Introduction to Well-Known Trademarks and Trademark Dilution

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Generally, trademark protection is limited to the protection against unauthorized use of a trademark on identical or similar goods or services. The deceptive similarity and likelihood of confusing elements are not applicable in cases where an alleged conflicting mark is used in respect of dissimilar and/or unrelated goods and services. For example, the use of the mark KODAK for hotels or catering services would not amount to trademark infringement under the provisions of Trademark law.

However, this is not the case in all situations. Article 6 Bis of the Paris Convention for protection of Industrial Property specifically requires all signatories to develop a mechanism to protect the well known and/or famous trademarks.

Section 2 (1) (zg) of the Trademarks Act, 1999 defines the term well-known marks as:

"*well-known trademark", in relation to any goods or services, means a mark which has become so to the substantial segment of the public which uses such goods or receives such services that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services*

between those goods or services and a person using the mark in relation to the first-mentioned goods or services."

Therefore, under this section, a trademark, to be called well-known, must satisfy the following criteria:

a) It must be well-known among the substantial segment of the consumers with respect to specific goods or services, and

b) There must be a likelihood of connection to the person using the said trademark by the consumers if another person uses the same trademark. In other words, there must be a likelihood of confusion of origin of the goods or services.

Trademark law of all jurisdictions protects well-known marks not only from trademark infringement but also from its dilution. Trademark infringement happens when the goods to which the marks are applied are similar or identical, while trademark dilution happens when goods to which marks are applied are dissimilar. For example, while the use of the mark SONY with respect to electronic equipment by a third party would amount to trademark infringement, the use of the same mark to innerware would amount to trademark dilution.

Trademark dilution occurs in situations where the use of a trademark by a third party impairs the distinctiveness the mark enjoys in the public, irrespective of whether the conflicting mark is used on a competing product or not. The term "trademark dilution" has been defined under the US Federal Trademark Dilution Act, 1995 to mean:

"The Lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of competition between the owner of the famous mark and other parties or likelihood of confusion, mistake or deception."

The US FTD Act, 1995 mainly recognizes two types of dilution. First of which is *Blurring,* which may occur because of the

whiting out of distinctiveness due to the unauthorized use of the mark on dissimilar products. For example, the use of Samsung for the sale of pens. Second is *tarnishment,* which occurs due to unauthorized use of the famous mark in relation to products of poor quality.

Image from here.