

Legal Issues in ‘Embedded Trademarks’

Issue: Whether “Invisible Use” of Trademarks as Keywords Amounts to Infringement/Passing Off Under Trademark Law?

Relevant Definitions

❖ Meta-Tags –

- Meta-tags are invisible text(s) inscribed into the source code of web-pages (typically with certain descriptors) to assist search engines by acting as identifiers to the contents of the pages.
- Indian statute yet to specifically define ‘meta-tags’.
- *“Meta tags are special lines of code embedded in web pages. All HTML (hyper text markup language), used in coding web pages, uses tags...do not affect page display...They provide structured data (actually, meta-data) about the web page in question. Meta tags are always used in a web-pages ‘<head>... </head>’ section, before the display section that begins with the tag ‘<body>... ... </body>’.”* [Emphasis Supplied] - as defined for the first time by the Bombay High Court in *People Interactive (I) Pvt. Ltd. v. Gaurav Jerry & Ors.* [MIPR 2014 (3) 101]

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Relevant Definitions (Contd.)

❖ **Keywords –**

- A variant of meta-tags, comprising of one or more “search terms” which reveal itself as key-identifiers best equipped to describe the contents of the related web-page.
- Embedded in the web-page as "meta-tags" bearing no visible effect on the web-page.
- Assists search engines to pull up links to web-pages *matching* with keywords and ranking them for the web surfers.

❖ **Spamdexing -**

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- The process of adding extraneous material to a web-page in order to have it ranked more highly by search engines. [Oxford Reference]
- Also known as ‘spoofing’ and ‘keyword stuffing’. [Oxford Reference]

Relevant Statutory Provisions

❖ Section 2 (2) (b), Trade Marks Act, 1999 –

- “Definitions and interpretation. — (2) In this Act, unless the context otherwise requires, any reference — to the **use of a mark shall be construed as a reference to the use of printed or other visual representation of the mark**” [Emphasis supplied]

❖ Section 28 (1), Trade Marks Act, 1999 –

- “Rights conferred by registration. — (1) Subject to the other provisions of this Act, the registration of a trade mark shall, if valid, give to the registered proprietor of the trade mark the **exclusive right to the use of the trade mark in relation to the goods or services in respect of which the trade mark is registered and to obtain relief in respect of infringement of the trade mark...**” [Emphasis supplied]

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Relevant Statutory Provisions (Contd.)

❖ Sections 29 (1), (7) and (9), Trade Marks Act, 1999 –

- *“Infringement of registered trade marks. — (1)...registered trade mark is infringed by a person who...uses...a mark....in such manner as to render the use of the mark likely to be taken as being used as a trade mark....(7)...applies such registered trade mark to a material intended to be used for...advertising goods or services, provided such person...knew or had reason to believe that the application of the mark was not duly authorised by the proprietor or a licensee...(9)...the trade mark may be infringed by the spoken use of those words as well as by their visual representation...”*
[Emphasis supplied]

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Relevant Statutory Provisions (Contd.)

❖ Section 30 (1), Trade Marks Act, 1999 –

- *“Limits on effect of registered trade mark. —Nothing in section 29 shall be construed as preventing the use of a registered trade mark...provided the use - (a) is in accordance with honest practices in industrial or commercial matters, and (b) is not such as to take unfair advantage of or be detrimental to the distinctive character or repute of the trade mark.”* [Emphasis supplied]

Relevant Judicial Pronouncements

❖ ***People Interactive (I) Pvt. Ltd. v. Gaurav Jerry & Ors.* [MIPR 2014 (3) 101]**

- “...Plaintiffs have made out not just a strong, but an overwhelming prima facie case. **Dishonesty is writ large on the actions of the 1st Defendant...He has attempted to misappropriate the Plaintiffs' mark...He has, plainly, hijacked Internet traffic from the Plaintiffs' site by a thoroughly dishonest and mala fide use of the Plaintiffs' mark and name in the meta tags of his own rival website. The distinctive character of the Plaintiffs' mark is thus diluted and compromised by the actions of the Defendant. The 1st Defendant's action is nothing but online piracy...**” [Emphasis Supplied]

7 ❖ ***Kapil Wadhwa v. Samsung Electronics Co. Ltd.* [194 (2012) DLT 23]**

- Held: Use of a trademark in meta-tags although invisible to the end-user is illegal.
- “...As regards the appellants meta-tagging their websites with those of the respondents, the learned Single Judge has correctly injuncted the appellants from so doing, which injunction we affirm...”

Relevant Judicial Pronouncements (Contd.)

❖ ***Christian Louboutin SAS v. Nakul Bajaj & Ors. [253 (2018) DLT 728]***

- *“...A single judge of the Delhi High Court has held that use of metatags is illegal as it enables the Defendant to ride on the reputation of the Plaintiff. The trade mark used in the code as a keyword is invisible to the end-user or customer...trademark owner loses its huge customer base. If the products turn out to be counterfeit or not up to the mark, then it is the trademark owner’s brand equity which is diluted. The seller himself does not suffer...if the sellers themselves are located on foreign shores and the trade mark owner cannot exercise any remedy against the said seller who is selling counterfeits on the e-commerce platform, then the trade mark owner cannot be left remediless.” [Emphasis supplied]*

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Relevant Judicial Pronouncements (Contd.)

- ❖ ***Amway India Enterprises Pvt. Ltd. v. 1Mg Technologies Pvt. Ltd. & Anr. [260 (2019) DLT 690]***
 - “....if the use by the seller is detrimental to the reputation of the mark, the mark is stated to be infringed. ***Use of a mark in meta-tags or in advertising without the consent of the proprietor is also violative of trademark rights of the owner...Section 29(8)...makes it clear that if any advertising of a mark takes unfair advantage of the mark or is detrimental to its distinctive character even without a sale taking place, there is infringement.***” [Emphasis supplied]

Relevant Judicial Pronouncements (Contd.)

❖ *DRS Logistics & Anr v. Google India* [MANU/DE/2920/2021]

- “...it is not a case which falls within the meaning of Section 29. This issue is no more *res integra*, at least in view of the Judgment...Having noted the above Judgments, it is **clear that the use of the mark as meta-tags was held to be infringement of trademark**. It follows, that **invisible use of trademark to divert the traffic from proprietors’ website to the advertisers’ / infringers’ website shall amount to use of mark for the purpose of Section 29**, which includes Section 29 (6) and 29(8), related to advertising... there is **no doubt that the usage of trademark as keyword results in diversion of the traffic from the website of the trademark owner to the webpage of the advertiser which causes prejudice to the owner of the trademark in terms of goodwill and credibility...**” [Emphasis Supplied]

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Conclusion

- ❖ Divergent juridical findings, across the globe, on deeming “invisible uses” of trademarks as keywords to be infringing activities under the Trademark law.
- ❖ Cross-jurisdictional/uniform judicial precedent may be ideal to tackle with jurisdictional issues arising from when infringing parties are located on foreign/off shores.
- ❖ Considering the vacuum created in the absence of any concrete laws or pre-determined principles, the fabric of law around meta-tagging is still in a grey area which ultimately results in cases being discussed on a case-to-case basis.
- ❖ Owing to little to no human intervention in the technological setting of ‘invisibly inking’ trademarks as keywords-meta-tags serves as a predatory ground for infringing parties, the burden of which is ultimately borne by the end-users/consumers and hence, such “invisible uses” are considered to be unauthorised “uses” constituting unfair competition, dilution and trademark infringement.

THANK YOU!

Questions?

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