



## NAVIGATING THE MENACES OF TRADEMARK IN THE AGE OF LEGAL TECHNOLOGY

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### Abstract

The impalpable things are the modern-day assets for the economy. These include the skill, knowledge, abilities, brand name and fame etc. These are intangible and created by man's intellect and innovation, thus, is called intellectual property. Investments in the intellectual property are rapidly reaching the summit. Post the adoption of the policies of liberalization, privatization, and globalization in India, the need for protection of Intellectual Property Rights (hereinafter referred to as the IPR) as recognized by the TRIPS amended the previous existing laws of IPR. Every person today has his/ her own intellectual property rights. The infringement of such rights invites legal action against the infringer. Today, technology is dominating the world. It has taken over the human activities in almost all arenas globally. The entry of technology, specifically the Artificial Intelligence (hereinafter referred to as AI), has revolutionized the legal field. It has brought great reforms. Though technological advancements have brought solutions to the existing traditional issues, this raises concern for intellectual property rights. Technology is an intellectual property itself. The technological burst has marked a revelation in the IPR. It leaves its colossal footprints on intellectual property rights and its laws, especially trademark laws. Trends and fashion are now followed eminently. The trademark cases are covered under criminal law, civil law, the Intellectual Property Rights laws, specifically in Trademark laws etc. The Trademarks Act 1999<sup>481</sup> is the currently followed legislation regarding trademarks and its infringement cases in India. This research article aims to highlight the relations between technological advancements in modern society and the intellectual property rights and its laws, especially trademark laws. It spotlights the judgments regarding the trademark laws in India. It also puts forth the factors leading to challenges in the application of the trademark law followed by the recommendations to conquer the highlighted issues.

**Key Words**– Trademark, AI, Technology, Trademark Infringement, Legislation, Dilution, The Trademarks Act 1999<sup>482</sup>.

GRASP - EDUCATE - EVOLVE

<sup>481</sup> The Trademarks Act 1999, No. 47, Acts of Parliament, 1999 (India)

<sup>482</sup> Ibid

## INTRODUCTION

I. AI and the Technology<sup>483</sup>

The machine learning and the AI has created its marks of entry in the legal jurisprudence. The invention of technology has disturbed but somewhat upgraded the fundamentals of the Trademark Laws in India. In 1950s, John McCarthy introduced the term Artificial Intelligence. Allen Newell and Herbert A. Simon in 1955 developed the first artificial intelligence program named the Logic Theorist<sup>484</sup>. This artificial intelligence is competent to human intelligence. It can perform all humanly tasks, including decision-making. The major challenges to trademark due to destructive advancements like the AI, Data Analytics, etc. It brings in the bumps in the trademark law and its implementation like the Trademark Infringement, domain squatting, social media conflicts etc.

## II. Trademark and its laws in India

Introduction of the Intellectual Property Laws have revolutionized the market and its activities. Trademark is a vital element of intellectual property. It gives the authorization and the safeguard to the firms and the companies for their brand values and details. The kinds of trademarks include the trade dress, service mark, Designation mark, certification marks etc. At international levels, there are international organizations like the World Trade Organization and the World Intellectual Property Rights Organization that have undergone several treaties and conventions to protect the Intellectual property rights of the citizens of their member states. The Trademarks Act 1999<sup>485</sup> is the currently followed legislation regarding trademarks and its infringement cases in India. The primary function of The Trade Marks Act 1999<sup>486</sup> is to safeguard the original identity of

which makes it different from other products. It deals with the cases of trademark infringement. Trademark protects the brand name, logo, slogan, phrases, words, image and other details of other aspects of goods and services. Supreme court of India in *Dau Dayal Vs State of Uttar Pradesh*<sup>487</sup> stated the purpose of trademark as securing the intellectual property rights of the manufacturer and the seller. It also ensures penalties and remedies against trademark infringement and invasion. Trademark is a suggested process and not legally binding. It is on the will of the Intellectual private property property owner to safeguard his innovation or not. A registered trademark tenure is 10 years which can be extended further post the legal formalities. The owners of intellectual properties leave no stone unturned to safeguard their rights and get authenticity and legal protection for their brands. The definition of a trademark is mentioned in section 2(1)(zb) of the Trademark Act, 1999<sup>488</sup>. This provision defines trademark as sign used by an organization or individual to distinctively recognize a product of one trader from another. A trademark can be graphically presented. Registration of A trademark is done by the Intellectual Property Office of India or the IPO, and the appeals go to the Intellectual Property Appellate Board (IPAB), which can further reach the Supreme Court. The remedies provided include damages, seizures, injunction, discovery and preserving the required documents etc.

## III. Origin and Development

In the early 1900s, there was no trademark law or any such statutory provision. But in 1940, when the common law elements of justice, equity and good conscience were recognized as the basis of justice, it was observed that the cases of trademark infringement. Thus, developed the first trademark act in India that was the Trademark Act of 1940<sup>489</sup> which was

<sup>483</sup> Rockwell Anyoha, *The History of Artificial Intelligence*, harvard.edu, (July 07, 2023, 3.41 PM) [The History of Artificial Intelligence - Science in the News \(harvard.edu\)](#)

<sup>484</sup> Dr. Mandar Karhade, *History of AI: The Birth of Artificial Intelligence*, (July 07, 2023, 3.43 PM), [History of AI: The Birth of Artificial Intelligence \(1952-1956\) | by Dr. Mandar Karhade, MD. PhD. | Towards AI](#)

<sup>485</sup> Supra note 1

<sup>486</sup> Ibid

<sup>487</sup> *Dau Dayal Vs State of Uttar Pradesh* AIR 1959 SC 433

<sup>488</sup> Supra note 1 § 2 cl.1 sub cl. zb

<sup>489</sup> Trademark Act of 1940, No. 05, Ministry of law and parliamentary affairs, Government of Pakistan, 1940(India)

identical to the UK Trade Marks Act, 1938<sup>490</sup>. Before this, the Matters of create mark refreshment work considered under section 54 of Specific Relief Act, 1877<sup>491</sup>. Later, such cases were registered under the Indian Registration Act, 1908<sup>492</sup>. The Trademark Act, 1940 was repealed by Trade and Merchandise Act of 1958<sup>493</sup>. It provided better safeguards against trademark infringement. India being a signatory of the Trade - Related Aspects of Intellectual Property Rights, Madrid Convention and Paris Convention abide by the international laws and policies of trademark and other intellectual property elements. Later it was taken over by the Trademark Act, 1999<sup>494</sup> with the the Trade Marks Rules, 2002. It provides better provisions of penalties and remedies in cases of trademark infringement suited to modern society. It also provides rights to the police to arrest in such matters. It gives the provisions of registration of both traditional and modern trademarks. It provided broader view to deal with the newly emerging cases post globalization. Thereafter, in 2010, a Trade Marks (Amendment) Act was passed by the Parliament of India including some special provisions relating to protection of trademarks through International Registration. This widened the existing law's nature and scope. In 2017, the Trademark Rules were passed to examine the procedures of trademark publication, registration, renewal, filing etc.

#### IV. Benchmark Judgments

A. Milmet Oftho Industries and Ors. vs. Allergan Inc.<sup>495</sup>– the appellants and respondents were both pharmaceutical companies. The appeal was filed against the injunction passing off in regarding the trademark OCUFLOX which the respondents claimed to be earlier in worldwide use from 1992. The Hon'ble Supreme Court of India observed that such concerns are

likely to be raised easily specially by overseas users of the trademark. But it would be a discrimination and a case of injustice with the respondents if there were the first to enter the global markets.

B. Hardie Trading Ltd. Vs. Addison paint and chemicals Ltd.<sup>496</sup>– The idea of non-physical trademark was recognized by the Hon'ble Supreme Court of India extending the scope and nature of the trademark and its laws in India.

C. Yahoo!, Inc. vs. Akash Arora and Ors.<sup>497</sup>– The plaintiff was the owner of a trademarked electronic mail platform named Yahoo!. The defendants used the name Yahooindia which was relatable to the plaintiff's Yahoo!. The plaintiff called the defendants as the cybersquatters and filed a case against them. He had sought an interim injunction that no business would be operated by the defendants with the name Yahooindia, which is relatable to Yahoo! The Hon'ble Supreme Court of India registered this as a case of passing off that means that a business where a person carries his business in the way that looks that he in connection with the business of some other person. Thus, in this very case, the doctrine of confusion can be applied that the general public could easily misinterpret the two names and can cause high gains to the original.

D. Dau Dayal v. State of Uttar Pradesh<sup>498</sup> (1959)– Supreme Court held that the objective of trademark is to ensure the protection of rights of manufacturers or sellers against the trademark infringement third party. The Infringement of a trade mark is a civil wrong. But civil proceedings takes more time and expenditure to conclude. The Legislature, in its anxiety to protect traders, has allowed resort to the criminal courts to provide a speedy remedy in all cases including not so urgent ones. Therefore, the person aggrieved fails to resort to

<sup>490</sup> UK Trade Marks Act, 1938, c. 22, Acts of Parliament, 1992 (UK)

<sup>491</sup> Specific Relief Act, 1877, §54, No. 1, Acts of Parliament, 1877 (India)

<sup>492</sup> Indian Registration Act, 1908, No. 16, Acts of Parliament, 1908 (India)

<sup>493</sup> Trade and Merchandise Act 1958, No.43, Acts of Parliament, 1958 (India)

<sup>494</sup> Supra note 1

<sup>495</sup> Milmet Oftho Industries and Ors. vs. Allergan Inc. (2004) MANU/SC/0512

<sup>496</sup> Hardie Trading Ltd. Vs. Addison paint and chemicals Ltd (2003) 3 SCR 686

<sup>497</sup> Yahoo!, Inc. vs. Akash Arora and Ors. (1999) MANU/DE/0120

<sup>498</sup> Dau Dayal vs. State of Uttar Pradesh (1958) MANU/SC/0185



the criminal courts within a year of the offence coming to his knowledge, the law assumes that the case is not one of urgency, and it leaves him to his civil remedy by an action for injunction.

Other major judgements of the courts in India regarding Trademark include *Tata Sons Ltd. V. Manu Kosuri & Ors.*<sup>499</sup>, *Sun Pharmaceutical Industries Ltd. vs. Cipla Limited*<sup>500</sup>, *N.R. Dongre v. Whirlpool Corporation*, *MANU/SC/0395/1961*<sup>501</sup>; *Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd.* 2001 PTC 300 (SC)<sup>502</sup>; *N.R. Dongre v. Whirlpool Corporation* [1996(16) PTC 583]<sup>503</sup>; *Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd.* [2001 PTC 300 (SC)]<sup>504</sup>

#### V. Grey Areas

A. Trademark Infringement- it is one of the foremost challenges of increasing technology in the current scenario. Lawsuits in such matters are rampantly growing.

B. Complications in Online Marketing- as the companies step on the internet and grow through online platforms as a result of e-commerce, this raises concerns like the illegal use of previously established brand details like their logos, content, name, links, etc. Numerous entrepreneurs and marketers use trademarks without an endorsement agreement leading to the trademark infringement. Such illegal and unauthorized use of other brand details leads not only to trademark infringement but an unacceptable competition in the marketplace, which further distracts the customers and consumers and also reduces the profit of previously established firms. The apprehension of counterfeit currency and goods increases. This also includes the problem of the unauthorized vendors.

C. Algorithms - the algorithms in machine learning can give biased and discriminatory outcomes of consumer choices and inputs.

D. Destructive AI Tools - The major challenges to trademark due to destructive advancements like the AI, Data Analytics, etc.

E. Trademark and Domain Squatting- Domain Squatting or Cyber Squatting is a type of practice where the firms or individuals illegally, without authorization or consent are purchasing, registering and using the identical trademarked domain names of previously established and well settled companies with an intention to earn greater profits by returning the same to that company or some high bidder. This is when that firm or individual wants to set up their own brands with names and websites. The domain Name disputes tend to be visible when the owners of the trademarked company raise their voice to protect their Intellectual Property Rights and file for the trademark infringement.

F. Keyword advertisements include the advertising of goods and services portraying their details with some trademarked keywords. This gives birth to the disputes of intellectual property rights violations and results in unfair competition. These are highlighted through the search engines. Thus the process is also called search engine advertisements. This also creates a problem of jurisdiction of courts.

G. The WWW Threat- The technology gave rise to e-commerce leading to the invention of the world wide web or www resulting in novel issues of search engines like the domain name, keyword advertisements, trademark invasion, manipulation of consumers interest, meta tags, etc.

H. Ambiguities for the customers- the Supreme Court of India has stated the problem of confusion creation for customers and consumers if there is trademark infringement, trademark dilution or keyword advertisements. There is a probability that the customers

<sup>499</sup> *Tata Sons Ltd. v. Manu Kosuri & Ors.*, (2001) [90 DLT 659]

<sup>500</sup> *Sun Pharmaceutical Industries Ltd. vs. Cipla Limited* (2021)MANU/TN/3918/2021

<sup>501</sup> *N.R. Dongre v. Whirlpool Corporation* (1961) MANU/SC/0395

<sup>502</sup> *Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd.* (2001) PTC 300 (SC)

<sup>503</sup> *N.R. Dongre v. Whirlpool Corporation* (1996) (16) PTC 583

<sup>504</sup> *Cadila Health Care Ltd. v. Cadila Pharmaceuticals Ltd.* (2001) PTC 300 (SC)

misinterpret the name, slogan, logo or any other detail of one brand for the other.

I. Unfair Competition- the concerns of trademark are on peak. These include complications in Online Marketing, domain squatting, trademark infringement and dilution leads to unfair competition as one brand faces loss due to infringement and the infringer illegally takes up the profits.

J. The Social Media Conflict- from verbal offline and face - to - face traditional methods of communication, there is seen a radical shift to the online modes of communication. The use of Instagram, Facebook, WhatsApp, LinkedIn, Snapchat, Twitter, Skype, and other such modes of online networks have increased drastically. This has led to a dramatic switch to the use of such platforms. Thus, highlights loopholes in existing trademark laws. Today, Social Media is the greatest medium of communication and a source of rapidly increasing disputes. In case of Trademark, it is the fundamental platform trademark infringement and other such disputes to take place. With the rapidly increasing number of social media and other platforms for online marketing and advertisements, the cases of trademark infringement are also increasing.

K. Trademark Dilution - trademark dilution is stated in section 29(4) in Trade Marks Act, 1999<sup>505</sup>. It is the illegitimate use of an identical trademark of an already reputed company for unidentical goods and services. This makes it different from trademark infringement. Trademark dilution is done to injure the popularity of the reputed company. Thus, this includes two steps under trademark dilution. These are recognition of the reputation of the existing trademarked firm and injuring of such reputation by the act of trademark dilution. This concept differs in different countries. This makes the level of reputation of the firm recognized vary from nation to nation. The countries which

recognize trade mark dilution are US, UK, India, Japan etc.<sup>506</sup>

#### VI. Recommendations

A. Use technology to kill technology - this means that to encounter such poor side effects of technology, the firms must use technology as a helping hand rather than an evil. Brand protection is the primary required practice against trademark infringement and dilution. This involves the usage of surveillance systems like Google ads and trademark electronic search systems to keep a surveillance over online marketing, prevent diversion of consumer confidence, protect brand fame, prevent losses, counterfeiting and trademark infringement as well as dilution etc.

B. Contract and Consent - a properly framed contract would be signed for the registration and use of trademark signs and symbols. This shows the consent of the involved parties and reduces chances of infringement. Use of the product should be as per mentioned in the contract signed and agreed to.

C. Legal Action- Legal Action through Legal notices and letters are authoritative and powerful mechanisms against trademark infringement and dilution cases and such lawbreakers. This communicates a staunch legal action by the injured party and demands a prompt response and remedy. This assists the trademark owners to protect their intellectual property rights.

D. Collaborate with a Trademark Attorney- Collaborate with a Trademark Attorney or some legal expert of this field is an important step. He must give the firm appropriate information of the consequences of their actions, steps to be taken, guidance, keep a check and balance of firm's activities.

E. Positive use of Social Media- in this digital era, Social Media is the foremost ground of information dissemination. It helps the

<sup>505</sup> Supra note 1 § 29 cl.4

<sup>506</sup> LegaMart, Navigating Trademark Issues in the Age of Legal Technology | LinkedIn, 07 May, 2023

companies develop their brand name and fame by promoting and advertising their brands over the social media platforms. Such information of the company reaches the target audience and a wide range of consumers making the firm reputed as well as in knowledge of the consumers. (12)

F. The AI Bots- the AI bots can be the most efficient and effective tool for enforcing trademark laws, prevent counterfeiting, analyzing the trademarks and their infringement, keeping the trademarked organizations under surveillance etc.

G. Appearance in Online Markets- constant and continuous Appearance in Online Markets is a necessary step to protect brand name and fame. It helps the brand to come to the knowledge of the customers and consumers. This provides them support of the public in case of their trademark infringement and dilution and gain the consumer confidence.

#### Conclusion

In a nutshell, it can be noticed that the technological advancement and intervention in the legal field has created its own problems with solutions in itself if used appropriately. In case of trademark, the areas of conflicts comprise of Trademark and Domain Squatting, Trademark Infringement, Complications in Online Marketing, etc. However, such setbacks are also accompanied by solutions as recommendations to overcome them. In this digital scenario, technology and AI is an ever-growing unit whose end is not visible till miles. Post the adoption of the policies of liberalization, privatization, and globalization in India, the need for protection of Intellectual Property Rights as recognized by the Trade-Related Aspects of Intellectual Property Rights or TRIPS<sup>507</sup> amended the previous existing laws of IPR. The Trade-Related Aspects of Intellectual Property Rights agreement was signed by the members of the world trade organization. So did India. With the

raised innovations, the legal field including the IPR and its branch of trademarks are combating spotlights of unknown challenges. These can be dealt by adhering and abiding by the mentioned recommendations.

<sup>507</sup> Overview: the TRIPS Agreement, wto.org, (July 07,2023, 4.41 PM), WTO | intellectual property - overview of TRIPS Agreement.