

Lecture- 41



Trademark law and cyberspace

Introduction

A trade mark is often thought to only be limited to words, designs, images and packaging. However the scope of trademark is much wider. Anything which can be used to identify a source is protected under Trade mark laws, this also includes the look and feel of a product, particular smells, sounds and colours. Consequently, the number of the areas within which a trademark can be infringed, also widens.

Excluding the traditional areas of its use, its scope today has even extended to the cyber-space. A Trade mark has extensive applicability in the 'cyber sphere' with its importance ever-growing, it has a significant impact on the general operation-ability of products. This fast paced economy of ours is heavily dependent upon the internet and has inextricably bounded itself with it. From the most rudimentary tasks such as placing an order online, to something as sophisticated as predicting the future market trend, every aspect is influenced by the cyber space.

Domain Name:

It is the most appropriate example to enable one in understanding the importance of trade marks in the cyber-space and what the majority of this article will focus on. Apart from the use of domain names, the usage of digital advertising tools known as Ad Words offered by the various search engines such as Google and Yahoo have considerable influence on many of the issues pertaining to trade marks in the digital context.

Basic Principles Of Trademark Law

Trade Marks Defined

Trade Marks Act 1999, defines a trademark as:

"a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include the shape of goods, their packaging and combination of colours."

As is defined in this act, ones trademark is required to be distinctive or unique, as it determines the strength of a mark, thereby offering the mark stronger protection against infringement. Their hierarchy can be classified into three broad types, differentiated on the basis of the distinctiveness. There are marks which are Inherently distinctive, there are marks which can be protected, provided the marks have a secondary meaning behind them and there are those which are not protected as a result of being generic in nature.

The ones that are not protected by trademark law and can never be used as trade marks are, Generic marks. These marks typically refer to a particular class of products with which the consumers identify, and hence cannot be used as trademarks. Eg. Aspirin, Band-aid, ChapStick etc.

Stronger than those are Descriptive marks. These marks are, as the name suggests, words merely describing the product. They are seldom identifiable based on the mark itself and have to be associated with a producer to acquire the distinctiveness. This is acquired by establishing a secondary meaning for the product.

Fully protected, are the last class of trademarks. These marks are inherently distinctive and are eligible for being registered. There are three types of marks which fall under this class of trademarks. Suggestive marks suggest using the trademark itself, the quality and/or class of the product or service, thereby suggesting its use.

Marks such as Citibank or Netflix can be classified as such. 'Arbitrary' marks and fanciful marks similarly, are unique and distinctive allowing a consumer to associate a trademark with its source.

Trademark Infringement

Infringement occurs as a result of confusion and dilution of the mark. Confusion is more commonly attributed to two reasons. Likelihood of confusion and initial interest confusion, with both, presently being used as tests to determine the grounds upon which one may be allowed to register their trade mark. Aside from confusion, infringement also occurs due to Dilution of the trade mark, however only in well known trade marks.

Confusion as described above, occurs due to both likely-hood of confusion as well as initial interest confusion. 'Likelihood of confusion' for the consuming public occurs when the infringing party, knowingly or unknowingly, uses a mark which causes, in the mind of the 'reasonable purchaser', confusion as to the source of the product.

Similarly the Trade Marks Act also provides for likelihood of confusion as a grounds for refusal for registration. Initial interest confusion on the other hand does not occur near or at the time of purchase of the product. This type of infringement is particularly common in the online environment.

An example of initial interest confusion is, the consumer mistaking an infringing product to be original and authentic, however upon closer inspection the consumer uncovers the veracity of the infringing product yet, still decides to utilise it for convenience.

Dilution, occurs when the trademark is used in a way that diminishes its distinctiveness. As established in American federal law, this is owed to mainly two reasons. Blurring and Tarnishment. Blurring occurs when there is similarity between the source of one product and the trademark of a different product thereby impairing its distinctiveness.

Tarnishment, on the other hand, occurs when the reputation of a famous product is tarnished due to the actions of another producer bearing a similar mark as them. Section 29(4) of the Trade Marks Act states:

the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark constitutes infringement.

Infringement w.r.t domain names

As mentioned, the scope of trademark law, presently, has increased from what it was ten years ago. However, the scope of infringement has also increased concurrently and has even extended

to the cyber sphere, resulting in the emergence of a plethora of legal issues. Some of these issues pertain to the domain names used by enterprises to identify themselves online. In some ways, the domain names are of virtually the same importance to enterprises as their trademarks. Thus, in order to protect the brand image the trademark has, they spare no expense and even purchase similar domain names to their own.

What are Domain Names?

To gain a clear understanding of what a domain name is, one first needs to understand what an Internet Protocol (IP) address is. An IP address can be understood as a unique name representing a device or a local network, allowing information to be transferred between them. The unique name is in the form of a string of four sets of numbers ranging between 0 and 255, allowing for the differentiation between various devices. For Eg. 8.8.8.8 is a widely used public address created by Google.

However due to the lacking practicality in typing an IP address to visit a website, the domain name system was introduced. The domain name system or a DNS, is the main component upon which lies the foundation of the web. Unbeknownst to many, from checking up on their emails to spending time on social media platforms and getting their daily dose of internet, it is possible only because of the DNS system. In the most basic terms, the DNS is a name which corresponds to the IP address, which is used to communicate with other computers, similar to a phonebook of the internet.

Thus, when the user enters a domain name on the internet, it locates the IP address corresponding to the particular website and connects the device to the specific servers. This helps in easily locating information online. The domain name is often worded such that the user is able to link the owner of the website to the owner of a business. The domain name, thus, essentially bears the trademark of the owners business.

An example of such a domain name is: apple.com

A domain name has, at the minimum, two levels. These levels are referred to as top-level domain (TLD) and second level domain (SDL). The top level domains are the last part of a domain name. In the domain name 'apple.com', '.com' is the top level domain name. There are several types of TLDs, each denoting the nature of the domain name, country codes (.uk, .eu) , 'generic top level domains' (.edu, .gov) and several others such as '.net' or '.org'. The second level domain names are often the subject matter of domain disputes. Laying directly below TLDs in hierarchy, they consist of the name of the organisation which registered them. As such 'apple' in 'apple.com' is the SLD.

How are domain names infringed?

About ten years ago one would have generally assumed, any activity they conduct online to remain safe and secure. During this period, the internet was in its infant stage and not much was known about its potential. Nevertheless, people took full advantage of its facilities. However, a mere decade later people's knowledge about the internet had grown to a relatively high level. To avoid probable negative repercussions authorities also restricted, to a large extent, the freedom people once enjoyed. Implementation of a variety of laws to curb unlawful activities on the net

indeed proved to be effective but not entirely so.

Unlike a trademark, a domain name can be obtained by simply purchasing and registering it. The registry, when registering a mark, does not prohibit anyone from purchasing one that is deceptively similar to a registered domain name or even one that is in existence as a trademark. That is to say, a first come first serve basis system.

This, however, is subject to legal action. The action of purchasing a domain name in bad faith and attempting to profit from the others identity is known as cybersquatting, and is often the main source for infringement. Although this is heavily discouraged, this practice has become more common in the recent years.

Similarly, one will be held accountable for passing off one's trademark even when the goods or services in question are different in nature than as protected by an act. Such an argument was relied upon by the defending counsel in Yahoo!, Inc. vs Akash Arora & Anr. The counsel 'submitted that the trademark laws in India relate to goods and, therefore, the provisions of Indian Trade Marks Act are not applicable to the facts and circumstances of the present case which deals only with goods'. The court, however, passed an ad intern injunction in favour of the plaintiffs' thereby restraining the defendants from further passing off as the plaintiffs' mark.

What action can be taken against it?

As across several countries, there are specific laws penalising cybersquatting. For eg. the United States, according to the Anti-cybersquatting Consumer Protection Act (ACPA), holds a person liable in a civil action by the owner of mark for infringing as having a bad faith intent to profit from that mark.

In India, although protection of domain names is not explicitly mentioned in the Trade Marks Act and there are no specific legislations pertaining to such, the courts do refer to the Trade Marks Act to resolve such issues, generally giving preference to the protection of the trademark.

The Supreme Court in Satyam Infoway Ltd vs Sifynet Solutions Pvt Ltd has observed that "the distinction lies in the manner in which both, the trademark and a domain name operate. A trademark is protected by the laws of a country where such trademark may be registered. On the other hand, a domain name is potentially accessible irrespective of the geographical location of the consumers.

The outcome of this potential for universal connectivity is not only that a domain name would require worldwide exclusivity but also that national laws might be inadequate to effectively protect a domain name. although the operation of the Trade Marks Act, 1999 itself is not extra territorial and may not allow for adequate protection of domain names, this does not mean that domain names are not to be legally protected to the extent possible under the laws relating to passing off."

Additionally, several global organisations are also committed to protecting the security of domain names and have also provided for actions that can be taken against infringers. The Internet Corporation for Assigned Names and Numbers (ICANN) is one such organisation, and

is responsible for maintaining the central repository for IP addresses and helps coordinate their supply. All the registrars, which are responsible for providing a generic top level domain name (gTLD, .edu;.gov) must be first accredited by ICANN.

If someone has registered a domain name in a generic top-level domain (gTLD) operating under contract with ICANN that may be infringing on ones' trademark, they may be able to file a Uniform Domain Name Dispute Resolution Policy (UDRP) proceeding against the registrant.

However, the UDRP is only available for gTLDs operated under contract with ICANN. Similar to this, another organisation known as the world intellectual property organisation (WIPO) which is one of the fastest growing ICANN-accredited dispute resolution service providers also aims at resolving domain name disputes through its arbitration and mediation centre.

Ad-Words

Similar to domain names, there exist another form of online identification, the string of words that are input in the search bar. The words serve as a key to opening the path to a variety of search results. This process is influenced based on ones location, language or previous queries allowing the user to choose from an array of appropriate choices. However it is not necessary that products of only a single business will appear even when explicitly searched for.

The cognisance of Ad-Words

Despite its unassuming exterior, Google ad words or simply ad-words is an advertising system wherein businesses are able to reach their target audience in the online market by making use of the search engine as well as its partner sites via advertisements. The businesses buy a specific word or usually a string of words associated with what they wish to advertise.

These word(s), when searched for, directs the user to appropriate sites related to their queries but also shows advertisements for products of the same class but belonging to a different brand. For eg. when searching for "Pepsi cola" one will also find advertisements belonging to different brands of cola, such as "Coca-Cola".

Additionally this word or string of words is not necessarily relevant to their own product and brand. Unlike with a domain name where, if one purchases a domain in bad faith, they risk losing the rights to it, an ad-word is subject to no such penalties. Being privately owned, Google sells the word(s) to the highest bidder thereby allowing the one with the deepest pockets to prevail over others. It results in a select few being in an advantaged position, while leaving similar small businesses and enterprises to subsist. While this is not limited to merely Google, as it is the biggest operating engine with a significantly larger user base than its competitors it is not unnatural for it to be the unceasing target of legal disputes.

Other forms of digital trademark infringement

Meta Tagging

A form of trademark infringement that has yet to be considered as a threat having potentially hazardous effects on a businesses' digital persona, is Meta Tagging. A type of trademark infringement that is more common than people believe, meta tagging uses a series of tags to describe the contents of a particular website in addition to the HTML code of that particular website. Simply put, these tags describe the contents of a particular website (hosting a business)

which are added to the code (HTML) used to create said website.

Website owners generally employ descriptive (short summary of a website) and keyword (a word or phrase) meta tags in their websites. This allows a user to identify from a rank of appropriate websites, decided based upon the keywords input by them in contrast to the keywords of the websites.

For example:

A website pertaining to custom phone cases uses the keywords custom; cases; phone; designs. A user searches using the keywords, custom case design for phones. Said website will rank among the top in the list of websites the user could choose from.

This, however, leads to a major issue. To say least, the ease of embedding trademarks puts, at risk, the businesses of many. One may simply use the the trademark of any business in their website code, allowing them to successfully profit from the exposure as well as misdirected sales as a result of initial interest confusion. The difficulty in identifying such bogus websites is can prove to be a herculean task, leading to its rampant misuse.

Hyper-linking (deep linking)

The concept of hyper linking is rather practical. One simply needs a link of any webpage entered into the search engine and the user will be taken directly to said page, without having the need to navigate the entire website. All websites with multiple webpages will provide their users with quick access links in order to provide the information they desire, more swiftly. Nevertheless, to access these links one will need to go to a website's homepage, wherein they are located. This function is made use of by all website owners to facilitate easier access of information. Occasionally these links are also used by other website owners to provide additional information pertaining to what may be discussed on their website.

Traditionally, one may assume hyper-linking to only benefit website owners who are being linked to, as it only stands to increase their own website traffic. However, a number of lawsuits pertain specifically to the practice of linking websites without any prior permission.

As it stands, websites where daily traffic is above a certain number, are sought after by advertisers looking to advertise their own content. This acts as a form of revenue for the website owners. Hence advertisers look to advertise on the most strategically appropriate page, the homepage. It is the most frequently visited webpage of a website and anyone searching for information has to visit it.

However, if other website owners start linking the webpages of websites it leads to dilution in ad-revenue as a result of fewer people visiting the homepage to access the information. This practice is known as deep linking. Additionally, this also raises concerns among webs owners of, diluting their brand or misuse of information as well as people making unauthorised use of their work, all contributing toward the issue of linking without prior permission.

Framing

Another practice widely in use is framing. At some point or another everyone reading this article has come across the use of framing by one website or another. This simply involves using

window screens as frames, for any webpage of a differently owned website. The frame remains static while the content on the original website can be freely viewable, hence said portion of the screen will remain while the user can view other information on the website they visited originally, creating an effect similar to screen-on-screen provided by modern televisions. The website link, however does not change, thereby lessening the traffic, reducing revenue and unjustly benefiting from another's intellectual property, violating rights of the website owner.

Conclusion

The scope of intellectual property law, today, is vastly grater compared to a decade ago. Since it's inception, intellectual property law has been used to foster and promote creativity, and provide protection, to the product of that creativity.

Its applicability and scope, of course, has also taken a considerable leap. From protecting just the 'subject matter ' to protecting its imitations, the laws have evolved to what they are now. However the same is not for all three of its components. Unlike patents and copyrights, trade marks have a different purpose than just protection of the subject matter. Trademark rights ensure, the areas surrounding a particular product also remain protected, wether it be the descriptive attributes or issues regarding its virtual presence.

One may be correct in believing that the web is an indescribably vast and esoteric field, however the rights of every individual are also guaranteed by special organisations devoted to maintaining order and offer redressal to anyone, provided they seek it.