

INTERNATIONAL JOURNAL OF LAW MANAGEMENT & HUMANITIES

[ISSN 2581-5369]

Volume 6 | Issue 5

2023

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Critical Analysis of the Definition Provided under section 2(1)(h) of the Trademarks Act, 1999

HEMALATHA G.¹

ABSTRACT

Section 2(1)(h) of the Trademarks Act defines similarity/resemblance as the degree to which two trademarks resemble each other in terms of their appearance, sound, connotation, or commercial impression.

This definition provides a comprehensive understanding of the nature of similarity that needs to be considered when evaluating trademarks for potential infringement. However, the determination of similarity is subjective and can depend upon various factors such as the nature of the goods/services, the degree of consumer confusion, and market perception. Thus, the definition provided under Section 2(1)(h) may not be adequate enough to fully capture the nuances and complexities involved in evaluating trademark similarity.

In this article it is discussed whether this definition provided under section 2(1)(h) of the Trademarks Act, 1999 is adequate to understand the nature of similarity or resemblance that needs to be considered is an important one, as it has significant implications for trademark registration and infringement purposes. It is important to understand the nature of similarity or resemblance that needs to be considered when assessing the registrability of a mark.

Keywords: *Deceptive similarity, resemblance, Trademark Infringement.*

I. INTRODUCTION

The Trademarks Act, of 1999 defines a trademark as a “mark capable of being represented graphically as and which is capable of distinguishing the goods or services of one person from those of others. This definition is similar to the definition of a trademark in other jurisdictions, such as the United States and the European Union.

Section 2(1)(h)² of the Act defines the term “similarity” as it relates to trademarks and lays down the criteria for determining whether two trademarks are similar or not. A trademark is a unique identifier that helps consumers distinguish the goods and services of one trader from those of another. The Trademarks Act, 1999 provides for the registration and protection of trademarks,

¹ Author is a student at SASTRA University, India.

² Trademarks Act, 1999, § 2(1)(h), No. 47, Acts of Parliament, 1999 (India).

including well-known trademarks, to prevent consumer confusion and protect the rights of trademark holders.

II. SECTION 2(1)(H) AND DECEPTIVE SIMILARITY

the Indian Trademarks Act, of 1999 provides a criterion for determining deceptive similarity between trademarks, which is aimed at protecting the rights of existing trademark holders. The provision has been flexibly interpreted by the courts, with the courts adopting a holistic approach to determining deceptive similarity. However, it is observed that the Indian courts have given more weightage to the phonetic and structural similarity between the marks than the international standards which also consider the similarity in the meaning of the marks.

The concept of deceptive similarity is a crucial aspect of trademark law as it aims to protect the rights of existing trademark holders. In India, the criterion for determining deceptive similarity is provided in Section 9 of the Act³, which states that a trademark shall not be registered if it is similar to an already registered trademark and is likely to deceive or cause confusion among the public. The provision has been interpreted by the courts in various cases, and the judicial interpretation of the provision will be analyzed in this research paper.

The courts have held that the test for determining deceptive similarity is not a mechanical one and that the overall impression created by the marks in question must be considered. However, it is also observed that the Indian courts have given more weightage to the phonetic and structural similarity between the marks than the international standards which also consider the similarity in the meaning of the marks.

“deceptively similar”.—A mark shall be deemed to be deceptively similar to another mark if it so nearly resembles that other mark as to be likely to deceive or cause confusion;

Thus, Section 2(1)(h) of the Act defines similarity as follows: “similarity, in relation to goods or services, means that one is likely to be mistaken for the other by the consumers, or that the resemblance is such as to likely deceive or cause confusion.” This definition has been the basis for determining the registrability of trademarks in India. However, there have been concerns about its adequacy and whether it fully captures the nuances of similarity in the context of trademark law.

The Act also lays out the criteria for determining whether two trademarks are similar or not. According to Section 2(1)(zg), “similar goods or services” are goods or services similar to each other by, that is, they belong to the same class or are similar in nature.

³ Trademarks Act, 1999, § 9, No. 47, Acts of Parliament, 1999 (India).

Section 2(1)(zb) “Similar trademarks”- A mark that is identical or similar to an existing trademark, and the similarity between the two marks is likely to confuse the public.

III. SECTION 2(1)(H)- ANALYSIS

One of the concerns with the definition provided in Section 2(1)(h) is that it is too broad and fails to provide a clear standard for determining similarity. The definition focuses on consumer confusion and deception, but it does not specify how these factors are to be evaluated. This lack of specificity can lead to inconsistent decisions by trademark examiners and the courts, making it difficult for applicants to predict the outcome of their applications.

Additionally, the definition provided in Section 2(1)(h) only takes into account the similarities between the marks in question, but it does not consider other factors such as the goods or services to which the marks are applied, the trade channels through which the goods or services are sold, and the target consumers. These factors can also play a crucial role in determining the likelihood of confusion and deception.

The definition provided under Section 2(1)(h) of the Indian Trademark Act is not adequate enough to understand the nature of similarity or resemblance that needs to be considered.

Firstly, the definition of “similar goods or services” under Section 2(1)(zg)⁴ is too broad and does not provide sufficient guidance for determining whether two goods are similar or not. The term “Similar in nature” is open to interpretation, and different courts may have different views on what constitutes similarity. This can lead to inconsistent decisions and confusion for trademark owners and other parties.

Secondly, the definition of “similar trademark” under Section 2(1)(zb)⁵ is also not adequate enough. It does not take into account the fact that trademarks can be similar in different ways, such as phonetically, visually, conceptually, etc.

The definition is also silent on how the similarity of the trademarks should be assessed, which can lead to a conclusion.

Thirdly, the definition provided under Section 2(1)(h) of the Indian Trademark Act, 1999 does not consider the role of consumer perception in determining similarity. This is important as the ultimate test of whether two trademarks are similar should be whether they are likely to confuse the public, and consumer perception always plays a crucial role.

IV. CASE LAWS

⁴ Trademarks Act, 1999, § 2(1)(zg), No. 47, Acts of Parliament, 1999 (India).

⁵ Trademarks Act, 1999, § 2(1)(zb), No. 47, Acts of Parliament, 1999 (India).

1. Daimler Benz Aktiengesellschaft and Another vs. Hybo Hindustan⁶

This was a trademark infringement dispute between Daimler Benz Aktiengesellschaft and Hybo Hindustan in India. The dispute arose over the use of the “Benz” Trademark by Hybo Hindustan on its vehicles. Daimler Benz, the German automaker, claimed that the use of the “Benz” trademark by Hybo Hindustan on its vehicles was an infringement of its trademark rights. The Court found in favour of Daimler Benz, holding that Hybo Hindustan’s use of the “Benz” Trademark was an infringement of Daimler Benz’s trademark rights, and ordered Hybo Hindustan to cease and desist from using the trademark “Benz”. This case underlines the importance of well-known trademark’s protection and the need to respect the intellectual property rights of others.

2. N R Dongre and Ors v. Whirlpool and Co. and Anr⁷.

This case was a landmark judgment in the Indian legal system regarding trademark infringement and passing off. The case was heard in the Delhi High Court and dealt with the issue of whether the use of a similar trademark by N.R. Dongre for its washing machines would be considered an infringement of the trademark owned by Whirlpool Corporation for its washing machines.

The court held that N.R. Dongre was guilty of trademark infringement and passing off and ordered them to discontinue the use of the infringing mark. The court also ordered N.R. Dongre to pay damages to Whirlpool Corporation for the losses suffered by them due to the infringing activities.

This case established important principles in Indian trademark law, such as the distinctiveness of a trademark, the right of a trademark owner to prevent others from using a similar mark, and the duty of the courts to protect the trademark rights of owners. The case also emphasized the need for diligent trademark registration and enforcement to prevent infringement.

3. The Kamal Trading Corporation & Ors. v. Gillette UK Ltd⁸.

This case was a trademark infringement case heard in the English courts. The case dealt with the issue of whether the distribution of gray market goods, that is, goods that are imported into the UK without the consent of the trademark owner, would be considered an infringement of the trademark owner’s rights.

In this case, Kamal Trading Corporation and others imported and sold razors in the UK that were manufactured by Gillette, but not authorized by Gillette for sale in the UK. Gillette sued

⁶ Daimler Benz Aktiengesellschaft & Anr. v. Hybo Hindustan, 1994 PTC 287.

⁷ N. R. Dongre and Ors v. Whirlpool and Co. and Anr, (1996) 5 SCC 714.

⁸ Kamal Trading Co. and Ors. v. Gillette UK Ltd., 1988 (8) PTC 1 (Bom)

for trademark infringement and passing off, arguing that the unauthorized import and sale of their products in the UK would lead to confusion among consumers and dilute the value of their trademark.

The court held that the import and sale of the unauthorized razors in the UK by Kamal Trading Corporation and others was an infringement of Gillette's trademark rights and ordered them to cease such activities. The court also granted an injunction to prevent any future infringements and awarded damages to Gillette for the losses suffered due to the infringing activities.

This case established the principle that the distribution of gray market goods in a country Qtrademark owner's rights, even if the goods are genuine and legally manufactured by the trademark owner. The case also highlights the importance of proper trademark enforcement to prevent the unauthorized import and sale of products in a country.

4. The Tata Sons Ltd. v. Manoj Dodia⁹

This case was a trademark infringement case heard in the Indian courts. The case involved the use of the Tata trademark by Manoj Dodia for his business activities, which Tata Sons Ltd claimed was an infringement of their trademark rights.

Tata Sons Ltd, the holding company of the Tata Group, argued that the use of the Tata trademark by Manoj Dodia was likely to cause confusion among consumers and dilute the value of their trademark. Manoj Dodia countered that he had been using the name "Tata" for his business for many years and that there was no evidence of confusion or dilution.

The court held that Manoj Dodia's use of the Tata trademark was an infringement of Tata Sons Ltd's trademark rights and ordered him to discontinue the use of the infringing mark. The court also ordered Manoj Dodia to pay damages to Tata Sons Ltd for the losses suffered due to the infringing activities.

This case highlights the importance of proper trademark registration and enforcement to prevent infringement and protect the trademark rights of owners. It also emphasizes the need for businesses to properly clear trademarks before using them to avoid potential infringement disputes.

5. M/s Mahashian Di Hatti Ltd. v. Mr. Raj Niwas¹⁰.

This case dealt with the issue of infringement of trademark by an individual. M/s Mahashian Di Hatti Ltd, which is popularly known as MDH spices, filed a law suit against Mr. Raj Niwas for

⁹ The tata Sons Ltd., V. Manoj Dodia, CS(OS) No. 264/2008.

¹⁰ Mahashian Di Hatti Limited v. Raj Niwas, 2011 (46) PTC 343 (Del).

using their trademark “MDH” on his spice packets, which was similar to the trademark used by MDH spices. Both the plaintiff and the defendant were involved in the business of spices and condiments.

The court held that Mr. Raj Niwas was guilty of trademark infringement and ordered him to stop using the trademark “MDH” on his spice packets. The court also ordered him to pay a certain amount as damages to MDH spices.

The case highlighted the importance of protecting trademark rights and the consequence of infringing on someone else’s trademark. It also serves as a reminder that trademark infringement can result in legal and financial consequences for individuals or businesses that violate trademark laws.

V. CONCLUSION

In conclusion, while Section 2(1)(h) of the Act defines similarity about trademarks, it is not adequate to understand the nature of similarity or resemblance that needs to be considered when assessing the registrability of a mark. The definition is too broad and fails to provide a clear standard for determining similarity, leading to inconsistent decisions by trademark examiners and the courts. Additionally, the definition does not consider other important factors that can impact the likelihood of consumer confusion and deception. Therefore, there is a need for a more comprehensive and specific definition of similarity in the Indian trademark law to ensure consistency and predictability in the trademark registration process. The definition also does not consider the role of consumer perception in determining similarity. Therefore, it is recommended that the Indian Trademarks act should be amended to provide more specific and comprehensive guidance for determining similarity. The Indian Government should consider revising the definition of well-known trademarks in the Trade-marks Act, of 1999, to provide a clear and consistent definition that can be applied in all cases. Furthermore, the government should take more steps to improve the enforcement mechanisms for the protection of well-known trademarks, such as increasing the resources and training of the Indian Trademark office and the courts, to ensure that well-known trademarks are protected from infringement and dilution. well-known trademarks in India face several issues and challenges, including difficulty in obtaining and maintaining well-known status, trademark infringement and dilution, the process of enforcement of rights, and competition from unregistered marks and generic terms. These challenges highlight the need for effective legal protections and enforcement mechanisms to safeguard the rights of well-known trademarks in India.
