

Trademark Law

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NALSAR

Trade Mark Sec 2(1) (zb)

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

- It must be a mark, that is, a device, brand, heading, label, name or an abbreviation of a name, signature, word, letter or numeral shape of goods, packaging or combination of colours or any combination there of
- It must be capable of being represented graphically.
- It must be distinctive capable of distinguishing the goods or services of one person from those of another.
- It must be used or proposed to be used for trade in relation to goods or services.

- Trademark rules define graphical representation to mean the representation of a trademark for goods or services in paper form.
- Can non conventional marks like smell or sound satisfy this requirement?
- The need to have something outside the graphic representation in order to obtain a direct perception of the sign it represented does not always or necessarily indicate that the graphical representation is inadequate for the purposes of examination and registration.
- Registration must be must be self-contained, easily accessible, intelligible, unambiguous and durable.

Commonly used forms of trade marks

Words: Nokia, Samsung, TATA, BAJAJ

Slogans: “Solutions for a small planet” IBM

“ We bring good things to life” GE

Logos:



Amul Girl



Asian Paints Boy



- Combination of colours can be a trade mark
- A product or a container shape can be a trade mark

Coco Cola bottle, Toblerone chocolates



Theoretical Justifications

Two major justifications

- Preventing Consumer confusion

- Trademarks act as information transfer too – Information about the origin of the products.
- As the United States Supreme Court explained in *Qualitex Co. v. Jacobsen Prods.*,

Trademark law, by preventing others from copying a source-identifying mark, 'reduces the customer's costs of shopping and making purchasing decisions,' for it quickly and easily assures a potential customer that this item—the item with this mark—is made by the same producer as other similarly marked items that he or she liked (or disliked) in the past.

- Preventing Dilution of a trademark
- “to recognize trademark as a mere symbol of goodwill without recognizing it as an agency for the actual creation and perpetuation of goodwill, ignores the most potent aspect of the nature of a trademark”

The theory says

- (1) that the value of the modern trademark lies in its selling power;
- (2) that this selling power depends for its psychological hold upon the public, not merely upon the merit of the goods upon which it is used, but equally upon its own uniqueness and singularity;
- (3) that such uniqueness or singularity is vitiated or impaired by its use upon either related or non-related goods; and
- (4) that the degree of its protection depends in turn upon the extent to which, through the efforts or ingenuity of its owner, it is actually unique and different from other marks.

INDIAN LAW

Registration

- Indian Trademarks Act 1999 talks about the grounds of refusal of the trademark registration.
- The law regarding the refusal is laid down in two different sections.
- Section 9 – Absolute Grounds of Refusal
- Section 11 – Relative Grounds of Refusal

- Sec 9 (1) The trade marks -
- (a) which are devoid of **any distinctive character**, that is to say, not capable of distinguishing the goods or services of one person from those of another person;

- “What does devoid of any distinctive character mean? I think the phrase requires consideration of the mark on its own, assuming no use. Is it the sort of word (or other sign) which cannot do the job without first educating the public that it is a trade mark? A meaningless word or a word inappropriate for the goods concerned (North Pole for Cars) can clearly do. But a common laudatory word such as ‘Treat’ is, absent use and recognition as a trademark in itself devoid of any inherently distinctive character” ***per Jacob J. British Sugar v James Robertson and Sons.***

Factors to be taken into consideration

- More aptly it describes the goods, less distinguishing it becomes
- For a sign to be distinctive of a persons goods or services in the required manner, it must generally be speaking incapable of application to the goods or services of anyone else.
- If people exposed to it are not generally likely to regard it as something which provides some description/information about the goods or services with reference to which it is used.

- Arbitrary words or invented words are inherently distinctive
- Signature prima facie distinctive.
- Personal names or surnames are not considered to be inherently distinctive.
- Laudatory words are not considered as distinctive, e.g. PERFECTION for soap was refused registration.

- An objection to the descriptive character may only be maintained where the descriptive content is immediately, clearly and unmistakably obvious from the application. If a term that could serve to describe the characteristics of goods is merely hinted at or is suggestive, and is recognizable only on the basis of intellectual conclusions, it does not usually impede the registration.
- **ESB** which stood for extra strong beer was allowed registration for beer.

- Color as trademark – the question of distinctiveness.
- “A colour per se normally lacks those properties. Consumers are not accustomed to making an assumption about the origin of goods on the basis of their colour or the colour of their packaging, in the absence of a graphic or textual element, because a colour per se is not normally used as a means of identification in practice. That rule may not apply in the case of, firstly, very specific goods for very specific clientele, secondly, a colour exhibiting a shade which is extremely unusual and peculiar in the relevant trade.” *Light Green* [1999]E.T.M.R. 214, OHIM Third BoA

- A colour per se, however, without any unusual and fanciful features is devoid of any distinctive character, since it belongs in the public domain and form part of the store of signs available to all traders. It is not capable of distinguishing the goods and services applied for amongst those of other undertakings and cannot serve the basic function of a trademark, unless it has become distinctive in consequence of the use which has been made of it. (*Ty Nant* [1999] E.T.M.R.974, OHIM, Third BoA)
- Similar is the position with respect to shapes.

- (b) which consist exclusively of marks or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographical origin or the time of production of the goods or rendering of the service or other characteristics of the goods or service;

- Examples of rejected trademarks
- COFFEE HOUSE AROMA for Coffee
- EASY FLOSSING for toothpick with floss holder
- JERYL LYNN for medicinal products treating mumps virus
- TREAT for dessert sauces and syrups
- 100 % PURE GOODNESS for cosmetics
- LASTING PERFORMACNE for perfumes etc
- EASI-CASH for financial services.

- (c) which consist exclusively of marks or indications which have become customary in the current language or in the bona fide and established practices of the trade.
- Stars for hotels, bunch of grapes for wine, a representation of chef for food or restaurant services.
- New article name. In cases where the use of the word is not a trademark, but only as a name of the new article, such use is dedicated to public and becomes common to trade.

- PROVIDED that a trade mark shall not be refused registration if before the date of application for registration it has acquired a distinctive character as a result of the use made of it or is a well-known trade mark.
- Hence personal name or surname which otherwise is not inherently distinctive can acquire distinctiveness over a period of time if people start associating it with the particular goods or services.

- The following are the factors to be considered in determining whether a mark has acquired distinctiveness or not
- Whether the mark contains any descriptive elements of the goods or services?
- How intensive and geographically widespread the use of the mark is?
- Whether the mark is having a longstanding use?
- The amount invested in promoting the mark
- The proportion of the relevant public which identifies, the goods/services having the mark, as originating from a particular company
- Statements from the chambers of commerce/industry /trade bodies etc

- Clause 2 of section 9 provides : A mark shall not be registered as a trade mark if -
- (a) it is of such nature as to deceive the public or cause confusion;
- (b) it contains or comprises of any matter likely to hurt the religious susceptibilities of any class or section of the citizens of India;
- (c) it comprises or contains scandalous or obscene matter;

(d) its use is prohibited under the Emblems and Names (Prevention of Improper Use) Act, 1950.

- The name, emblem or official seal of the United Nations Organisation.
- The name, emblem or official seal of the World Health Organisation.
- The Indian National Flag.
- The name, emblem or official seal of the Government of India or of any State, or any other insignia or coat-of-arms used by any such Government or by a Department of any such Government.

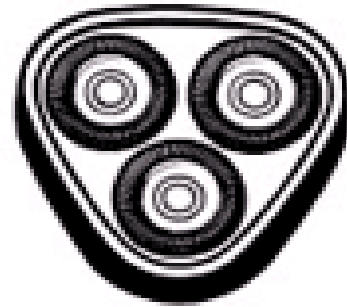
- Any name which may suggest or be calculated to suggest (i) the patronage of the Government of India or the Government of a State; or (ii) connection with any local authority or any corporation or body constituted by the Government under any law for the time being in force.
- The name, emblem or official seal of the United Nations Educational, Scientific and Cultural Organization.
- The name or pictorial representation of Rashtrapati, Rashtrapati Bhavan, Raj Bhavan.
- The name or pictorial representation of Mahatma Gandhi, Pandit Jawaharlal Nehru, Chhatrapati Shivaji Maharaj or the Prime Minister of India

Shape Marks

- **Clause (3) of section 9:** A mark shall not be registered as a trade mark if it consists exclusively of -
 - (a) the shape of goods which results from the nature of the goods themselves; or

- (b) the shape of goods which is necessary to obtain a technical result;
Case-law- Koninklijke Philips Electronics NV v Remington Consumer Products Ltd. [2003] Ch 159
- 1966-Phillips designed a new type of electric razor-Phillips have—three rotating heads laid out in the shape of an equilateral triangle
- 1985—registered the graphical representation of the shape and configuration of the head of the shaver as a trademark
- 1995-Remington manufactured and sold DT 55 Shaver—three headed rotary shaver –blades arranged in an equilateral triangle.
- Suit for infringement of trademark—counterclaim for revocation The case was referred to ECJ

Mark in issue



- *Held: it must be interpreted to mean that a sign consisting exclusively of the shape of a product is unregistrable by virtue thereof if it is established that the essential features of that shape are attributable only to the technical result. Moreover, the ground for refusal or invalidity of registration imposed by that provision cannot be overcome by establishing that there are other shapes which allow the same technical result to be obtained*

- Another example
- a bar of soap with indentations along its sides to allow a better grip is a shape consisting exclusively of a shape necessary to achieve that technical result

- (c) the shape which gives substantial value to the goods.
 - Section was aimed at preventing a trader from monopolizing registration of shapes which added a substantial value to goods over other shapes,
 - Ex: a lampshade, a telephone designed to appeal to the eye... such designs should be protected as design protection or the like, not by trademark registration

RELATIVE GROUNDS

- According to Section 11 (1)
- a trademark shall not be registered if, because of
 - Its identity with an earlier trademark and similarity of goods and services covered by the trademark; or
 - Its similarity to an earlier trademark and the identity or similarity of the goods and services covered by the trademark;
- there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trademark

- **Mark**
- Normally likelihood of confusion requires an appreciation of the Visual, phonetic or conceptual similarity.
- The global appreciation of the likelihood of confusion must as regards the visual, aural or conceptual similarity of the marks in question be based upon the overall impression created by them bearing in mind, in particular their distinctive and dominant components.
- If the mark is more distinctive the chances of confusion are very high.

- **Society Des Products v V.M. confectionary Limited** 2004 (29) PTC 508 (IPAB)
- ZERO V AERO
- The marks shall be held to be similar as the slight phonetic dissimilarity does not equip, illiterate class of people to make out such subtle distinction and select the goods.

- **Goods and services**
- degree of similarity between goods and services is also to be judged.
- It is a question of fact
- One must look at the trade and must look at it from practical business and commercial purpose.
- The classification done by market survey companies can be a good help.

- **Punjab Tractors v. Pramod Kumar Garg 2000 PTC**
- The opposition of plaintiffs to the registration of SWARAJ trademark for diesel oil engines and hand pump sets was upheld when the mark was already registered for tractors.
- The broad question is whether the goods are such that by virtue of some similarity, affinity or other circumstance, the purchasing public will consider them as coming from the same source if marketed under similar trade marks.
- The whole dispute has to be judged from the commercial and business point of view.

- **Consumer**
- An average consumer perceives the mark as a whole and doesn't proceed to analyze its various details.
- Average consumer only rarely has the chance to make a direct comparison between different marks but must place his trust in the imperfect recollection of them he has kept in his mind.
- But an average consumer is reasonably well informed, reasonably observant and reasonable circumspect.
- So in considering confusion courts reject confusion by a 'moron in a hurry' in favour of ordinary sensible member of public

- **Corn products v. Shangrila food products. 1960 SC**
- Court held:
- Marks to be considered as whole. We have to approach it from the point of view of a man of average intelligence and imperfect recollection. To such a man the overall structural and phonetic similarity and similarity of idea is likely to cause confusion.
- Hence gluvita was held to be deceptively similar to glucovita.

- Global Appreciation Test
- A global assessment of the likelihood of confusion implies some interdependence between the relevant factors, and in particular a similarity between the trade marks and between these goods or services. Accordingly, a lesser degree of similarity between these goods or services may be offset by a greater degree of similarity between the marks, and vice versa.
- the more distinctive the earlier mark, the greater the risk of confusion. Since protection of a trade mark depends on there being a likelihood of confusion, marks with a highly distinctive character, either per se or because of the reputation they possess on the market, enjoy broader protection than marks with a less distinctive character.

- Section 11(2) – well known trademarks
- An identical or similar trademark shall not be registered even on dissimilar goods if the use of the later mark without due cause would take unfair advantage of or be detrimental to the distinctive character or repute or the earlier trademark.

- Relevant factors
- The knowledge or recognition of that trademark in the relevant section of the public
- The duration, extent and geographical area of any use of that trademark or promotion of the trademark
- The record of successful enforcement of the rights in that trademark

- Factors not relevant
- The use of the trademark in India
- The registration or application for that trademark in India.
- Is well-known in or has been registered or application for registration has been filed in any country outside India.
- That it is well known to the public at large in India.

- **Honest concurrent use (Sec 12)**
- In case of honest concurrent use trademarks which are identical or similar on identical or similar goods may be permitted, upon such conditions and limitations imposed by the Registrar
- It has been held that the use must not only be concurrent but also honest
- In *Club Europe trade mark case*, the dispute was between British Airways and a travel agency in England. It was proved that the agency had started the use of the mark even before BA and had honestly continued its use. BA's objection to registration was set aside and the mark was allowed to be registered.

Procedure for Registration

- Application for registration
- Withdrawal of acceptance
- Advertisement of application
- Opposition to registration
- Correction and amendment
- Registration
- Renewal
- Revocation

Effect of registration

- Right to use
- Right to sue in case of infringement

INFRINGEMENT

- Section 29 says that a registered trademark is infringed when
- Due to similarity or identity of marks and similarity or identity of goods, there exists a likelihood of confusion
- Identity of marks and identity of goods – infringement presumed.

- Section 29 (4) says that mark with reputation would be infringed by using a similar or identical mark even on the dissimilar goods, if it is without **due cause** takes **unfair advantage** of or is detrimental to the **distinctive character** or **repute** of the earlier mark.

- 29 (5) A registered trade mark is infringed by a person if he uses such registered trade mark, as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern dealing in goods or services in respect of which the trade mark is registered.

- 29 (7) A trademark is infringed by a person who applies such trademark to a material intended to be used for labeling or packaging of the goods, as a business paper or for advertising goods or services, provided such person, when he applied the mark, knew or had reason to believe that it was not duly authorized by the proprietor or a licensee.

Section 29(8)

A registered trade mark is infringed by any advertising of that trade mark if such advertising-

- (a) takes unfair advantage of and is contrary to honest practices in industrial or commercial matters, or
- (b) is detrimental to its distinctive character, or
- (c) is against the reputation of the trade mark



Coca-Cola
vs.
PEPSI



Complan vs Horlicks: Good Mom, Bad Mom

Drab colors

Plain

Short, fat kid

Bright colors

Pretty

Tall, thin kid



- **In Reckitt & Colman of India Ltd. v. Kiwi T.T.K. Ltd.**
1996
- Five principles laid down by the Court
 1. A tradesman is entitled to declare his goods to be best in the words, even though the declaration is untrue.
 2. He can also say that his goods are better than his competitors'.
 3. For the purpose of saying that his goods are the best in the world or his goods are better than his competitors' he can even compare the advantages of his goods over the goods of others.

4. He, however, cannot while saying his goods are better than his competitors', say that his competitors' goods are bad. If he says so, he really slanders the goods of his competitors. In other words he defames his competitors and their goods, which is not permissible.

5. If there is no defamation to the goods or to the manufacturer of such goods no action lies, but if there is such defamation an action lies and if an action lies for recovery of damages for defamation, then the Court is also competent to grant an order of injunction restraining repetition of such defamation.

PASSING OFF

- Section 27: no person shall be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an unregistered trademark.
- Nothing in this act shall be deemed to affect the rights of action against any person for passing off goods or services as the goods of another person.

- So the question is what is Passing off.
- Passing off is a kind of tort.
- In its classical definition it means:
- “a man is not to sell his own goods under the pretence that they are the goods of another. He cannot be allowed to do so, nor to use the means which contribute to that end”.

Three things need to be established

- Establish a goodwill attached to the goods or services in the mind of the purchasing public.
- Demonstrate a misrepresentation by the defendant to the public to believe that goods or services offered by him are goods or services of the plaintiff.
- Demonstrate that he suffers or is likely to suffer damage by reason of erroneous belief that the source of the defendants goods or services is the same as the source of those offered by the plaintiff.

- **N.R. Dongre v. Whirlpool Corp. (1996)**
- The issue was whether the reputation of Trademark Whirlpool in respect of washing machines of the respondents has traveled trans border to India?
- The knowledge and awareness of a Trademark in respect of Goods of a trader is not necessarily restricted to the people of country where goods are sold.

- The knowledge and awareness can reach even the shores of those countries where the good have not been marketed.
- When the product is launched and hits the market in one country, the cognizance of the same is also taken by the people in other countries through adds in magazines, television, video films etc.

- Hence in the present day world it cannot be said that the goods sold in another country have no goodwill reputation in country where they are not available.

- **Sony kabashuki kaisha v. mahaluxmi textile mills (2009) delhi**
- Similarity of goods of the rival is not an essential requisite for maintaining an action for passing off.
- court said that in an event a passing off is instituted to defend the exclusivity of a corporate name, it would not be open to another trader to justify the use on the ground that he is using the same corp. name as his business entirely different from that of plaintiff.

- This is because from the days of 'one company one product' the commercial world has considerably changed.
- Moreover modern marketing technology aided with improved communication system has also strengthened the distinctive properties of individual TMs.
- It was not court's opinion that the class of goods/ Service ought to be altogether ignored.

- The similarity in nature, character and performance of the goods would be one of the factors in adjudication a passing off action.
- In court's view it was one of the important factors, but just because the goods were different, this very factor should not automatically result in failure of an action founded on the tort of passing off.

Internet World and Trademark Law

- **AdWords and Metatags**
- Rescuecom corp. v. Google Inc. 562 F.3d 123 (2009)
- Rescuecom sued Google for selling its trademark as adword to its competitors.
- Whether such use was a use in course of trade as understood in trademark law?
- Court held: what Google is recommending and selling to its advertisers is Rescuecom's trademark.

- Google displays, offers, and sells Rescuecom's mark to Google's advertising customers when selling its advertising services. In addition, Google encourages the purchase of Rescuecom's mark through its Keyword Suggestion Tool. Google's utilization of Rescuecom's mark fits literally within the terms specified by law.Google uses and sells Rescuecom's mark "in the sale . . . of [Google's advertising] services . . . rendered in commerce."
- Regardless of whether Google's use of Rescuecom's mark in its internal search algorithm could constitute an actionable trademark use, Google's recommendation and sale of Rescuecom's mark to its advertising customers are not internal uses.

- The court declined to accept that “an alleged infringer's use of a trademark in an internal software program insulates the alleged infringer from a charge of infringement, no matter how likely the use is to cause confusion in the marketplace.”
- Court said, “If we were to adopt Google’s... argument, the operators of search engines would be free to use trademarks in ways designed to deceive and cause consumer confusion.-This is surely neither within the intention nor the letter of the Lanham Act.”

- **Brookfield Communications v. WestCoast Entertainment Corp. (1999)**
.....Westcoast's use of "moviebuff.com" in metatags will still result in what is known as initial interest confusion. Webserfers looking for Brookfield's "Moviebuff" products who are taken by a search engine to "wescoastvideo.com" will find a database similar enough to "moviebuff" such that a sizeable number of consumers who were originally looking for Brookfield's products will simply decide to utilize westcoast's offering's instead. Although there is no source confusion in the sense that consumers know they are patronizing westcoast rather than Brookfield, there is nevertheless initial interest confusion in the sense that by using moviebuff.com or MovieBuff to divert people looking for Moviebuff to its website, westcoast improperly benefits from the goodwill that Brookfield developed in its mark.
- Court's illustration – use of a road sign purporting to lead to store A while it actually leads to store B.

- Reed Executive vs Reed Business Information, 2004
- Whether the use as a reserved word can fairly be regarded as "use in the course of trade" or not (as to which I express no opinion), I cannot see that causing the unarguably inoffensive-in-itself banner to appear on a search under the name "Reed" or "Reed jobs" can amount to an Art.5.1(b) infringement. The web-using member of the public knows that all sorts of banners appear when he or she does a search and they are or may be triggered by something in the search. He or she also knows that searches produce fuzzy results – results with much rubbish thrown in. The idea that a search under the name Reed would make anyone think there was a trade connection between a totaljobs banner making no reference to the word "Reed" and Reed Employment is fanciful. No likelihood of confusion was established.

- That is not to say, of course, that if anyone actually clicked through (and few did) and found an infringing use, there could not be infringement. Whether there was or not would depend solely on the site content, not the banner.
- If this had been an Art.5.1(a) case then the position might have been different. For then there would have been no requirement to prove a likelihood of confusion. The question would appear to turn on whether the use of the word "Reed" by Yahoo at the instance of RBL properly amounted to a "use in the course of trade" as to which, as I say, I reserve my opinion. It may be that an invisible use of this sort is not use at all for the purposes of this trade mark legislation – the computers who "read" sets of letters merely "look for" patterns of 0s and 1s – there is no meaning being conveyed to anyone – no "sign."

- Metatags: Assuming metatag use counts as use of a trade mark, there is simply no confusion here. I confess to not following the lower Judge's reasoning on the point. He said that the "ultimate purpose [of the metatag] is to use the sign to suggest a connection which does not exist." But purpose is irrelevant to trade mark infringement and causing a site to appear in a search result, without more, does not suggest any connection with anyone else. The Judge also said "the sign in a metatag is being used to suggest that this site is to be treated in a manner appropriate to the way in which the trade mark owner's site should be treated." Even if that be so (and I doubt it, no "suggestions" are being made) it does not answer the [test for consumer confusion].

Domain Names

- Yahoo inc. v. Akash arora 1999 delhi high court
- Yahooindia.com was registered by the defendant and this was challenged on the basis of passing off.
- Court observed:
- Passing off is a common law remedy
- The parties are engaged in common or overlapping fields of activity
- Hence there is immense likelihood of confusion
- yahoo is widely famous in India and worldwide..
- Technically sophisticated of the users may be unsophisticated consumers of information.

- **Cybersquatting**
- **Marks and Spencer vs One in a Million**
- The defendants were dealers in domain names who had registered a number of names which incorporated the names of well known English companies, such a marksandspencer.com, marksandspencer.co.uk, sainsbury.com, virgin.org, bt.org, britishtelecom.com, ladbrokes.com etc.

- The essence of the tort of passing off is a misrepresentation to the public liable to lead them to believe that the goods and services offered by the representor are those of the plaintiff.
- However the tort is also committed by those who put or authorize someone to put an 'instrument of deception' into the hands of others.
- No man is permitted to use any mark... whereby without making a direct false representation himself to a purchaser who purchases from him, he enables such a purchaser to tell a lie or to make a false representation to somebody else who is the ultimate customer.

- “ it follows that a court will intervene by way of injunction in passing off cases *where the defendant has equipped himself with or intends to equip another with an instrument of fraud...*”

- **Panavision International V Dennis Toeppen**
- Panavision holds registered trademarks to the names “Panavision” and “Panaflex” in connection with motion picture camera equipment. Panavision promotes its trademarks through motion picture and television credits and other media advertising.
- In December 1995, Panavision attempted to register a web site on the Internet with the domain name Panavision.com. It could not do that, however, because Toeppen had already established a web site using Panavision's trademark as his domain name. Toeppen's web page for this site displayed photographs of the City of Pana, Illinois.

- On December 20, 1995, Panavision's counsel sent a letter from California to Toeppen in Illinois informing him that Panavision held a trademark in the name Panavision and telling him to stop using that trademark and the domain name Panavision.com. Toeppen responded by mail to Panavision in California, stating he had the right to use the name Panavision.com on the Internet as his domain name. Toeppen stated:
- “If your attorney has advised you otherwise, he is trying to screw you. He wants to blaze new trails in the legal frontier at your expense. Why do you want to fund your attorney's purchase of a new boat (or whatever) when you can facilitate the acquisition of ‘PanaVision.com’ cheaply and simply instead?”
- Toeppen then offered to “settle the matter” if Panavision would pay him \$13,000 in exchange for the domain name. Additionally, Toeppen stated that if Panavision agreed to his offer, he would not “acquire any other Internet addresses which are alleged by Panavision Corporation to be its property.”

- US Court relied upon the grounds of dilution to provide relief to the plaintiff.
- For dilution to be proven 'commercial use' of the mark had to be established and the argument of the defendant was that mere registration of a domain name does not constitute commercial use.
- Developing this argument, Toeppen contends that a domain name is simply an address used to locate a web page. He asserts that entering a domain name on a computer allows a user to access a web page, but a domain name is not associated with information on a web page.
- If a user were to type Panavision.com as a domain name, the computer screen would display Toeppen's web page with aerial views of Pana, Illinois. The screen would not provide any information about "Panavision," other than a "location window" which displays the domain name. Toeppen argues that a user who types in Panavision.com, but who sees no reference to the plaintiff Panavision on Toeppen's web page, is not likely to conclude the web page is related in any way to the plaintiff, Panavision.

- Court said - Toeppen's argument misstates his use of the Panavision mark. His use is not as benign as he suggests. Toeppen's "business" is to register trademarks as domain names and then sell them to the rightful trademark owners. He "act[s] as a 'spoiler,' preventing Panavision and others from doing business on the Internet under their trademarked names unless they pay his fee. Toeppen traded on the value of Panavision's marks. So long as he held the Internet registrations, he curtailed Panavision's exploitation of the value of its trademarks on the Internet, a value which Toeppen then used when he attempted to sell the Panavision.com domain name to Panavision.
- Toeppen made a commercial use of Panavision's trademarks. It does not matter that he did not attach the marks to a product. Toeppen's commercial use was his attempt to sell the trademarks.

- This commercial use was diluting the value of the trademark. The court found that Toeppen's conduct diminished “the capacity of the Panavision marks to identify and distinguish Panavision's goods and services on the Internet.”
- Potential customers of Panavision will be discouraged if they cannot find its web page by typing in “Panavision.com,” but instead are forced to wade through hundreds of web sites. This dilutes the value of Panavision's trademark. We echo the words of Judge Lechner, quoting Judge Wood: “Prospective users of plaintiff's services who mistakenly access defendant's web site may fail to continue to search for plaintiff's own home page, due to anger, frustration or the belief that plaintiff's home page does not exist.”

International Corporation for Assigned Names and Numbers

Universal Dispute Resolution Policy

- **4. Mandatory Administrative Proceeding** – in case it is alleged that:
 - (i) your domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; and
 - (ii) you have no rights or legitimate interests in respect of the domain name; and
 - (iii) your domain name has been registered and is being used in bad faith.

- **Evidence of Registration and Use in Bad Faith**
- (i) circumstances indicating that you have registered or you have acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name; or
- (ii) you have registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that you have engaged in a pattern of such conduct; or

- (iii) you have registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- (iv) by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your web site or other on-line location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of your web site or location or of a product or service on your web site or location.

- **How to Demonstrate Your Rights to and Legitimate Interests in the Domain Name in Responding to a Complaint.**
- (i) before any notice to you of the dispute, your use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a bona fide offering of goods or services; or

- (ii) you (as an individual, business, or other organization) have been commonly known by the domain name, even if you have acquired no trademark or service mark rights; or
- (iii) you are making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

- World Wrestling Federation Entertainment Inc. v. Michael Bosman
- The complainant was the owner of the trademark – World Wrestling Federation
- The respondent registered the domain name worldwrestlingfederation.com. Three days after registering the same, respondent contacted complainant by e-mail and stated that his primary purpose in registering the domain name was to sell, rent or otherwise transfer it to complainant for a valuable consideration in excess of respondent's out-of-pocket expenses.

- The domain was confusingly similar to the trademark.
- Respondent had no legitimate interest or rights in respect of the domain name.
- The fact that immediately after registering it, the respondent offered it for sale to the complainant, the panel believed that it was registered in bad faith.
- Because respondent offered to sell the domain name to complainant for valuable consideration in excess of any out of pocket costs directly related to the domain name, respondent has used the domain name in bad faith as defined in the policy

- **Shirmax Retail Ltd. V. CES Marketing Group Inc.**
- Shirmax owns trademark “THYME” for its products like maternity clothing and other merchandise.
- CES registered the domain name thyme.com in 1996.
- Shirmax does not allege that CES was aware of Shirmax or its activities at that time. Shirmax submitted a list of fifty domain names that have been registered by CES. Most of the domain names were relatively generic (e.g. decimals.com, dill.com, doughnut.com).

- For sometime until september 1999 CES used the domain name thyme.com on the web to redirect HTTP requests to a different site, at the domain name cesmarketing.com.
- That website described CES's business as "the development and marketing of valuable Internet domain names" and invited persons interested in CES's plans for a particular domain name to contact the company.

- Analysis
- Shirmax alleged that CES fails to show any right or legitimate interest in the domain name and has never been commonly known by the domain name.
- According to the panel where the domain name and trademark in question are generic – and in particular where they comprise no more than a single, short, common word – the rights/interest inquiry is more likely to favor the domain name owner.
- The ICANN policy is very narrow in scope. It covers only clear cases of “cybersquatting” and “cyberpiracy” not every dispute that might arise over a domain name.

- The panel found that the admittedly perfunctory preparations made by CES for use of the domain name thyme.com in bona-fide commerce are sufficient to demonstrate the rights or legitimate interests required by the policy.
- In addition, given the generic nature of the domain name, CES has at least a tenable argument that its use on the web merely for the purpose of redirecting visitors to a different site constitutes a legitimate fair use, as long as this use is not misleading to consumers and does not tarnish a trademark.

- As for the bad faith registration the panel clarified that though CES is involved in the business of registering domain names with the intent to resell them for a profit, the fact in itself is not sufficient in the facts and circumstances of this case.
- If the domain name at issue were a coined trademark, evidence to this effect might well be sufficient to demonstrate bad faith registration and use.
- Thyme.com however involves a generic term and there is no evidence that CES registered the domain name with the intent of capitalizing on Shirmax's trademark interests, or even that CES was aware of Shirmax's existence when it registered the domain name in 1996.
- Infact the only evidence as to CES's intent to register thyme.com supports the conclusion that CES selected the name 'thyme' because it refers to a name.

- **CRS Technology Corporation v. Condenet Inc.**
CRS marketed travel-related computer and database services under the registered service mark Concierge.
- CondeNet registered concierge.com and used it for a travel information site on the internet. CRS brought an action under the policy.

- Panel held that the fact that CondeNet does not use “concierge” in its corporate name or otherwise is immaterial. A person or entity may legitimately register and use many domain names that are different from its corporate or trade names.
- It is also not very relevant that CRS sent a notice to CondeNet not to register the said domain name because CondeNet had a good faith basis for believing it was entitled to use the domain name.
- This is not a case in which CodeNet selected a domain name incorporating a famous or distinctive mark that, it should have known, it was not entitled to use. Rather CondeNet selected its domain name a mark that is somewhat descriptive and is meant to communicate some aspect of the services provided (the kind of assistance one could expect from a hotel concierge).

- The very reason it is attracted to the domain name is because of the positive image attracted to the word, and not at all because of any desire to cause confusion with CRS's trademark rights.
- Nor is this the case where CRS's mark, although based on a word from everyday discourse, nevertheless has developed such strong fame or distinctiveness that consumers would inevitably believe that a website located at the domain name is affiliated with CRS.

- **Hewlett-Packard Co. v. Bugar**
- Hewlett-Packard is a company that owns the trademark “Hewlett Packard” which it uses in connection with computer software, hardware, computer printers and cartridges, printed materials, internet services etc.
- The respondent Jeff Burger registered the domain name “hewlettpackard.com”. Respondent was not a licensed Hewlett-Packard re-seller. He claimed to be affiliated with the Pegasus Bookstore located in High Prairie, Alberta, Canada that is licensed re-seller of complainant’s products.

- The majority held that the domain name was confusingly similar to the trademark, that the respondent did not have any right or legitimate interest in respect of the domain name.
- The majority also held that the respondent has stated that he would transfer the name if he were paid his costs associated with registration and received a public apology from the complainant. This demonstrated to the panel that he had no legitimate right or interest in the domain name. Also the panel found that the respondent has engaged in a pattern of such conduct.

- Dissenting Opinion held otherwise
- The respondent alleges that he registered hewlettpackard.com for his daughter, who owns the Pegasus bookstore. He also alleges that he knew that Hewlett Packard uses hp.com, and concluded that his daughter could expand into online distribution of the products she sold in her store.
- The question of registration in bad faith is in part a question of credibility of the respondent's assertion.
- There was no evidence contradicting that assertion. The claim of goodfaith or atleast the absence of intent to block Hewlett – Packard from using its name as it saw fit – receives some support from the fact that Hewlett Packard Corp. had chosen to register and use hp.com many years earlier.

- The majority's opinion comes dangerously close to making cybersquatting a status offense rather than one that the UDRP instructs must be based on conduct.
- The domain name has not been 'used' by being offered for sale 'for valuable consideration in excess of documented out of pocket costs unless one would intend the absurdity that the request of an apology in addition to reimbursement for cost is to be evidence of bad faith.

- .IN Domain Name Dispute Resolution Policy (INDRP)
- IN Registry refers to the National Internet Exchange of India (NIXI)