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IRP- Consumer Surveys: Can they be Conclusive Proof of Eliminating likelihood of Confusion or Proving Distinctiveness of a Trademark

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ABSTRACT

A consumer survey is the instrument which is used to collect data on the attitudes and beliefs of consumers towards the concepts, products or names.² The data is collated by various means inclusive mainly of the consumer queries through telephone contracts, shopping malls and the Internet.³ Litigants often use these surveys to convince the court if consumer confusion exists or not amongst trademarks in cases that allege trademark infringement. These consumer surveys help in providing direct evidence about the consumer perception that may lack in expert testimonies. Further, these surveys provide elicited multifaceted information with regards to perceptions which mere visual comparisons made between trademarks are unable to provide.

In my paper I would talk about the various stances that have been taken by EU with regards to consumer surveys being an admissible evidence before the court of law. Further, I would talk about the various stances and conditions that have been taken and laid down by the High Courts of India while considering survey evidence as admissible evidence before the court of law. Further, I would elaborate on precise instances and cases to depict the same and if any certain law has been passed to the same effect recognizing survey evidence as an admissible evidence to prove the distinctiveness of the mark.

I. INTRODUCTION

The main purpose of trademark law is protecting the interests of its consumers. It is well-established on the principle that there should exist no confusion in the market and consumers

¹ Author is student at OP Jindal Global University, India.

² Robert C. Bird & Joel H. Steckel, *The Role Of Consumer Surveys In Trademark Infringement: Empirical Evidence From The Federal Courts*, 14 University of Pennsylvania Journal of Business Law , 1016 (2012), [https://www.law.upenn.edu/journals/jbl/articles/volume14/issue4/BirdSteckel14U.Pa.J.Bus.L.1013\(2012\).pdf](https://www.law.upenn.edu/journals/jbl/articles/volume14/issue4/BirdSteckel14U.Pa.J.Bus.L.1013(2012).pdf) (last visited Jun 14, 2021).

³ Ibid at 270

should be able to easily identify the goods and the sources from where it originates. Hence, distinct logos and marks are given protection and recognition under the trademarks law.

However, in some instances objections and doubts have been raised by authorities before registration of any trademark in order to assure that the mark does not have conflict with any other present mark. For registering a mark as a trademark, it is required for an applicant to conclusively prove that his mark bears no confusion with any existing mark and is distinctively new. In order to be able to prove this the applicant who desires to get the mark registered relies upon sufficient evidences and claims. One such technique to be able to prove the distinctiveness of the mark is the evidence of consumer surveys. This survey evidence is a technique adopted by an applicant to prove that the mark is duly recognized and accepted in the concerned marketplace and the mark bears no confusion. Sometimes, the proprietors of registered marks utilize survey evidence to conclusively prove their stance before the court of law. The question of likelihood of confusion in the marketplace, whose existence is the major reason for rejection of a trademark, can be clarified by taking the help of survey evidence to prove the popularity of the trademark in the marketplace.

Survey evidence is nothing but a tool of an empirical research in which numbers of people are interviewed with some questions which help in judging certain situations. In the cases of trademark registrations, questions relating to the applicant and their mark is asked however not directing by the way of conducting a survey. The main purpose of the survey evidence is to ensure that the applicant's mark is widely recognized in the market.

All around the world, there are some judges that mandatorily warrant the use of consumer surveys as an evidence in the court of law while some do not think it is essential to use a consumer survey to prove the unlikelihood of confusion concerning a trademark. There have been hundreds of articles and cases analyzing such consumer surveys but extremely less data-driven evidence exists for depicting that consumer surveys are actually influential, widespread and important. Conducting consumer surveys are expensive and administering it is time-taking. Thus, any firm's limited resources can be precisely drained by conducting consumer survey.

II. EU FRAMEWORK SURROUNDING CONSUMER SURVEYS AS AN ADMISSIBLE PROOF FOR TRADEMARK DISTINCTIVENESS

Survey evidence, in the UK is frequently used in order to establish the likelihood of confusion in trademark actions or the likelihood of deception or misrepresentation in passing off actions. For instance, the survey evidence was used positively for backing up the claim of Associated Newspapers which argued that publication of the newspaper known as the Evening Mail is

most likely to cause some confusion with their own titles which is The Mail and Daily Mail on Sundays.⁴

However, in UK, the usage of consumer surveys is not restricted to the pertaining issue of confusion; these surveys can be used to display the acquired distinctiveness of a mark as well. For instance the “Vienetta” case wherein the company Unilever pursued, however, it failed to display that the ice cream’s shape was distinctive vide the consumer surveys wherein most consumers believed the shape of the ice cream to be just the same like the other ice creams available in the relevant market.⁵

In contravention, German courts deliberate confusion to being point of law instead of a point of fact in the sense such that survey evidences cannot be utilized in order to display likelihood of confusion. In Germany, survey evidences are therefore utilized to display:

- The acquired distinctiveness wrt the earlier mark in the opposition proceedings
- Notoriety or boosted distinctiveness in infringement actions
- The consumer’s understanding about the product reputation and its position in the relevant marketplace.⁶

Hence, in exercise, a robust evidence demonstrating confusion can be convincing for creating a general impression and be frequently proposed for helping with the steadiness even if not widely acknowledged.

The various courts of Netherlands, Belgium, Finland, Italy and Sweden do not restrict the usage of surveys for proving trademark distinctiveness. Courts often permit survey evidences to presented before them to prove the likelihood of confusion and also display the marks distinctiveness or reputation or the detriment to its reputation. It is pertinent to mention that in Sweden this is reasonably rare as compared to the other EU countries. Further, in Spain, use of these survey evidences are generally restricted to demonstrating the reputation or well-known character of the trademark.⁷

Next is to gauge the importance of surveys in the field of witness collection programs. A witness collection program is when judges prefer calling for witnesses in the courtroom so as to substantiate the authenticity of surveys. In a witness collection program, an entire collection of interpretations are first collated, then scrutinized and further exposed to statistical analysis

⁴ Associated Newspapers v Express Newspapers, 1322 (EWHC Ch. 2003).

⁵ Unilever’s trademark applications, 2709 (EWHC Ch. 2002).

⁶ Katharine Stephens, Consumer surveys as evidence of trade mark infringement Bird & Bird (2020), <https://www.twobirds.com/en/news/articles/2010/master-of-all-we-survey-1012> (last visited Jun 14, 2021).

⁷ Supra Note 6.

in order to demonstrate the level of confusion existing in a hypothetical average consumer. This is the way witness collection programs based on surveys are conducted and further the results used in civil law jurisdictions. Surveys in the UK are used to present statistical reports as well as search for various witnesses in order to emerge before the court trials. However, the consumer surveys that are implemented by the way of witness collection exercises are not frequently presented or managed in the courtrooms in the form of surveys strictly. But they are still considered as surveys by courts and are subjected to same rules governing an evidence.⁸ Some judges often note that the re-labeling of a survey to conclude it as being the witness collection program will not progress the evidence's quality.⁹ In some cases, when evidence is obtained by these means from the witnesses, it is relied upon by the courts even when the surveys itself were not statistically valid or the questions asked in them were flawed wrt the case. For instance, in the passing off case of *Numatic International v Qualtex*¹⁰, the judge relied on a survey evidence provided by the witness despite the misleading survey questions. Hence, the witness in this case, though no fault of his own gave a tainted and misleading evidence due to the faulty survey questions. This is when considering survey evidence in the court of law become problematic due to its prejudicial nature and the need for some kind of standard procedure comes in for framing such surveys to be sure of its authenticity. A survey that is conducted in a poor manner can lead to the exclusion of the evidence of witness being presented in the courtroom which had occurred in the case of *UK Channel Management*.¹¹

From the above problems, came the need to follow some kind of basic SOPs for ensuring a nonprejudicial survey. Within several jurisdictions, courtrooms thus remarked in contrasting degrees regarding the practices that can be considered as the best to conduct consumer surveys. Starting with the United Kingdom, some rudimentary parameters were observed in the case of *Imperial Group v Phillip Morris*¹² wherein the validity of a survey depended on the following points- Selection of interviews so as to represent the population from relevant cross -section, size has to be statistically significant, the survey should be conducted fairly, disclosure of surveys conducted i.e number of people, method of conduction, the answers must be disclosed as a whole and make it accessible for the defendant, questions in the surveys should not lead in a way that the person goes on a direction he would never have if not for the question framed, exact answers in non-abbreviations should be recorded, directions given to interviewers to

⁸ *Specsavers International Healthcare v Asda*, 1497 (EWHC Pat. 2010).

⁹ *UK Channel Management v E! Entertainment*, 2339 (EWHC Ch. 2007).

¹⁰ 1237 (EWHC 2010).

¹¹ *Supra* Note 9.

¹² 293 (RPC 1984).

conduct the survey has to be revealed and finally if answers exist in some coded format, the coding instructions ought to be disclosed.

Similarly, the National Board of Patents in Finland has displayed on its website all the conditions that has to be abided by in order to be able to utilize the consumer surveys in applications for trademarks to prove the distinctiveness of the mark. These requirements are of a similar standard as that mentioned by the Imperial Group case having the practical effect of disclosing the entire survey report in an unabridged manner. Even though these requirements are applicable to minute ratio of the surveys, it is regarded as assistance for a Court's expectation in all surveys provided as evidence.

Now coming to the applicability of survey evidence in Sweden, the Patent Appeal's Court for the administrative trademark proceedings also takes quite a similar stance. In the remaining EU countries, a party conducting the survey is not required to reveal the other aspects apart from the results like in the case of Germany wherein only results are expected and not the answers in full. However, it is always better to submit and disclose full information so that the opposite party alleging its authenticity does not succeed in its plea. In order for one party to increase their chances of findings being accepted by the courtroom, a robust methodology must be thought of to disclose as much of the background information possible for the evidence to succeed. Further, to increase the chance of survey acceptance the practice of conducting surveys vide an expert who is unbiased working at some highly regarded research market company must be followed. Similarly, in UK, there are these trainee solicitors in a law firm who are utilised for conducting surveys only if there exists no conflict of interest.¹³

There are certain pitfalls that must be avoided when surveys are designed. For instance- the interviewees must be selected in a way that they represent all portions and types of the concerned public. Like in the case of *Dualit v Rowlett Catering Appliances*¹⁴, survey that was created to depict the distinctive shape of the concerned toaster was faulty as the survey commenced along with a filter question based on revenue and only restricted towards the wealthy buyers. Further, the questions must not be of a leading nature nor create any unacquainted assumption to which judiciary has often shown apprehension. For instance in the case of *Interflora v Marks & Spencer*¹⁵, the judge did not permit witness survey evidence as the framing of the question implied a negative emphasis that was contrary to the fact about the relation between Interflora and Mark and Spencer, the question being ““thinking specifically

¹³ *A & E Television Networks v Discovery Communications Europe*, 1038 (EWHC 2011).

¹⁴ 890 (RPC 1999).

¹⁵ 1722 (EWHC Ch. 2012).

about this search result (points to Marks & Spencer result), is there anything that tells you it is not related to Interflora?”

Similarly some manipulative looking questions have been condemned as well. For instance, in the case of *The Rugby Football Union v Cotton Traders*¹⁶, the judge criticized the usage of the “logo” term in its questionnaire i.e “what does this logo mean to you?” as it confused the various witnesses who comprehended “logo” and trademark” to be the same and was concluded that the interviewee was forced to speculate something which he would not have if not for the question asked. In the case of *Specsavers International Healthcare v Asda*¹⁷, the Court of Appeal’s supported the Judge’s decision of not attributing any weightage to the consumer survey as the question to purchase the spectacles manufactured by Specsavers was asked near Asda’s stores to the consumers prompting them to guess that these glasses were available in the area. Sometimes, people also conduct omnibus surveys which include several different products. This is considered a very poor practice, as was observed in the UK Channel Management case wherein the survey suffered various evidential difficulties. The claimant being one in the many people who paid for questions, he did not have all the answers available given in the interview. Consequently, the judge did not permit the evidence to be presented claiming it to be of no value.

UK is the most unique when it comes to supervision of surveys as the admissibility of survey evidence depends on the consent of the Court. This underlying principle for stringent curb was explained in the case of *A&E Television Networks*.¹⁸ It makes sure of the evidence being proportionate, admissible as well as probative. The evidence can be in the form of actual answers to questions, evidence collected from witnesses ads part of the survey or expert evidence adduced for explaining the survey results. It prevent party for calling any witness providing tainted evidence as a result of a faulty survey. It further ensures minimum cost and proportionate process. Like in the case of *A&E Television Networks* allowed the Applicant to modify the survey for it to be admissible.¹⁹

Hence, to summarize about the views of different countries on survey evidence, in Germany, Netherlands and Belgium, it is likely for the courts to call for consumer survey evidences in cases of confusion however, they will give weight to such evidence only if it is reliant enough and would seldom consider the result at face value. Further, in Netherlands case if both parties

¹⁶ 467 (EWHC Ch. 2002)

¹⁷ 24 (EWCA Civ 2012).

¹⁸ Supra Note 13.

¹⁹ Ibid

shows survey results, the courts are likely to ignore both. Comparatively in Sweden it is infrequent that Courts depend on such evidences and similarly within Spain wherein the courts consider surveys to be biased inherently.

This position of courts changes when surveys are not utilized to depict confusion. Like, in the case of Germany and Sweden, the consumer surveys are utilized for providing evidences of acquired distinctiveness or fame and the courtrooms as a result will be inclined to depend on the various submissions made by the parties although the amount of weightage they give to the evidence will depend upon the conduction of survey and reliability of the results. Further, in the UK when it comes to deciding whether the distinctiveness of a trademark is rather strong or not, oral evidences are given much more weightage than survey evidences.²⁰

Hence, we can see how unsettled the jurisprudence of UK is when it comes to survey evidences even passing the test of admissibility for them to be able to prove a mark's distinctive character. The errors made during the conduction of survey evidences can become disastrous if certain SOPs as laid down by the EU cases are not followed. However, if these survey evidences support opinions of the judges their negatives are all overridden.²¹ Considering the complexities of a survey, the cost and time involved may at times not outweigh the benefits and thus is not so commonly used. Despite the same survey evidences are being used in trademark litigation despite the controls placed and criticism levelled at it.

III. RECENT US CASE ON CONSUMER SURVEYS AS AN ADMISSIBLE PROOF FOR TRADEMARK DISTINCTIVENESS

There have been several stances that have been taken by the US regarding admissibility of consumer surveys when it comes to proving distinctiveness of a trademark in the court of law. To start with, in the US the Lanham Act of 1946²² is the legislation responsible for the protection of a trademark. Likelihood of confusion is one of the major factors whose existence while comparing to trademarks has to be eliminated for any possible registration.²³ In judicial opinions, the courts have directly deliberated on the significance of survey research when it comes to likelihood of confusion cases. Courts have determined consumer surveys to be one of the most persuasive and direct evidence available in order to establish trademark infringement.²⁴ However, when it comes to establishing acquired distinctiveness of a

²⁰ Supra Note 10.

²¹ Supra Note 4

²² The Lanham Trademark Act 60 Stat. 427 (1946).

²³ Supra Note 2.

²⁴ Checkpoint Sys., Inc. v. Check Point Software Techs., Inc. 269 US 270, 10 T. Ct. 283 (2001).

trademark, a very recent case decided by the US Supreme Court gave heavy weightage to survey evidence in its finding. In the case of *United States Patent and Trademark Office v Booking.com*²⁵, the SC held that the consumer perception by the relevant public is crucial way of deciding whether the mark can conclusively prove the source of consumers. Hence, even though the mark was generic in this case, the consumer surveys which proved the mark to have a secondary meaning/acquired distinctiveness, helped the mark to be registered as a trademark. Thus to prove how consumers perceive the mark would require strong consumer surveys along with well-thought trademark enforcement efforts.²⁶

IV. INDIA'S FRAMEWORK SURROUNDING CONSUMER SURVEYS AS AN ADMISSIBLE PROOF FOR TRADEMARK DISTINCTIVENESS

Survey evidence has always been a popular practice in proving one's stance before the authority concerned. Even though there is no statutory basis for a survey evidence in cases dealing with trademarks, it is a well-accepted practice before the Indian courts as well as the trademark registry. Survey evidences are highly useful if the study conducted is controlled and well-drafted by the Applicant. In general, the survey evidences are considered admissible before the Indian judiciary but the admissibility majorly depends upon the discretion of the various authorities involved. Recognizing the importance of this practice and to regulate the same, a Draft Manual for Trademark Practice and procedure was introduced in 2009 to lay down clear guidelines for applicants to follow while conducting survey evidence. Several factors like timing of a survey, content and questions asked in it are used to determine the credibility of the survey evidence so produced. For a fair and controlled study, the timing of conducting such a survey is important. These guidelines mentioned are not to be mandatorily complied to by the Applicants while producing the survey evidence before the Indian courts. The admissibility of this consumer survey to a large extent depends on how precisely it has depicted the situation in the concerned market with regards to the applicant's mark.

In India due to several procedural requirements which are to be followed for consumer surveys to be admissible in the court of law, the judges most often than not ask for it in the form of evidence while ruling on its acquired distinctiveness aspect. For instance in the case of *Stokley Van Camp, Inc & Anr. v. Heinz India Pvt. Ltd.*²⁷, the Delhi High Court held that since no evidence in the form of a consumer survey was produced before the Court which would have

²⁵ 591 US 574, 140 S. Ct. 2298 (2020).

²⁶ Hara K. Jacobs, *Booking.com Not Generic: Supreme Court Holds Combined Generic Terms Can Be Eligible for Trademark Registration* Ballardspahr.com (2020), <https://www.ballardspahr.com/insights/alerts-and-articles/2020/07/booking-com-not-generic> (last visited Jun 14, 2021).

²⁷ 52, 540 (PTC 2012).

at least in a prima facie manner made the Court believe of the registered mark having achieved the trade mark distinctiveness clearly bearing in the consumer's mind the source of origin, the trademark cannot be registered as the mere usage of the mark does not mean the mark has acquired a secondary distinctive meaning.

However, the use of survey evidence is not a routine practice in India. Courts and tribunals most often than not hold it inadmissible due to poor methodology, lack of relevant questions, hearsay issues, lack of objectivity etc.²⁸ But consumer surveys can be useful when public opinion is deliberated on for determining distinctiveness, likelihood of confusion etc.

In India, there has been a whole lot of jurisprudence and case laws in this sphere. For instance, in the case of *Ayushakti Ayurved Pvt Ltd and Anr v Hindustan Lever Ltd*²⁹, Bombay High Court accepted the filed survey evidence observing that there is no reason for the survey to be held inadmissible. However, it cautioned Indian courts that market survey evidence must be relied on after the same is presented and tested at trial vide cross-examination of witnesses and not during interlocutory stage. Further, in the case of *Time Warner Entertainment Co v AK Das*³⁰ the Delhi High Court took into account a market survey in the form of affidavits for establishing distinctiveness and reputation of the mark at the interlocutory stage. This decision was further approved vide *Fedders North American v Show Line & Ors*³¹ wherein the court considered survey reports supported via affidavits so as to ensure compliance to the Indian Evidence Act, 1872. In the case of *Samsonite Corporation v Vijay Sales*³² the Delhi High Court observed that a survey must be tested at trials where the witness responsible for conducting the survey can be cross-examined. This was also held vide the Kerela High Court in the case of *PP.Hamsa v Syed Agencies*³³

V. SUGGESTIONS AND CONCLUSION

In India, at present, unfortunately, there is no law recognizing consumer surveys as conclusive and admissible evidence in the court of law to prove a particular trademark's distinctiveness. The admissibility of consumer evidence highly depends upon the discretion that is the whims and fancies of the Indian judges. This has led to a lot of confusion over the years as different judges of High Courts have varying opinions about the same. Thus, the need of the hour is for

²⁸ Ameet Dutta, *When Can Surveys Be Used In Indian Trademark Cases?* (2021), <https://law.asia/when-can-surveys-be-used-in-indian-trademark-cases/> (last visited Jun 14, 2021).

²⁹ 2004 (28) PTC 59 Bom.

³⁰ 17 (PTC 1997).

³¹ 32, 573 (PTC 2006).

³² 18, 372 (PTC 1998).

³³ 2, 555 (KLJ 1990).

a law to be passed in India for the recognition of consumer surveys as admissible evidence to prove a trademarks distinctiveness for a uniform and concrete application of the same by various courts in India. Further, judges must take the responsibility to lay down proper criteria for either conducting the survey or must lay down certain pre-conditions that an applicant of a trademark must abide by for consumer surveys to be admissible before the Indian courts. This would help in reducing all ambiguities existing in this field concerning IPR. Thus, a law in India recognizing the same must be adopted and certain conditions so as to not misuse the law introduced. Further, there is a need for the authorities to draft a clear law regarding the notion of admissibility and utility of such types of evidences. Even with the presence of the IPO's Draft Manual on Trademark Procedure and practice which covers guidelines talking about number of people invited to take part in the survey, selection of interviewees, disclosure of exact answers to survey questions etc., the judges still have a little apprehension in adopting this practice. A more transparent solution has to be thought of. For example- all persons participating in the survey must file affidavits with the court, a public declaration must be made regarding the conduction of the consumer survey in cases that involve high stakes etc. The judges at present are unsure about deciding the case based on a consumer survey alone. Introduction of such provisions in the law can help prevent this situation and base the case on a consumer survey evidence. Further, it is important to mention a provision that explores the cost of conducting a consumer survey as it is often a time consuming and costly affair. An efficient litigation strategy has to be employed for the same along with keeping it ready prior to filing for litigation. Further, it is imperative to impose stringent penalties for providing false consumer surveys to the Court, which could further increase the acceptance rates of these surveys as evidence without any additional supporting evidences required as is the case at present.

Survey evidences can really be helpful in cases for proving distinctiveness or cases involving similar marks. Even though due to the introduction of this draft manual the survey evidence is somewhat admissible in the Indian courts, a passing of a more transparent legislation regarding the same would further develop what is at a nascent stage. Unlike the booking.com case liberally decided by the UPSTO in the USA, the Indian Courts would first deeply look into how the consumer survey was conducted, what were the questions asked, who were they asked to, what stage is the case in etc. and then accordingly decide the outcome. Considering the present scenario, the Indian courts would take a more restrictive view considering the distinctiveness of a generic mark is being proved through a consumer survey. According a generic mark with a generic Internet-domain suffix would leave several doors unturned and the

outcome would be a lot of registrations which would potentially lead to the financial lure of cyber-squatting.³⁴ Hence, introduction of a new legislation giving more transparency to the law of admissibility of consumer surveys would help have uniformity in the jurisprudence in this sphere.

³⁴ Supra Note 25.