variety possible interpretations. According to the BVerfG, artistic expression must be interpreted in its totality and it is not permissible to detach elements of the expression and to judge whether they separately would indicate (criminal) liability.

The BVerfG defines definite limits of freedom of artistic expression in similar terms to those of expression on a matter of public interest at the level of “Schmähkritik”, i.e. when criticism or comment no longer bears any factual relationship with an issue of public interest connected to the trademark, but rather primarily disparages the trademark at stake.

In sum, while the ECtHR does not define a separate category of artistic expression and thus judges such expression under the general standards, the German Grundgesetz clearly knows a specific category of artistic expression. In defining and judging artistic expression, the BVerfG does, however, not apply entirely different standards; it rather instructs courts to take account of particular nature of artistic expression such as its multi-layered messages and the fact that artistic expression can be interpreted in a multitude of ways.

I think that, this approach of the BVerfG is an important recognition of the particular nature of artistic expression and I do believe that courts, also when judging a conflict between trademark rights and freedom of artistic expression under Article 10 ECHR should take care not to interpret the expression in a singular manner. They should e.g. not focus solely on the fact that an expression causes economic harm. Moreover, the theory of dialogic democracy makes clear that it is important that artists have the freedom to

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212 Ibid., „Auch wenn der Künstler Vorgänge des realen Lebens schildert, wird diese Wirklichkeit im Kunstwerk „verdichtet“. Die Realität wird aus den Zusammenhängen und Gesetzmäßigkeiten der empirisch-geschichtlichen Wirklichkeit gelöst und in neue Beziehungen gebracht, für die nicht die „Realitätsthematik“, sondern das im Vordergrund steht. Die Wahrheit des einzelnen Vorganges kann und muß unter Umständen der künstlerischen Einheit geopfert werden.”

213 See above section 3.4.2.


215 In the Strauss Karrikaturen case, the BVerfG saw a prohibition of the expression justified, because the caricatures at issue aimed at dehumanising and disparaging the Bavarian politician Strauss. The politician was depicted as a pig engaging amongst others in sexual activities. They affected the general right of personality (Article 2 GG) of the politician. BVerfG 3 June 1987 (Strauss Karrikatur).
question, contort, or exaggerate the positive (ir)reality that makes up the distinctiveness and repute of trademarks. In order to appropriately protect this freedom, courts need to take differentiated view of the art, not holding it to the standards of factual allegations and accepting that art, in particular when it uses signs, is inherently multi-layered in meaning.

3.5.1.4 Chilling Effects on Public Discourse

The previous sections showed that Article 10 ECHR and constitutional rights such as Article 5 GG grant third parties a particularly strong freedom of expression in non-commercial expression and that limitations on expression that contributes to public discourse and that concerns public figures or public symbols is less tolerated.

However, even if national authorities generally grant the appropriate level of protection in cases before them, obstacles to the exercise of the freedom may by themselves create disproportionate impairments. Such obstacles may be the prospect of severe sanctions, significant costs of litigation, a need to litigate to the highest court in order to get their freedom respected, or a lack of equality of arms between litigants. The uncertain prospect of getting their freedom recognised will deter those who want to use trademarks in public debate or art. Consequently, public debate about trademark right holders, their products, and, as the theory of dialogic democracy showed, on determining meaning in society in general may be stifled. Third parties who may want to speak out or express themselves by using trademarks may chose not to do so. They may withdraw from public debate after receiving a ‘cease and desist’ letter from the trademark right holder. The effect of obstacles to the exercise of freedom of expression is referred to as or chilling effects on public debate.

The ECtHR has consistently tested such obstacles under Article 10.2 ECHR. In the Lingens case, the ECtHR confirmed for instance that a Member State might not require a journalist to prove a value judgement. In the later Thorgeir Thorgeirson, Jersild, and Bladet Tromso cases, the Court confirmed that sanctions placed on journalists for truthful or exaggerated reporting could seriously hamper the role of the press as a watchdog. In Bladet Tromso case, it held that,

“[t]he most careful scrutiny on the part of the Court is called for when, as in the present case, the measures taken or sanctions imposed by the national authority are capable of discouraging the participation of the press in debates over matters of legitimate public concern.”

216 E.g. in the Lila Postkatre case. BGH 3 February 2005 (Lila Postkarte).
217 See below section 5.5.3.5.
218 ECtHR 8 July 1986 Lingens v. Austria, para. 45.
219 ECtHR 25 June 1992 Thorgeirson v. Iceland, para. 68, “[f]inally, the Court considers that the conviction and sentence were capable of discouraging open discussion of matters of public concern.” ECtHR 23 September 1994 Jersild v. Denmark, para. 35, “[t]he punishment of a journalist for assisting in the dissemination of statements made by another person in an interview would seriously hamper the contribution of the press to discussion of matters of public interest and should not be envisaged unless there are particularly strong reasons for doing so.”
220 ECtHR 20 May 1999 Bladet Tromso v. Norway, para. 64. The term chilling effects has been used in the Pedersen Case, ECtHR 17 December 2004 Pedersen and Baadsgaard v. Denmark, para. 93, “In the instant case, the applicant journalists were each sentenced to twenty day-fines of 400 Danish kroner (DKK), amounting to DKK 8,000 (equivalent to approximately 1,078 euros (EUR)) and ordered to pay
In similar vain, the BVerfG decided in the ‘Bayer Aktionäre’ case that persons, who in good faith publicly make accusations that are based on factual information obtained through the press, may not be required to prove the truth of their accusations. In its decision, the BVerfG considered that if such a requirement existed, not only would the individual freedom of expression be paralysed. More importantly, the communication on a general level would be restricted if a person could not use factual information obtained in the press.

The ECtHR’s decision in the Steel and Morris case is of particular importance with respect to chilling effects. In this case, the ECtHR examined inequalities between the parties, unequal division of the burden of proof and severe sanctions can render restrictions on freedom of expression disproportionate under Article 10.2 ECHR.

Steel and Morris campaigned in front of McDonald’s by distributing leaflets that accused McDonalds of causing environmental harm. The multinational McDonald’s sued the campaigners for defamation before a British court. The position of the parties at trial was far from equal. The multinational McDonald’s was not required to prove that he had suffered any financial damages. The defendants on the other hand faced an expensive trial, did not receive legal aid, and they were required to prove the truth of all of their allegations. In the end, they were convicted to pay significant fines.

In its decision, the ECtHR pointed out that an “award of damages for defamation must bear a reasonable relationship of proportionality to the injury to reputation suffered.” In the crucial paragraph of the decision, it held:

“The more general interest in promoting the free circulation of information and ideas about the activities of powerful commercial entities, and the possible “chilling” effect on others are also important factors to be considered in this context, bearing in mind the legitimate and important role that campaign groups can play in stimulating public discussion […] The lack of procedural fairness and equality therefore gave rise to a breach of Article 10 in the present case.”

compensation to the estate of the deceased chief superintendent of DKK 100,000 (equivalent to approximately EUR 13,469) (see paragraphs 33 and 37 above). The Court does not find these penalties excessive in the circumstances or to be of such a kind as to have a “chilling effect” on the exercise of media freedom.”

221 BVerfG 9 October 1991 (Bayer Aktionäre).
223 ECtHR 15 February 2005 Steel and Morris v. The United Kingdom.
224 Ibid., para 96. “not only were the plaintiffs large and powerful corporate entities but that, in accordance with the principles of English law, they were not required to, and did not, establish that they had in fact suffered any financial loss as a result of the publication of the “several thousand” copies of the leaflets found by the trial judge to have been distributed.” (citations omitted).
225 Ibid.
226 Ibid., para. 95 (citations omitted).
In my opinion, the *Steel and Morris* decision clearly demonstrates that also the impact of procedural requirements like the burden of proof and the severity of sanctions must be carefully scrutinised. The lack of the requirement for a trademark right holder to prove the existence of harm, for instance, may, in certain circumstances, itself be a disproportionate restriction on freedom of expression. In this respect, I think that it will also be necessary to scrutinise the impact of the procedural requirements and sanctions contained in the Directive on the enforcement of intellectual property rights as they might put disproportionate limitations on freedom of expression.227

### 3.5.2 Purely Commercial Expression

After initial hesitation, the ECtHR has fully accepted that ‘information of a commercial nature’ falls under the *subject matter* of Article 10 ECHR, which, in my view, includes third party use of trademarks in e.g. in comparative advertising, in referential use, or in descriptive use.228 The Court justifies the protection of commercial expression because it deems advertising to be a means “for the citizen advertising [to discover] the characteristics of services and goods offered to him.”229

The ECtHR does however not give a clear definition of commercial expression. The Court stresses that freedom of expression applies to everyone and that,

“[n]o distinction is made in it according to whether the type of aim pursued is profit-making or not ... and [that] a difference in treatment in this sphere might fall foul of Article 14 [ECHR].”230

Partial definitions of commercial expression can be found in the case law. In the *Scientology* case, the ECtHR characterised commercial expression as advertisements “of a pure commercial nature.”231 In the *Verein gegen Tierfabrieken* case, it qualified it as expression made in “the regular commercial context in the sense of inciting the public to purchase a particular product.”232 In *markt intern*, it decided that Article 10 ECHR “does not apply solely to certain types of information or ideas or forms of expression.” It applies also to expression of a commercial nature. Finally, in the *Krone* case, it decided that a plain comparative advertising message of a newspaper company fell under Article 10 ECHR.233 These cases show that expression, which does no more than promote the products or services of a traders, does fall under Article 10 ECHR.234 Consequently, third party trademark use will fall under Article 10 ECHR in almost all cases.

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228 ECtHR 25 March 1985 *Barthold v. Germany*, para. 42, referring to ‘commercial advertising’; ECtHR 20 November 1989 *markt intern v. Germany*, para 26, stating that Article 10 does not apply solely to certain types of information or ideas or forms of expression but also to ‘information of a commercial nature’; ECtHR 25 August 1998 *Hertel v. Switzerland*, para 47, referring to “commercial matters” and “purely ‘commercial’ statements”; ECtHR 11 December 2003 *Krone Verlag v. Austria*, applying Article 10 ECHR to a purely commercial comparative advertisement. See also Kabel 2003a.
230 ECtHR 12 February 1993 *Casado Coca v. Spain*, para 35; see also ECtHR 22 May 1990 *Autronic AG v. Switzerland*, para 47.
231 ECommHR 5 May 1979 *X and Church of Scientology v. Sweden*.
232 ECtHR 28 June 2001 *Verein gegen Tierfabrieken*, para. 70.
233 ECtHR 11 December 2003 *Krone Verlag v. Austria*.
234 Hertig Randall 2006, p. 60.
In German law, Article 5 GG is not the only basis for protecting commercial expression. Article 12 GG, the freedom of profession, and Article 14 GG, the right to property, equally apply to business activities such as advertising. In a number of cases, German appellate courts applied solely Article 12 GG to cases involving advertising.\(^\text{235}\)

In the 1971 *Jugendgefährdende Schriften* case, the BVerfG held that expression with a commercial aim was protected under Article 5 GG.\(^\text{236}\) The case concerned an advertisement for ‘ideas’, so it was unclear whether the Court considered purely commercial information to be protected as well. In later jurisprudence, the BVerfG protected commercial expression under the freedom of opinion as well as under the freedom of the press.

Commercial expression falls under the freedom of opinion if a relationship with the process of forming opinions exists.\(^\text{237}\) The BVerfG applied Article 5 GG for instance to advertising claiming the health benefits of a product.\(^\text{238}\) It also applied it to comparative advertising.\(^\text{239}\)

Commercial expression is also covered if it falls under the freedom of the press and the freedom of broadcasters. These freedoms grant an institutional protection, which includes non-commercial as well as the commercial content of the medium.\(^\text{240}\) In the *Benetton I* decision, the BVerfG stated,

> “The protection provided by Article 5.1(1) of the Basic Law, which, in this context, is embedded in the protection of the freedom of the press, also extends to the expression of opinions for commercial purposes and to nothing other than business advertising that expresses a value judgement and contributes to the formation of opinions. To the extent that the statement of an opinion - a view, a value judgement or a specific perspective - is expressed in an image, such an image also falls under the scope of Article 5.1(1).”\(^\text{241}\)

This decision thus shows that Article 5.1 GG extends thus to ‘nothing other than business advertising … that contributes to the formation of opinions’ about produce or services. Consequently, it can be assumed that Article 5.1 GG covers trademark use in comparative advertising, referential use, and descriptive use.\(^\text{242}\)

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\(^{235}\) Stiess 2000, p. 91. See also Ahrens 2004, no. 64 to 124.

\(^{236}\) BVerfG 22 June 1960 (*Jugendgefährdende Schriften*).

\(^{237}\) BVerfG 22 January 1997 (*Warnhinweise für Tabakerzeugnisse*).

\(^{238}\) BVerfG 1 August 2001 (*Therapeutische Äquivalenz*).

\(^{239}\) Ahrens 2004, Einl F no. 101.


\(^{241}\) BVerfG 12 December 2000 (*Benetton I*), p. 172 (citations omitted, underline added).

\(^{242}\) Article 5.1 GG covers advertising on billboards, busses, tricots, or in sports facilities. Stiess 2000, p. 103; Drettmann 1984, p. 116.
Both the ECtHR and the BVerfG grant a lower level of protection to expression with a purely commercial aim. As the discussion on the rationales of freedom of commercial expression showed, this differentiation in treatment can be justified because of the information asymmetry between traders and consumers, and because of an increased likelihood of harm to consumers and other traders that can be caused by commercial expression.

Already in the first (partly) commercial expression decision, Scientology, the Court held that ‘commercial ideas’ should receive lesser protection than other expression. In the words of the Court, commercial expression, “may sometimes be restricted, especially to prevent unfair competition and untruthful or misleading advertising. In some contexts, the publication of even objective, truthful advertisements might be restricted in order to ensure respect for the rights of others or owing to the special circumstances of particular business activities and professions.”

In Demuth v. Switzerland, it confirmed that states have a larger margin of appreciation in cases concerning commercial expression. The standard of review is that the Court’s role is “confined to ascertaining whether the measures taken at national level are justifiable in principle and proportionate.”

In my opinion, this is the appropriate test to apply in relation to the grant and continuance of trademark rights.

3.5.3 Mixed-expression

It is essential that expression containing both commercial and non-commercial elements is judged correctly, as commercial expression receives lower protection than non-commercial expression under both Article 10 ECHR and Article 5 GG. In many cases, this will be no problem as expression will be either clearly commercial or non-commercial. Difficulties arise however, if trademarks are used in art or cultural expression, expression in commercial news media, or films, as such expression will often carry both commercial and non-commercial elements. Similarly, political messages that entail trademarks may be made on or in the context of a commercial medium, e.g. campaigns in paid advertising messages on television or on campaign posters that are also sold. Furthermore, some companies prefer registering part of cultural heritage, like famous names, melodies, or parts of paintings, as trademarks and the ‘cultural industries’ use trademarks in order to generate profits, i.e. on merchandise of museums or product placement in films. If such mixed expression were to be qualified as purely commercial, only a low level of protection would be available to a third party trademark

243 BVerfG 26 February 1969 (Blinkfür).
244 ECommHR 5 May 1979 X and Church of Scientology v. Sweden, para. 73
245 ECtHR 17 October 2002 Stambuk v. Germany, para. 39.
246 ECtHR 5 November 2002 Demuth v. Switzerland, para. 42.
248 In relation to cultural merchandise and the possible impairment of expressive diversity, see section 3.2.1.
user and quite a range of culturally, socially, or politically relevant expression may be suppressed.

In the following discussion, I will consider a number of criteria that may play a role in differentiating commercial from non-commercial expression. These are the medium, the technique used, i.e. advertising, whether an expression falls under national unfair competition of trademark law, or the motives of a speaker. In my opinion, none of these criteria taken by itself can be decisive in determining whether an expression is commercial. It is therefore important that courts, when assessing mixed expression, carefully consider whether the expression can be interpreted in multiple manners.

3.5.3.1 The ECtHR

While the medium of expression may provide an indication for distinguishing between commercial and non-commercial expression, it will often not be decisive. Indeed, the press and broadcasters, which receive the highest protection under Article 10 ECHR are mostly commercial media, i.e. they operate for profit. Likewise, theatre performances, the performances of comedians or even expression communicated via t-shirts, posters, post cards and the like may be of a partly commercial character, e.g. many campaigns print their slogans and criticism on posters or t-shirts that they subsequently sell. From the viewpoint of freedom of expression, it is crucial to examine the content of the expression and to grant a high level of protection if that content is non-commercial even if it is contained in or on a commercial medium.

Similarly, advertisements can contain expression that must receive heightened protection. Paid advertisements are usually purely commercial. Sometimes, however, the nature of the goods or services or the non-commercial aim of the advertiser should be decisive for granting a higher level of protection. In the Open Door case, the ECtHR held a ban on the advertisement on the availability of abortion services outside of Ireland, where abortion is forbidden, to violate Article 10 ECHR. In this case, it did not rule on the commercial or non-commercial character of the expression, but it simply granted heightened protection. In Murphy v. Ireland, paid religious advertising was treated as non-commercial expression. The Verein gegen Tierfabriken case concerned the refusal by the Swiss public service broadcaster to air a paid television advertisement, which protested against industrialised pig farming. The refusal was based on a general ban on political advertisements on Swiss public service TV. The Court classified the advertisement as political expression and held the refusal to be in violation of Article 10 ECHR.

In a case involving an advertising ban for veterinarians, the ECtHR considered a number of criteria to determine whether mixed expression should receive a high or low

249 ECtHR 29 October 1992 Open Door v. Ireland.
250 ECtHR 10 July 2003 Murphy v. Ireland.
251 ECtHR 28 June 2001 Verein gegen Tierfabriken. “70. … the applicant association's film fell outside the regular commercial context in the sense of inciting the public to purchase a particular product. Rather, it reflected controversial opinions pertaining to modern society in general. The Swiss authorities themselves regarded the content of the applicant association's commercial as being “political”… 71. As a result, in the present case the extent of the margin of appreciation is reduced, since what is at stake is not a given individual’s purely “commercial” interests, but his participation in a debate affecting the general interest.” (references omitted). See further Kabel 2002.
level of protection. Dr. Barthold, a German vet, had been sanctioned by a veterinarian council based on a total advertising ban for vets. He had given an unpaid interview to a local newspaper, in which he voiced his concern about the absence of veterinary services opened during the night in Hamburg. He also mentioned that his own clinic was the only facility opened at night in the region of Hamburg.

The Hanseatic Court applied a very broad criterion for determining commerciality under German unfair competition law and found that Barthold’s interview did qualify as commercial because, “an intent to act for the purposes of commercial competition” according to that law exists “as long as that intent has not been entirely overridden by other motives.”

According to the ECHR, a prohibition based on such a broad definition of commerciality was not in accordance with Article 10 ECHR. In particular, the Court expressed its concern that such prohibitions would discourage members of the liberal professionals to engage in discussion on matters of public interest. In its judgement, the Court considered a number of criteria to be important in the classification of this mixed expression. First, Barthold had not himself paid for the interview. Second, he had not exerted any influence on the text of the interview. And third, in the crucial part of the judgement, the ECtHR considered the effect of the expression and the motive of Barthold. It held:

“It may well be that these illustrations had the effect of giving publicity to Dr. Barthold’s own clinic, thereby providing a source of complaint for his fellow veterinary surgeons, but in the particular circumstances this effect proved to be altogether secondary having regard to the principal content of the article and to the nature of the issue being put to the public at large. […]”

Accordingly, the case shows that courts must examine factors such as the influence of the speaker on a publication, payment for an advertisement, the (commercial) intent of the speaker, and the effect of the expression on the public. If the intent is not solely to generate profit, and if the expression touches upon a matter of public interest, higher protection must be granted.

The Barthold case further shows that a particular problem exists with the application of definitions contained in unfair competition law or trademark law to mixed expression as these definitions of commerciality do not correspond to that of freedom of expression jurisprudence. Courts must therefore be careful not to rely solely on definitions given by trademark law.

In principle, the ECtHR instructs courts to examine the expression falling under Article 10 ECHR independently from the definitions of national unfair competition law, trademark law or media law. A number of decisions, however, show the trouble of appropriately classifying mixed expression that falls under national unfair competition law or media law.

A media law case, in which the ECommHR did not enter into an independent examination of the expression, was NOS v. the Netherlands. In this case, the ECommHR did not deem admissible the claim against a conviction of a Dutch public service

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252 ECtHR 25 March 1985 Barthold v. Germany, para. 58.
253 See also ECtHR 17 October 2002 Stambuk v. Germany.
254 Ibid., para. 58.
broadcaster for disrespecting an advertising ban. The broadcaster had showed trademarks of fast food companies in a critical youth program about food, but had not intended to advertise the trademark nor had it received any remuneration from the fast-food company. The ECommHR chose to grant a wide margin of appreciation to the Netherlands, which meant that in its review it did not independently assess the commerciality of the expression. Consequently, expression that was, in my opinion, clearly of public interest did not receive the heightened protection that would have been appropriate.

A similar problem arose in the *markt intern* case, where the ECtHR upheld the conviction of an industry sector organisation, that itself was not a direct competitor of the claimant, for the publication of a critical newsletter. Markt intern had been convicted by the German BGH under German unfair competition law. The facts of the case presented a mix of commercial and non-commercial elements. The ECommHR, which ruled on the admissibility of the case, first considered that

“it cannot be bound by the domestic qualification of the statements concerned as acts of competition in the sense that they would fall outside the scope of Article 10 para. 1 (Art. 10-1) of the Convention.”

Consequently, it reconsidered the facts in depth. It considered that markt intern, should receive a high level of protection because Article 10 ECHR “also protects publications which favour particular political or social groups or which promote specific interests.” According to the Commission, the publication was similar to a publication of the press even though markt intern was a (partisan) interest group. It further found that the statement was truthful and of an editorial character and that it was not an advertisement. Therefore, the Commission ruled that the prohibition of the expression by the BGH went further than necessary in a democratic society and decided that the case was admissible.

The ECtHR did not follow the decision of the ECommHR and chose not to review the facts in equal depth. It rather held that in this case the national courts were entitled to a wide margin of appreciation, which “is essential in commercial matters and, in particular, in an area as complex and fluctuating as that of unfair competition.” The Court stated furthermore that,

“[i]n a market economy an undertaking which seeks to set up a business inevitably exposes itself to close scrutiny of its practices by its competitors. Its commercial strategy and the manner in which it honours its commitments may give rise to criticism on the part of consumers and the specialised press. In order to carry out this task, the specialised press must be able to disclose facts which could be of interest to its readers and thereby contribute to the openness of business activities.”

Yet, despite this acknowledgement the ECtHR found that markt intern acted with commercial intent. While *markt intern* “was not itself a competitor in relation to the Club […] it intended - legitimately - to protect the interests of chemists and beauty product

253 ECommHR 13 November 1993 *NOS v. the Netherlands*.
254 ECommHR 18 December 1987 *markt intern v. Germany*, para. 191.
255 Ibid., para. 228.
256 ECtHR 20 November 1989 *markt intern v. Germany*, para. 35.
According to the Court, the German courts had therefore not gone further than its margin of appreciation when deciding that the expression was to be prohibited.

The NOS and markt intern rulings show that courts may struggle to classify mixed expression appropriately if it falls under an overbroad definition of unfair competition law. In contrast, the above-discussed Barthold cases contain the recognition of the fact that a court must indeed judge the commerciality of mixed expression separately from the classification of unfair competition law. This was confirmed in the later Hertel case.

The Hertel case concerned a Swiss hobby scientist’s sanction for a publication in a lay scientist magazine. Hertel had conducted research on the negative effects of microwave ovens and found what he believed to be cancer related cell deformation. He offered his research results for publication to the research Journal Franz Weber, which published the findings in an exaggerated manner and illustrated the issue, which contained the article with a depiction of Death on the front page. The Swiss courts sanctioned both the Journal and the scientist for a violation of Swiss unfair competition law as the publication harmed the interests of microwave oven producers. The ECtHR did not accept the Swiss court’s classification under unfair competition law as relevant for its own determination under Article 10 ECHR. It held that,

“[i]t is [...] necessary to reduce the extent of the margin of appreciation when what is at stake is not a given individual’s purely “commercial” statements, but his participation in a debate affecting the general interest, for example, over public health; in the instant case, it cannot be denied that such a debate existed.”

It therefore granted a high level of protection to the expression and it carefully scrutinised the restriction of Hertel’s freedom of expression. Similar to the Barthold case, the Court found that Hertel was not himself responsible for the exaggerated statement and that the expression was on a matter of public interest. In addition, it found that the microwave oven producers, who had sued Hertel, had not established a drop in sales due to the article. There was thus a lack of actual harm. In the critical passage of the judgement, it held that,

“The effect of the injunction was thus partly to censor the applicant’s work and substantially to reduce his ability to put forward in public views which have their place in a public debate whose existence cannot be denied. It matters little that his opinion is a minority one and may appear to be devoid of merit since, in a sphere in which it is unlikely that any certainty exists, it would be particularly unreasonable to restrict freedom of expression only to generally accepted ideas.”

In addition to instructing courts to determine the level of protection under Article 10 ECHR separately from the definitions of unfair competition law or trademark law, the Court does thus grant high level of protection also to the minority views like that of the hobby scientist Hertel.

259 Ibid., para. 36.
261 Ibid., para. 8.
262 Ibid., para. 50.
263 It may however be rightly criticised that the Court did not address the scope of the underlying provision of Swiss unfair competition law. Kabel 1998.
In sum, the jurisprudence of the ECtHR shows, that the medium employed or the commercial format such as paid advertising or definitions of commerciality contained in national unfair competition, media or trademark laws must not be decisive in determining the right level of protection for mixed expression. In order to appropriately judge mixed expression, a detailed consideration of all facts is necessary. In particular, the ECtHR examines whether the speaker had an influence on a publication, whether his motives were purely or predominantly commercial and most importantly, or whether the expression contributed to a debate on a matter of public interest.

3.5.3.2 The BVerfG

German jurisprudence relies strongly on the motives of the speaker when mixed expression is at stake. In addition, it demands of courts to respect multiple possibilities of interpretation of mixed expression.

Already in the Lüth case, the BVerfG held that the assessment of the motives of a speaker are crucial. In 1950, German journalist Lüth started a campaign against the publication of a new movie by the German director Veit Harlan. Lüth campaigned for a boycott because Harlan had been the director of anti-Semitic propaganda films of the Nazi regime. A German court ordered Lüth to cease his campaign, applying Section 826 of the German Civil Code, a provision that prohibits the intentional causation of harm in a manner that contravenes generally accepted principles of morals (guten Sitten).

The BVerfG found the lower court’s decision to be unconstitutional, holding that Lüth’s motives were not of a commercial or competitive nature. Rather, Lüth’s concern was to indicate that Germany was not dealing lightly with persons that had played a role in the National Socialist regime. Therefore, Lüth was granted strong protection under Article 5.1 GG.

In a later case, involving a call for boycott, the BVerfG held that, ‘if the aim of a speaker is to cater to social political or cultural interests of the public, the protection of Article 5.1 GG will apply, even if private and economic interests of others are affected. This is also the case, if the parties are competitors.’

The two Benetton decisions of the BVerfG involved an advertising campaign of the clothing company Benetton using photographs that dealt with environmental, health, and social issues. One commercial was showing a duck in oil slick, another a person’s naked behind carrying a tattoo with the text ‘H.I.V. positive’; a third advertisement was showing a person dying of AIDS. In the two decisions, the BVerfG established far-reaching protection for mixed expression contained in paid advertisements that have the

264 See also the dissenting Opinion by Judge Martens, Ibid.; Kabel 1990; Dommering 1990.
265 BVerfG 15 January 1958 (Lüth).
266 BVerfG 15 November 1982 (Boykottaufruf); paraphrased from German, “Wesentlich sind zunächst die Motive und, damit zusammenhängend, das Ziel und der Zweck der Aufforderung. Findet diese ihren Grund nicht in eigenen Interessen wirtschaftlicher Art, sondern in der Sorge um politische, wirtschaftliche, soziale oder kulturelle Belange der Allgemeinheit, dient sie der Einwirkung auf die öffentliche Meinung, dann spricht dies dafür, daß die Aufforderung durch Art. 5 Abs. 1 GG geschützt ist, auch wenn dadurch private und namentlich wirtschaftliche Interessen beeinträchtigt werden. Dies kann selbst dann gelten, wenn der Verrufer zu dem Boykottierten in einem Konkurrenzverhältnis steht.”
clear motive to stimulate the sale of goods. It found that must even such advertisements must sometimes be granted heightened protection, if the expression may contribute to a debate that is of public interest. The BVerfG specifically instructs courts to carefully examine expression that carries multiple layers of meaning.\textsuperscript{267}

In order to determine the relevant level of protection the Court looked at all elements of the expression including the aim, the form and, in particular, the various interpretations that recipients may give to the expression. It held that a court may not choose to focus only on one side of the message but needs to take a differentiated view of the meaning of the expression.\textsuperscript{268}

According to the BVerfG in the case concerning the H.I.V. tattoo, the motive of the advertisement was undoubtedly to further the sales of Benetton’s products. However, the expression simultaneously concerned a matter of great public interest, i.e. the stimulation of a debate about the position of H.I.V. positive people in German society. In the eyes of the Court, the latter element carried the decisive weight. Even though the commercial may have appeared to many people as shocking, frightening, or as an unethical form of commercial exploitation of suffering, it gave rise to a debate on the treatment of AIDS patients in society.

Moreover, the BVerfG considered that advertising constitutes such an important part of overall communication today, that also in commercial advertisements it must be

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\item BVerfG 12 December 2000 (Benetton I); BVerfG 11 March 2003 (Benetton II).

Neben den Aussagegehalten hat der Bundesgerichtshof bei seiner Auslegung den Aussagezweck gestellt. Er legt dar, die Anzeige diene umgekehrt ihres sozialkritischen Aussagegehalts dazu, die Aufmerksamkeit der Öffentlichkeit absatzfördernd auf das werbende Unternehmen zu lenken. Dabei handelt es sich entgegen der Auffassung der Beschwerdeführerin nicht um eine alternative Deutung der Anzeige als Meinungsausführung, der Aufmerksamkeitszweck als solcher ist keine Meinungsausführung im Sinne des Art. 5 Abs. 1 Satz 1 GG. Es liegt eine sozialkritische Meinungsausführung vor, die zugleich einen eigennützigen Werbezweck verfolgt.

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possible to address issues of social concern. Accordingly, the BVerfG granted the expression higher protection and held the lower court’s decision to be unconstitutional.269

In my opinion, German jurisprudence, and in particular the Benetton cases provide a good model of how to judge mixed expression. Mixed expression is indeed often multi-layered, and if third party trademark use in mixed expression contributes on a matter of public interest, heightened protection should apply. The existence of a motive to promote one’s own goods or services must not in all cases lead to lowered protection. Moreover, the principles of tolerance and broadmindedness that underlie Article 10 ECHR demand that even minority opinions that are partly commercial are strongly protected.

In cases that are unclear, I think that, it would be best to grant heightened protection.270 Indeed, a restrictive approach, which favours prohibition in case of commerciality, bears the risk that unfair competition law or trademark law could be used to censor public debate.

3.6 CONCLUSION

In chapter 3, I examined whether and how freedom of non-commercial and commercial expression grants third parties protection in a conflict with trademark rights. I started by introducing the provisions protecting freedom of expression in section 3.2, and thereafter I discussed how freedom of expression can be invoked in a conflict with trademark rights (section 3.3). In section 3.4, I analysed the rationales that justify freedom of expression third party trademark users and in section 3.5, I examined the varying level of protection that must be granted to such third parties.

The analysis in section 3.3 showed that Member States of the ECHR are under an obligation to ensure that the exercise of trademarks right will not contravene Article 10 ECHR and that they have a positive obligation under Article 10 ECHR to guarantee that the exercise of trademark rights will not overly impair expressive diversity. Internally, states have discretion as to how to achieve this result; at the very minimum, courts as protectors of freedom of expression of last resort, must ensure compliance with Article 10 ECHR. I argued that reliance on courts’ ability to achieve a balance alone is insufficient and that it is crucial to integrate solutions to the conflict with Article 10 ECHR within trademark law. The best respect for freedom of expression is achieved and the least chilling effects are caused, when trademark law itself provides clear limitations and room for balancing with third party freedom of expression. This can be achieved at various levels. First, legislators should structure trademark law in a manner that it does not disproportionately restrict the freedom of expression of third parties. Second, also trademark registering authorities should interpret open norms of trademark law in accordance with freedom of expression, to the extent this is permitted. Third, individuals in the Member States of the ECHR can invoke Article 10 ECHR before national courts in a conflict involving trademark rights and courts, as protectors of freedom of expression of

269 BVerfG 11 March 2003 (Benetton II).
last resort, must ensure the protection of Article 10 ECHR. This is also referred to as indirect horizontal effect vis-à-vis trademark law. Courts can balance freedom of expression and trademark rights in two manners. First, they can balance the two within the framework of trademark law itself, by interpreting ‘open’ provisions of trademark law in light of freedom of expression. Second, if internal balancing does not lead to the required result or if it is excluded, as in the case of Article 5.3 GG, courts can balance freedom of expression and trademark rights externally in a human rights framework. This means that trademark rights as protected by Article 11st AP ECHR, i.e. the right to protection of property, will be balanced against Article 10 ECHR.

As the application of freedom of expression in conflicts with rights granted under private law is rejected by some scholars, I argued that such an application is warranted and needed. Present day trademark law essentially lacks the fine-tuned solutions to many of the problems that have been created by the extension of trademark rights and by the increases in the social, cultural, and political importance of trademarks. As some trademarks have become symbols that represent social, cultural, or political phenomena, but trademark law has remained market-centred, the arising social, cultural, or political concerns are not integrated in the structure of trademark law. Therefore, freedom of expression and the jurisprudence pertaining to it may provide in many cases more appropriate balancing mechanisms than trademark law. I argued that trademark law must be supplemented by the specific proportionality tests contained in freedom of expression and its jurisprudence.

In section 3.4, I discussed several rationales for the protection of freedom of expression. Next to the classical rationales of discovering truth, the democracy rationale and the self-fulfilment rationale, I discussed the theory of dialogic democracy, which provides a convincing additional rationale for freedom of non-commercial expression of third parties to use and change the meaning of trademarks of social, cultural, and political importance. Such a freedom must entail not only the possibility of a person to speak; it must also, or in particular, protect the choice for using a particular trademark in expression. Moreover, I argued that this freedom should be strong in dialogic media, such as the Internet.

In the same section, I examined the rationale for a freedom of expression of traders to impart purely commercial expression. The rationale lies in the utility of such expression to citizens in their economic dealings, though the rationale also indicates that the protection of such expression must be of a lower level than that of non-commercial expression.

The discussion in section 3.5 showed that the level of protection under Article 10 ECHR and Article 5 GG is not of equal strength in all cases. A general dividing line as regards the strength of protection can be found between commercial and non-commercial expression. Strong protection must be granted to non-commercial trademark use that is of public interest. The rationale of discovering truth and the democracy rationale justify strong protection for third party trademark use that contributes to public debate, even if it is exaggerated, oppositional, or even potentially wrong. Equally, strong protection should be granted if expression criticises or aims at controlling dominant views, entities, or persons in society.

The jurisprudence of the ECtHR and the BVerfG shows that strong protection is granted to third party trademark use that is of public inertest. In addition, the courts grant
strong protection to certain groups, like the press and campaign groups, because they fulfill an important role in a democracy. Furthermore, the analysis showed, that value judgements are granted greater protection than factual allegations.

According to the ECHR, expression that contributes to a debate on a matter of public interest may ‘shock offend or disturb’. I argued that, in addition, third parties using trademarks in expression that contributes to public discourse must be granted the freedom to seek a great level of attention for their expression. In this respect, I deem it essential that, as the German BVerfG stated already in 1968,

‘it is the legitimate aim of any expression, which contributes to the forming of opinions, to gain attention. Therefore, all sorts of speech that leaves an impression or strong expressions must be tolerated.’

In section 3.5.1.2, I assessed the heightened protection that is given to expression about public figures, i.e. public figures are figures that are the focus of public interest because they hold positions of political, social, or economic power, influence or importance. I proposed that an analogy should be made between public figures and expression that involves trademarks as ‘public symbols’. These are trademarks, which no longer just indicate the characteristics of the reputation of goods and services, but rather have become representations of social, cultural, and political power and influence. Following the democracy rationale, freedom of expression to criticise and control must include the right to criticise and control the symbols of such power and influence. In addition, the theory of dialogic democracy explains that there is an ongoing struggle of individuals and groups to influence or recode the meaning of such trademarks, which is referred to as a struggle about ‘meaning making’. I argued that the ability to influence the meaning of such signs is important for the self-fulfilment of individuals, as well as for the self-direction of groups in society, and that, therefore, the freedom of expression of third parties should extend to influencing the meaning of trademarks.

Freedom of artistic expression may take a particularly important role with regard to trademark use. Artistic expression using trademarks is important for the self-fulfilment of artists and, as the theory of dialogic democracy explains, it may play an important role in the struggle about meaning making in society. I argued that the choice of an artist for a particular trademark must be strongly protected and that freedom of expression must protect trademark use by individuals and groups that tries to influence the meaning of trademarks. I also argued that this freedom should be strong in dialogic media, such as the Internet.

As artistic expression often engages in recoding (i.e. changing or transforming) the meaning of trademarks, contorts the positive image created by the trademark right holder, changes the context, or exaggerates, I argued that the particular value of a freedom of artistic expression would lie in a particular respect for the multi-layered meaning created by artistic expression. Third parties using trademarks in artistic expression must be able to contort the exaggerated positivism that surrounds certain trademarks.

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271 BVerfG 6 November 1968 (GEMA), p. 286, „Da es der Sinn jeder zur Meinungsbildung beitragenden öffentlichen Äußerung ist, Aufmerksamkeit zu erregen, sind angesichts der heutigen Reizüberflutung aller Art einprägsame, auch starke Formulierungen hinzunehmen.”
The analysis in section 3.5.1.3 showed that the ECtHR does not protect artistic expression as a separate category. It grants strong protection only if the expression is of public interest. In one case, the Court held that,

“satire is a form of artistic expression and social commentary and, by its inherent features of exaggeration and distortion of reality, naturally aims to provoke and agitate. Accordingly, any interference with an artist’s right to such expression must be examined with particular care.”

In other cases, it permitted far-reaching restrictions of artistic expression. I indicated that the ECtHR might not sufficiently recognise the multi-layered form of communication of artists and the role of artistic expression in a democratic society.

In contrast, Article 5.3 of the German Grundgesetz specifically protects the freedom of artists. The BVerfG obliges German courts to act with particular care in judging the multi-layered meaning of artistic expression. It requires them to consider various possibilities of interpretation when weighing artistic expression against the interests of others.

In my opinion, such an approach is to be preferred and it would be fully in line with the principles of ‘pluralism, tolerance and broadmindedness’, which underlie Article 10 ECHR. These principles demand that diverse and minority views receive strong protection and they demand that courts do not limit their assessment to one possible interpretation of an expression. This broadminded form of interpretation is of particular importance for an effective protection of artistic expression.

A broadminded approach is also required when judging mixed expression, i.e. expression that contains both commercial and non-commercial elements. Third party trademark use may often fall into this category. In section 3.5.3, I examined jurisprudence relating to mixed expression and I argued that it is important that courts correctly judge mixed expression and that they only lower protection if the expression is of a purely commercial nature. The jurisprudence of the ECtHR and the BVerfG contains a number of criteria for the classification of mixed expression. Criteria such as the medium used, the fact that expression is contained in a paid advertisement, or the fact that expression falls under the subject matter of unfair competition or trademark law can be no more than indications that an expression is commercial. In addition, courts need to assess the motive of the speaker, and whether or not the expression contributes to a debate on a matter of public interest.

Overall, the analysis showed that freedom of non-commercial and mixed expression that is of public interest must prevail over trademark rights, even if a degree of economic harm is present. A court must weigh all the relevant facts in a case and take a nuanced position about the meaning of an expression. A limit of the freedom can be imposed in particular when use of a trademark does not address an issue of public interest which is connected to the trademark, but rather primarily disparages the trademark.

A further concern with regard to third party trademark use in non-commercial and mixed expression is the fact that disproportionate sanctions or obstacles to the exercise of

freedom of expression posed by trademark law and procedural law may cause potential participants to public discourse to abstain from comment or criticism. This is referred to as the imposition of chilling effects on public discourse. Such chilling effects can be created by an inequality between parties to a particular case, an unequal distribution of proof, lack of legal assistance, the threat of high sanctions, or the disproportionate costs of litigation.

Certain obstacles may themselves result in violation of freedom of expression. For instance, the lack of a requirement for a trademark right holder to prove the existence of harm may be a disproportionate restriction on freedom of expression.

Finally, freedom of (purely) commercial expression is protected for a similar reason to that entailed in the search cost rationale, i.e. because it can provide vital information to consumers. The freedom includes third party trademark use in comparative advertising, referential use or descriptive use. Both, the discussion on the rationales for granting a freedom of commercial expression and the discussion of the jurisprudence showed that a lower level of protection than that granted for non-commercial expression and mixed expression that is of public interest does apply in the case of purely commercial expression. According to the ECtHR, the low level of protection applies if the expression takes place in “the regular commercial context inciting the public to purchase a particular product”\(^{273}\) and as long as it does not contain an element that is of public interest. I argued that such lowered protection is warranted, since commercial expression can more easily cause harm to consumers and other traders. According to the ECHR, the particular level of protection granted to freedom of commercial expression is satisfied, if a restriction of the freedom of commercial expression of a third party posed by e.g. a trademark right is “justifiable in principle and proportionate.”\(^{274}\)

\(^{273}\) ECtHR 28 June 2001 *Verein gegen Tierfabriken*, para. 57.