

INTERNATIONAL MEDIATION IN TRADEMARK KEYING DISPUTE RESOLUTION

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Trademark Keying disputes have long been prevalent in the field of commercial litigation. The primary area of concern lies in infringements that occur in the utilisation of the trademarks of companies in the form of sponsored-search advertisements on web domains. The conundrum revolving around the manifestation of laws effectively governing the same is highlighted by the fact that the Trademark Act, 1999 does not address this issue, owing to its development at a time when the practice of keyword advertisements was nascent. The situation necessitates the development of an alternative dispute resolution mechanism that can provide a comprehensive, personalised and wholesome approach towards addressing the lacuna. These Keyword Advertisement disputes are largely international in nature owing to the multiplicity of multinational players involved in the same and thereby demands utmost attention. The Singapore Mediation Convention provides for an enforceable mediation mechanism that can prove to be a much-awaited solution by filling the existent widening gap. The paper analyses the characteristics of keyword advertisements, classifies disputes arising out of them as international commercial disputes and suggests the applicability of the Singapore Mediation Convention as a solution to the lacuna in the laws of the Indian litigation sector.

Keywords: Trademark, Infringement, Mediation, Trademark Keying

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I. INTRODUCTION

The worldwide web, in present times, provides a wholesome and conducive environment for the proliferation and growth of a presence in the globe that has far-reaching and advantageous implications for users.¹ Marketers and Search Engines in particular accrue the vast range of benefits that the internet has to offer.² These entities such as companies and

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¹Judith A. Powell and Lauren Sullins Ralls, ‘Best Practices for Internet Marketing and Advertising’ [2010] 29 Franchise Law Journal No 4 231-238.

²Shontavia Johnson, ‘Trademark Territoriality in Cyberspace: An Internet Framework for Common-Law Trademarks’ [2014] 29 Berkeley Technology Law Journal No 2 1253-1300.

large multinational corporations have relied on the internet to develop a wide pool of customers that they can reach out to. Trademarks are tools or means of protection and preservation of the sanctity of a particular mark to the Company or person that owns it.³ They are registered with the primary purpose of sole beneficence.⁴ This principle translates to mean that the trademark cannot be utilised by any entity other than the owner of such a trademark.⁵ The wide array of benefits of a registered trademark proves to be an identification and differentiation mark coupled with owner exclusivity.⁶ Infringement of a trademark is said to have occurred when a mark identical to the registered trademark is utilised in a commercial set up, thereby constituting a use of the trademark without the authorisation of the owner.⁷

An area of concern with respect to the usage of trademarks in the internet domain is the infringement of such marks made by third parties not privy to the benefits of the trademark. Trademarks are widely used in legitimate ways by various stakeholders but also provide these very entities with the scope of using them in nefarious ways resulting in gross violation of the trademark owners' rights.⁸ Such methods include attempts to take undue and unfair advantage of the trademark owners' goodwill and repute to promote their own interests in their business.

While such unfair use calls for the legal framework to intervene, it is pertinent to note that there are extreme ambiguities in this area owing to the inefficacious laws governing the same. The various parties involved in these disputes include the advertiser, the search engine and the trademark owner. The search engines are involved in the said dispute in the manner of introduction of programmes that develop sponsored search advertisement mechanisms wherein, the advertisers are provided with incentives to bid on 'keywords' by engaging in a bidding process. The incentive provided to these advertisers are the benefits obtained by them in ensuring that a large pool of potential buyers is sensitised and attracted to the advertisers' commercials so as to enable a wider outreach. Search engines are not the sole platforms that provide for the misuse of such trademarks. Other sites besides search engines also provide to these advertisers or competitors, the scope to misappropriate the trademarks of another.⁹ These sites include customer review sites such as Yelp and social networking sites such as Twitter and Facebook. However, the main area of concern lies in the possible opportunities presented to third parties in misleading the customers that the registered trademark owner garners on a regular basis.

With respect to Google, the AdWords program,¹⁰ its largest income-generating program, proves to be a cause for concern.¹¹ This program is in addition to its normative income-generating source of organic search results, wherein the company, through its main

³E. Elgar, *Trademark Law and Theory: A Handbook of Contemporary Research* 45 (2008).

⁴Christopher Morcom, *The Modern Law of Trademarks* 67 (Butterworths Publication 2016).

⁵*ibid* [4] 67.

⁶*Cadbury India Limited v Neeraj Food Products* [2007] 35 PTC 95 (Del) 126.

⁷Teresa Tucker, *Trademark Practice & Forms* 95 (Oceana Publications, 2013).

⁸E. Elgar (n 3) 93.

⁹Eran Kahana et al, 'Survey of the Law of Cyberspace: Intellectual Property Cases 2007' [2008] 64 *The Business Lawyer* No 1 157-197.

¹⁰Google, 'Google Adwords: An Overview for Advertisers' (*Google*, 10 May 2010) <<https://support.google.com/adwords/answer/1704410?hl=en>> accessed 12 May 2020; Press Release, Google, 'Google Launches Self-Service Advertising Program' (*Google Press*, 1 January 2009) <<http://googlepress.blogspot.in/2000/10/google-launches-self-service.html>> accessed 18 May 2020.

Steven Seidenberg, 'Searching Questions: Internet Keyword Ads are a Billion-Dollar Business, and Many may be Illegal' [2008] 94 *ABA Journal* No. 518, 20.

advertising program, derives income in addition to income derived through their sponsored-search advertisement program of AdWords. The mechanism works in a manner where advertisers can purchase key words by bidding on them. These ‘keywords’ that are offered include any word, including trademarks of a competitor.¹² The highest bidder derives the benefit of its advertisement popping up on the webpage when a potential consumer searches for the said terms in the search bar.¹³ These results pop-up under a bar called the ‘Sponsored Link’ section which is often displayed to the right of the organic search results or on top of them. Google earns the bid value on the advertisement when users click on the sponsored link provided.¹⁴

The bidding process is dual in nature and is not advertiser-centric. In other words, Google also proactively takes part in the decision-making process of purchasing key-words. It provides a system that prompts or suggests certain ‘keywords’ to the advertisers that are in close consonance with the product sought to be advertised. In order to proliferate accurate results, such suggestions are made on the basis of a comprehensive analysed data platform put together by Google that highlights the number of clicks on a particular keyword along with its popularity and success ratio.¹⁵

Additionally, internet search engines have greatly expanded the role played by trademarks in consumers’ search processes. While surfing for options, consumers deliberate on whether to use a ‘trademarked keyword’, or whether to combine it with other words to make the meaning and use of the trademark more precise about the product or service. This has made it easier for firms to keep a track of the use of their trademarks by the consumers

As a safeguard, Google AdWords contains certain prohibitional terms and conditions preventing third party advertisers from infringing intellectual property rights of the owners.¹⁶ The rules laid down clearly prohibit the unauthorised and unfair use of trademarks that do not belong to such users. Google enforces responsibility on behalf of the advertisers to act in a diligent manner while selecting, bidding and purchasing ‘keywords’ on the Google AdWords platform.¹⁷ The area of concern under these policies and regulations laid down also is apparent in its enforcement which grossly lacks any degree of accountability. The only area where Google permits the usage of another persons’ trademark is when it is used to resell legitimate products of the trademark; sell replacements or component parts of the legitimate product or provide information and reviews regarding the corresponding legitimate

¹²Eric Goldman, ‘How Much Does 1-800 Contacts Hate Competitive Keyword Advertising? \$1.1M Worth!?’ (*Technology & Marketing Law Blog*, 12 December 2007) <http://blog.ericgoldman.org/archives/2010/05/how_much_does_1.htm>accessed 23 May 2020.

¹³Competition and Markets Authority (UK), ‘Online Platforms and Digital Advertising: Market Study Interim Report’ 2019 (*Competition and Markets Authority*, 12 June 2012) <https://assets.publishing.service.gov.uk/media/5dfa0580ed915d0933009761/Interim_report.pdf>accessed 22 April 2021.

¹⁴Google, ‘Using Keyword Options’ (*Google*, 24 August 2011) <<http://support.google.com/adwords/bin/answer.py?hl=en&answer=6100&topic=16083&ctx=topic>>accessed 23 May 2020.

¹⁵Google, ‘Google Keyword Tool’ (*Google*, 23 March 2010) <https://adwords.google.com/o/Targeting/Explorer?u=1000000000&c=1000000000&ideaRequestType=KEYWORD_IDEAS#search.none>accessed 24 June 2020.

¹⁶KitsuronSangsuvan, ‘Trademark Infringement Rules in Google Keyword Advertising’ [2012] 89 *University of Detroit Mercy Law Review* 136-180, 137.

¹⁷Google, ‘Google Ads Terms & Conditions’ (*Google*, 3 May 2009) <<https://support.google.com/adspolicy/answer/54818?hl=en>>accessed 20 April 2021.

trademarked product.¹⁸ Despite Google expressly prohibiting any sort of "automated, fraudulent or otherwise invalid impressions, inquiries, conversions, clicks or other actions,"¹⁹ the infringements continue to occur. Google advocates for a dispute resolution mechanism that encourages trademark owners to directly resolve their disputes with the advertising infringers so as to ensure a complete wipe-out of conflict across all platforms.²⁰

Google and its counterparts provide guidelines and rules that prove to only be of persuasive value in trademark keying disputes involving Intellectual Property Rights considerations. These policies are rather ineffective as they permit open interpretation, uncertain investigation processes with no guaranteed turnaround time for responses and facilitate wide ambit for the permissibility of usage of competitors' trademarks. The fallacy lies in the implementation of the policies of Google that manifestly recognised, at the time of its inception, the leeway it was creating for the increase in the number of law suits that could be filed in the area of trademark infringements in cyberspace.²¹

In order to overcome and address the aforementioned lacuna, this paper aims to assess trademark keying disputes from an intellectual property perspective and categorises such disputes as international commercial disputes. Subsequently, the paper discusses how trademark keying disputes are susceptible to mediation as an effective dispute resolution mechanism and deliberates upon the applicability of the Singapore Mediation Convention as a wholesome dispute resolution method.

II. TRADEMARK KEYING DISPUTES FROM AN INTELLECTUAL PROPERTY PERSPECTIVE

In order to establish that trademark keying constitutes trademark infringement, the primary test that needs to be fulfilled under the infringement clause is that of 'initial interest confusion'.²² In order to successfully establish a false designation of origin claim, it must necessarily be proven that the use of such a trademark, without explicit authorisation of the owner, has resulted in the misleading, confusing and deceiving of the consumers in question. Such confusion must stem out of the concern of the origin of the services or goods offered to these consumers.²³ In this regard, trademark-owners contend that the trademarked 'keywords' are utilised in a manner to divert their potential buyers to the sites of the competitor companies by misleading them to believe that those websites are of the trademark owners themselves.

In the case of *AMF Inc. v Sleekcraft Boats*,²⁴ the Ninth Circuit assessed and analysed the test that establishes the likelihood of such confusion. In the case, a competitor, Network Automation, had purchased a trademarked 'keyword' of Advanced Systems Concepts. The court after applying the test, ruled in favour of the trademark owner due to the passivity of identification of the origin from where the advertisements arose. However, this decision was reversed by the Ninth Circuit. The District Court believed that by failure of origin-

¹⁸*Rosetta Stone Ltd. v Google Inc.*, [2010] 730 F. Supp. 2d E.D. Va. [531], [538].

¹⁹Google, 'Google Inc. Advertising Program Terms' (*Google Adwords*, 9 January 2009) <<https://adwords.google.com/select/tsandcsfinder>>accessed 24 June 2020.

²⁰Alexander G. Tuneski, 'Hey, That's My Name! Trademark Usage on the Internet' [2012] 31 Franchise Law Journal 4 203-214.

²¹*Rosetta*(n 18)

²²*Consim Info Pvt. Ltd v Google India Pvt. Ltd. and Ors (Consim)* [2013] 54 PTC (Mad), 578.

²³*Juriny Google, Inc.* [2011] 768 F. Supp. 2d (E.D. Cal.) 1064, 1071.

²⁴*AMF Inc. v Sleekcraft Boats* [1979] 599 F.2d (9th Cir.), 341.

identification, the probability of causation of confusion amongst the consumer pool was of a large variant.²⁵ The Ninth circuit differed in its opinion and laid down that the factors mentioned in the test were not exhaustive in nature and necessitate the construction of a wider ambit that puts forth a highly factual-centric model of determination of the issue at hand.²⁶

In a rather contradictory view, in the case of *1-800 Contacts Inc. v. Lens.com*,²⁷ it was held that the mere ‘keyword’ purchase must not necessarily result in the causation of consumer confusion owing to the fact that the consumer is oblivious to these practices and cannot determine how the advertisement turned up in the first place, as they fail to identify the source (keyword) from which it arose. The Court further observed that the Initial Interest Confusion test must not limit itself to only the dependency of the language that was used in the advertisement and the ‘keyword’ purchased.²⁸ The factual matrix of this case states that 1-800 Contacts purchased ‘keywords’ in the forms of variations or misspellings of that of the plaintiffs such as 1800 Contact lenses or 1800 Contacts. The Court assessed the language of the advertisements released by the Company where these ‘keywords’ were used but failed in its efforts to hold the defendants liable on grounds of secondary infringement claims. A combination of factors has been relied on by other Courts applying the likelihood-of-confusion tests which also include the similarity of the ‘keyword’ used to the trademark, the use of the trademark in the text of the advertisement, the similarity of the linked site, and evidence of actual confusion as determining factors.

A. THE INDIAN PERSPECTIVE

The Trademark Act, 1999 (hereinafter, “the Act”) is a comprehensive legislation that encompasses the infringement claims and registration aspects of trademarks. Section 29 outlines what constitutes infringement or infringing use of trademarks, and prohibits any unfair and arbitrary use in the course of trade of a registered mark or a deceptively similar mark thereof that is likely to cause confusion.²⁹ This establishes that the likelihood of confusion plays an important role in determining whether a competitor’s use of a mark is an infringing use. Another key area of concern as to whether third party users must be allowed to utilise the trademark of a competitor in its practice depends on the impact that such usage has on the behavioural aspects of the consumers. This approach is multi-pronged in nature as, on one hand, it can lead to confusion amongst consumers by advertisements that are released, based on third party keyword registrations. This is because of the assumption that such advertisements are released by the trademark owners themselves. On the other hand, consumers realise that an advertisement based on a third-party “keyword” registration is not linked to the trademark owner.

In India, there is no legislation which explicitly restricts the use of trademarks as search engine ‘keywords’.³⁰ Trademark owners have accordingly tuned to existing doctrines in

²⁵*Network Automation* 638 F.3d [1144].

²⁶Ian Gillies, ‘Rescuecom Corp v. Google Inc. and 800-JR Cigar v. GoTo.com: Reaching a Fair Result in Keyword Triggered Advertising and Trademark Cases’ [2007] 47 *Jurimetrics* No.4 441-462.

²⁷*1-800 Contacts, Inc. v Lens.com, Inc.* [2010] 755 F. Supp. 2d [1151].

²⁸*ibid.*

²⁹Trademark Act 1999 (India), s 29.

³⁰Vishnu Rethinam, ‘Keywords and Trademarks: The Tiger Stirs but Does India’s IP Regime Have Teeth?’ [2011] 3 *Asia IP* Issue 8.

trademark law for a potential remedy. Section 29(7) deals with infringement under advertising.³¹

In the case of *Consim Info Pvt. Ltd. v. Google India*,³² the issue of trademark infringement through ‘keyword’ advertising was discussed by the Court at length for the first time in India. In general, such cases are uncommon in India, mainly owing to the lack of awareness of Intellectual Property Rights among owners. In this case, the appellant was the registered trademark owner for terms like Bharat matrimony, Tamil matrimony, Telugu matrimony, et cetera and had prayed for a permanent injunction restraining the defendants from using these trademarks or their variants as AdWords, Keyword Suggestion Tool or as a ‘keyword’ for internet search. The appellant being a leading company, involved in online matrimonial services using internet as a platform, had adopted several trademarks as mentioned above in the course of its trade and owned several domain names at par with their trademarks. The appellants contended that the consumer who searches for the appellant's online service for getting information would, in all probability, use the appellant's trademarks as key words in the respondent's search engine.

The respondents argued that their use of the appellant's trademark in the impugned Ad program did not constitute use ‘in the course of trade’, and the use of such trademark is in alignment with honest business practice. The Key Word Suggestion Tools automatically produce a list of web-links by considering the number of hits counted by the trademark. Therefore, there is no human intervention in the process of selection of the term/trademark as Key Word by the search engine. However, the respondents contended that they never used the appellant's trademark in the sense of a trademark over the goods or services as contemplated under the Act. Therefore, such use would not amount to infringement or passing off.³³

The appellants in this case further claimed that whenever a web server through the search engine ‘Google’ using as key words, any of their trademarks or the constituent parts thereof such as Bharat, Assam, Tamil, Matrimony etc., the links to the websites of the competitor advertisers also appear on the right-hand side of the page, as Sponsored Links.³⁴

Each sponsored link has

- (i) an Ad Title
- (ii) an Ad Text
- (iii) the Uniform Resource Locator of the advertiser's website.

The appellant claimed that an infringement occurs, when the trademark of the appellant is used in the Ad title or Ad text by a competitor, deceptively similar to it and if such an advertisement appears on the Sponsored Links. The choice of the keyword is made by the advertiser through the ‘keyword’ Suggestion Tool provided by the search engine. In furtherance of this, the appellant contended that the search engine is guilty of aiding and abetting such infringement. They charged Google with indirect or contributory infringement and claimed that the AdWords used by advertisers in the Sponsored Links, as Ad title or Ad text, are selected by assistance from the Keyword Suggestion Tool provided by the search engine itself. In case an advertiser uses the Key Word Tool to find the appropriate AdWords,

³¹The Trademark Act 1999 (India),s 29(7).

³²*Consim*(n 22).

³³Christopher Waslow, *The Law of Passing-Off: Unfair Competition by Misrepresentation*, 198(3d ed. Sweet & Maxwell, 2004).

³⁴*Google France Sarl and Google Inc. v Louis Vuitton Malletier SA* (C-236,08).

which would easily lead to his website, the search engine suggests several key words that could be adopted by the advertiser so that the link to his website would appear at as many locations as possible.

The Court accepted the argument of the respondent and dismissed the case on the ground that the registered marks were descriptive of the service being provided. Thus, liability of both the advertiser as well as the search engine was nullified and Google managed to escape liability.³⁵ The Court in this case only looked into the issue of likelihood of confusion and did not stress upon the test to determine contributory infringement of intermediaries³⁶ in ‘keyword’ advertisement cases.

III. TRADEMARK KEYING DISPUTES AS INTERNATIONAL COMMERCIAL DISPUTES

In order to establish the applicability of the Singapore Mediation Convention in the aforesaid cases, it is imperative to determine that such usage falls within the ambit of commercial utilisation so as to constitute an unfair trade practice.³⁷ The World Intellectual Property Organisation (‘WIPO’) has noted the usage of trademarks in commerce via a market-oriented advertisement approach.³⁸ For instance, a similar provision is noted in the Lanham Act,³⁹ wherein the commercial usage of trademarks involves the display in sale or advertisement of services accrues a commercial connotation when used in the course of trade.⁴⁰

Various cases have arisen in due course against Google. The sole contention of the aggrieved in such cases pertains to accusing Google as a facilitator in the process of trademark infringement. This it does, in the manner of its suggestive tool of displaying trademarks during the bidding process by conducting sales of such ‘keywords’ to the competitors of the registered trademark owners and therein defeating the whole purpose of the benefit of sole beneficence to be derived by the owner.⁴¹ Google has stood its ground by contending that such practices do not comprise ‘usage’ in the commercial sense of the term. The flow of argument has involved that owing to this, there must not be any arbitrary conclusion of designating these disputes as commercial in nature.⁴²

The two-fold liability model also arises against the advertisers themselves. The allegations against such advertisers are primarily centred around the commercial use of trademarks to initiate an undue advantage that these competitors derive out of the repute of the trademark owner, harming the commercial practices of the trademark owner himself.⁴³

³⁵Benjamin Aitken, ‘Keyword- Linked Advertising, Trademark Infringement, And Google’s Contributory Liability’ [2005] 4Duke Law and Technology Review 1-13, 8.

³⁶European Commission, ‘Study on the Liability of the Internet Intermediaries’ (*Europa*, 9 January 2010)<http://ec.europa.eu/internal_market/e-commerce/docs/study/liability/final_report_en.pdf>accessed 26 June 2020.

³⁷Althaf Marsoof, ‘Keywords Advertising: Issues of Trademark Infringement’ [2012] 4Journal of International Commercial Law and Technology 240-251.

³⁸WIPO, ‘Introduction to Trademark Law and Practice’ (*W.I.P.O.*, 2 February 1993) <https://www.wipo.int/edocs/pubdocs/en/wipo_pub_653.pdf>accessed 25 April 2021.

³⁹US Government, ‘Lanham Act, Trademark Statutes’ (*US Government*, 5 July 1956)<www.uspto.gov/sites/default/files/trademarks/law/Trademark_Statutes.pdf>accessed 26 May 2020.

⁴⁰*ibid* s 45.

⁴¹*Rescuecom Corp v Google Inc*, 562 F.3d129

⁴²*ibid* 129.

⁴³*Network Automation, Inc. v Advanced Sys. Concepts, Inc.* [2011] 638 F.3d (9thCir.)[1137], [1143].

Another obstacle in the conferment of trademarks in the commercial field is that these trademarks are not placed on a product, service or used to designate a source or origin.⁴⁴

The decisions given by various Courts on this issue, as highlighted below, after substantial deliberation have concluded that commercial usage has been enforced in the utilisation of these trademarks as ‘keywords’.⁴⁵ In order to garner the approach adopted in different countries, the forthcoming cases and statutes may be perused.

In Netherlands, the case of *Portakabin v. Primakabin* is noteworthy.⁴⁶ The European Court of Justice while noting the commercial implications on the wrongful usage of trademark by an entity that is not its owner, held that the respondents were not violating the trademark rights of the owner as they were engaged in selling used products of the plaintiff, therein falling under the ambit of fair use. The usage of trademark to identify a trademark owner’s product or service are not liable to infringement claims.⁴⁷

In the European Union, under the Article 5(1) of the Trademark Directive II, the trademark owner is granted with the authority to prevent any usage of their trademark in the course of trade without their consent.⁴⁸ Similarly, under Article 5(2), the trademark owner is authorised to prevent the usage of their registered trademark or similar trademarks by third parties in the course of trade.⁴⁹ This position further highlights the commercial nature of usage of trademark in the course of trade, whether online or offline. In France, Germany and Belgium, the Courts noted that such usage would amount to free-riding on the goodwill of the trademark owner.⁵⁰

In the United States, the Lanham Act governs the laws revolving around trademark and trademark infringement. In the case of *Rescuecom v. Google* (‘Rescuecom’),⁵¹ the Second Circuit held that the “*practice of selling trademarks as search engine advertising keywords qualifies as a use in commerce*” under the Lanham Act. Thereafter, the Court dwelled on the likelihood of confusion theory that has been elucidated in the previous section of this paper.

The decision in this case, further elucidates on the concept of internal and external usage of trademarks as keywords. In *Rescuecom*, the Court adopted a novel approach to the issue in contrast to its decision in *1-800 Contacts, Inc. v. Whenu.com*,⁵² where the District Court held that if the usage of such a trademark as a keyword was internal, there was no infringement. Subsequently, in this case, the Second Circuit vacated the judgment and held that the “*practice of recommending and selling trademarks as keywords does indeed qualify as a use in commerce, which is not internal in nature.*”⁵³ In *Playboy Enterprises, Inc. v. Netscape Communications*,⁵⁴ the Court recognised that usage of trademarks as keywords in the online domain constitutes commercial use with associated commercial repercussions. The Court held that the initial interest confusion by associating the ‘Playboy’ trademark to unrelated and

⁴⁴*Morningware, Inc. v. Hearthware Home Prods. Inc.* [2009] 673 F. Supp. 2d (N.D. 111)[630], [635].

⁴⁵*Rescuecom*(n 41); ChiranjeevGogoi, ‘Trademark Infringement through Keyword Advertising in India: Issues and Challenges’(Manupatra, 2 May 2014) <IJLPP 4.2.pdf (manupatra.in)>accessed 20 April 2020.

⁴⁶*Portakabin v Primbakin*C-558/08 [2010].

⁴⁷*Playboy Enter., Inc. v Terri Welles*, [2002] 9th Cir. 279 F.3d 796, 801.

⁴⁸Trademark Directive II,art 5 (1)(b).

⁴⁹Trademark Directive II,art 5(2).

⁵⁰Stefan Bechtold and Catherine Tucker, ‘Trademarks, Triggers and Online Search’[2014] 11 Journal of Empirical Legal Studies 718- 750, 723.

⁵¹*Rescuecom*(n 41).

⁵²*1-800 Contacts, Inc. v WhenU.com*[2005] 2d Cir. 414 F.3d 400, 404–05.

⁵³*Rescuecom*(n 41).

⁵⁴*Playboy Enters., Inc. v Netscape Communications Corp.* [2004] 354 F.3d. 1023–24.

explicit sites harms the reputation and goodwill of the plaintiff, irrespective of the consumer being aware that the site may not be legitimate.

A perusal of the aforementioned statutes and cases, is mandated even while studying the same in Indian context. The Trademark Act, 1999 does not define the term “*use in the course of trade*”. The underlying ambiguity was further widened when the Madras High Court in the *Consim* case,⁵⁵ did not effectively address the issue of “use”.

Keyword trading involves players from across the globe, thereby traversing the contours of geographical boundaries and dimensions.⁵⁶ In its essence, even in the event that there lies a possible claim of trademark infringement on account of the wrongful usage of trademarked “keywords”, the characteristic of an international or non-internal use is accrued. It is thus established that the disputes that may arise from trademark infringement claims in the process of trademark keying falls under the ambit of international commercial disputes. This is on account of the effects that such wrongful and unfair usage of trademarks by unauthorised third parties pose along with the non-internal nature of such practice.

IV. AMENABILITY OF TRADEMARK KEYING DISPUTES TO MEDIATION AND THE SINGAPORE MEDIATION CONVENTION

In order to efficaciously resolve trademark keying disputes, the process of mediation may be adopted. This section analyses the benefits aligned with adopting mediation along with the manner in which the Singapore Convention on Mediation proves to be an effective framework to enforce such a mechanism.

As established in the previous section of the paper, trademark keying disputes fall under the ambit of international commercial disputes which are transboundary in nature. In consequence of this characteristic, such disputes portray various underlying concerns during the dispute resolution process. These include — cost and time factors, confidentiality concerns, flexibility concerns and probable damage to business relationships, etc. In *Pro Swing Inc. v. Elta Golf Inc.*, it was held:

*“Modern-day commercial transactions require prompt reactions and effective remedies. The advent of the Internet has heightened the need for appropriate tools. On the one hand, frontiers remain relevant to national identity and jurisdiction, but on the other hand, the globalisation of commerce and mobility of both people and assets make them less so”*⁵⁷

In its essence, mediation is a process that effectively solves all the aforementioned areas of concern. The primary drawback that Mediation was plagued with was with respect to the enforceability of the settlement agreements drawn after a successful mediation. However, with the enactment of the Singapore Convention on mediation, this very hindrance has been successfully thwarted. In order to gauge a thorough understanding of the Convention and its working, an analysis of the evolution, features and benefits of adopting the Mediation process in resolving trademark keying disputes, is hereby undertaken.

⁵⁵*Consim*(n 22).

⁵⁶MaciejZejda, ‘Trademark Licensing in Keyword Advertising’, [2016] 7 JIPITEC 18.

⁵⁷*ProSwing Inc. v Elta Golf Inc.* [2006] 2 SCR 612.

The United Nations Convention on International Settlement Agreements Resulting from Mediation⁵⁸ or the Singapore Convention on Mediation ('the Convention') is a new multilateral treaty developed by the U.N. Commission on International Trade Law ('UNCITRAL'). The Singapore Convention is a uniform and efficient framework enacted for the enforcement of commercial mediated settlement agreements similar to that of the framework followed in the 1958 Convention on the Recognition and Enforcement of Foreign Arbitral Awards ('New York Convention').⁵⁹ The finalised text after wide deliberation and discussion undertaken by the UNCITRAL was passed on June 25th 2018 and thereafter adopted by the U.N. General Assembly in August 2019. India has signed the treaty but has yet to ratify the Convention.

The Convention was introduced with the primary aim of promotion of usage of mediation techniques in the dispute resolution of cross-border commercial disputes. This proposition materialises in its goals due to the advantages that mediation, as a resolution process provides us with— such as, it is a faster, less expensive form of dispute resolution and is also viewed as one that is more likely to preserve commercial relationships.⁶⁰ There exist many hurdles in the implementation of mediation as a dispute resolution process for these international commercial conflicts owing to the lack of a cross-border mechanism that would entail procedural difficulties and preserve the rights of the parties to the dispute in a structure-less manner. It is further argued by unwilling parties that mediation involves the wastage of a significant number of productive hours that company officials may otherwise engage in.

Additionally, due to the lack of an enforcement mechanism, as stated earlier, if either of the party fails to perform the mediation agreement, the company would needlessly have to resort to the traditional process of litigation and arbitration.⁶¹ Other points of contention to the inadequacy of applicability of mediation to such disputes that arise out of the breach of a contract is that the dispute, after being resolved, would culminate in the drafting and enforcement of another contract that would require enforcement through normative litigation practices.⁶² These contentions primarily promote a single line of argument, i.e., even if mediation is resorted to, owing to the commercial nature of the disputes at hand, the dispute will ultimately have to be culminated by the processes of either arbitration or litigation.

UNCITRAL was further provided with materials of evidentiary value that mediated settlements prove to be detrimental to its objective owing to the difficulty faced in enforcement mechanisms of the same in a domestic set up.⁶³ Further, until the enforcement of

⁵⁸UN, 'United Nations Convention on International Settlement Agreements Resulting from Mediation or the Singapore Convention on Mediation' (*United Nations*, 20 December 2018) <https://uncitral.un.org/en/texts/mediation/conventions/international_settlement_agreements> accessed 30 July 2020.

⁵⁹UN, 'Convention on the Recognition and Enforcement of Foreign Arbitral Awards' U.N. Doc E/CONF.26/8/Rev.1 (1958).

⁶⁰UNCITRAL, 'Interventions of the United States and Belarus, in Audio Recording' 48th Session (United Nations 2015), July 2, 2015, 9:30-12:30, <<http://www.uncitral.org/uncitral/audio/meetings.jsp>> accessed 5 July 2020; G.A. Res. 57/18, U.N. Doc. A/Res/57/18 (January 24, 2003).

⁶¹UNCITRAL, 'Intervention of the International Institute for Conflict Prevention and Resolution (CPR), in Audio Recording': 47th Session (United Nations 2014), July 9, 2014, 10:00-13:00, <www.uncitral.org/uncitral/audio/meetings.jsp> accessed 7 July 2020.

⁶²UNCITRAL, 'Proposal by the Government of the United States of America: Future Work for Working Group II', U.N. Doc. A/CN.9/822 (June 2, 2014) [3].

⁶³UNCITRAL, 'Intervention of the American Society of International Law (ASIL), in Audio Recording: Working Group II', 62nd Session (United Nations 2015), Feb. 2, 2015, 10:00-13:00 <<http://www.uncitral.org/uncitral/audio/meetings.jsp>> accessed 9 July 2020.

this Convention, mediation lacked international legitimacy such as that that the New York Arbitration Convention provides to the method of arbitration as a dispute resolution process.⁶⁴ In order to overcome this hindrance, this Convention was introduced to boost the effect of increased usage of mediation similar to that that arbitration received from the New York Convention.⁶⁵ The development of this Convention is a landmark opportunity in the international commercial field.⁶⁶ The argument that despite engaging in mediation, the company will still end up in a litigation suit is countered by a key-element of the Convention that it was not designed to provide enforceability to settlements that would not otherwise be enforceable.⁶⁷ The purpose of the Convention is to provide an enforcement framework that would incentivise the adoption of mediation over litigation by providing a mechanism that is much more efficient than the litigation process. The primary aim of the Convention being incentivising the adoption of its provisions, it also seeks to incentivise the adherence to the settlement by the parties, thereby eliminating the necessity of invocation of the Convention in mediated settlements.⁶⁸

Another notable area of concern lies in the enforceability of the mediation agreement, owing to the fact that if another party fails to perform, litigation or arbitration will have to be relied on to achieve finality of award. Additionally, the international incentivisation of mediation is the lack of ‘International Legitimacy’ that Arbitration possesses under the auspices of the 1958 New York Convention. In order to reinforce these concerns, the Singapore Mediation Convention was introduced to provide enforceability to the process of mediation. It aims to do so via ensuring that the Convention need not be invoked in the Courts of Justice by guaranteeing that the parties abide by the settlements reached during a mediation proceeding. Owing to the nascent nature of mediation in various countries, it was decided that a Convention as well as a model law be developed so that parties not ready to sign the Convention may also rely on UNCITRAL guidelines if needed.

In the commercial field, a Convention would prove to be precedent for resorting to mediation for parties involved. The Convention metamorphosises a mediated settlement into that of an instrument that proliferates under a binding legal mechanism. It may be argued that arbitration would suffice in cases of commercial disputes, especially in comparison to mediation. However, it is long-known that arbitration buries the dispute while mediation resolves the dispute. Mediation has more far-reaching implications in the sense that not only do the parties agree to resolve the dispute but also agree to the final outcome. Further, in order to provide a wider ambit to the Convention, the Convention has not restricted itself only to pecuniary obligations but includes non-monetary obligations as well. The innovation of settlements coupled with flexibility are other stellar reasons for commercial parties to resort to mediation.

⁶⁴UNCITRAL, ‘Intervention of the Corporate Counsel International Arbitration Group (CCIAG), in Audio Recording: Working Group II’, 62nd Session (United Nations 2015), Feb. 3, 2015, 10:00-13:00<<http://www.uncitral.org/uncitral/audio/meetings.jsp>>accessed 9 July 2020; U.N.C.I.T.R.A.L., ‘Intervention of Canada, in Audio Recording: Working Group II’, 66th Session (United Nations 2017), Feb. 6, 2017, 15:00-18:00<<http://www.uncitral.org/uncitral/audio/meetings.jsp>>accessed 9 July 2020.

⁶⁵UNCITRAL, ‘Intervention of the United States, in Audio Recording, 48th Session’ (United Nations 2015), July 2, 2015, 9:30-12:30<<http://www.uncitral.org/uncitral/audio/meetings.jsp>>accessed 7 July 2020.

⁶⁶UNCITRAL, ‘Intervention of ASIL, in Audio Recording: Working Group II, 62nd Session’ (United Nations 2015), Feb. 2, 2015, 10:00-13:00<<http://www.uncitral.org/uncitral/audio/meetings.jsp>>accessed 8 July 2020.

⁶⁷UNCITRAL, ‘Guide to Enactment’[89].

⁶⁸UNCITRAL, ‘Intervention of the International Mediation Institute (IMI), in Audio Recording, Working Group II’, 65th Session (United Nations 2016), Sept. 22, 2016, 14:00-17:00<<http://www.uncitral.org/uncitral/audio/meetings.jsp>>accessed 7 July 2020.

Jurisdiction granted under the Convention enables parties to the Convention to directly approach for relief under the Convention. Further, commercial dispute parties have the freedom to negotiate on the agreement to mediate as the Convention only governs mediated settlements and not the agreement to mediate itself.

Trademark Keying Disputes, if mediated, satisfy the conditions required for a settlement agreement to fall within the ambit of the Convention. These disputes would then be considered to be mediated, international, and commercial and are not subject to specific exclusion under the Convention. While the structure has been granted party autonomy, the disadvantage of a structure-less mechanism has been converted into an advantage for the parties to the dispute. Reinforcing the confidentiality aspect is a feature of the Convention that ensures that even if a dispute arises pertaining to the Convention and there exists a mediated settlement, the confidentiality will remain intact. Finality is conferred to the mediated settlement even in such instances as the Court will not look into the merits of the case but will only ascertain whether or not a settlement was reached.

The flexibility trait of the process is highlighted in the procedural aspects imbibed in the Convention that provide for a limited number of formalities to be completed. This was a measure taken by the Working Group in order to ensure smooth functioning of the Convention.⁶⁹ These include — (i) the mediated settlement must be in a written format or must be recorded but can be in any form including electronic means⁷⁰ in conformation with the U.N. Convention on the Use of Electronic Communications in International Contracts⁷¹ (ii) mediated settlements need not be contained in one document alone and can be through a string of emails or cross-referred documents, however the settlement may be drafted in a facilitative way for the convenience of the judge (iii) the mediated settlement must be signed by parties to the dispute⁷² where representational signature by the counsel is permitted and if the signature is on an electronic document, the same should conform to UNCITRAL electronic instrument standards⁷³ (iv) the party seeking for redressal must submit evidence to show that the settlement resulted solely from mediation — this can be done in the ways of (a) showing the mediators signature either on the mediation settlement or on a separate document showing that the mediator carried out the settlement,⁷⁴ (b) attestation from the institution where the mediation was carried out,⁷⁵ (c) if none of the above three forms of evidence are available, then alternative forms of evidence can be provided.

The shortcoming of the enforceability aspect of mediated settlements is overcome by the provision under the Convention that — if a party who has mediated a dispute in accordance with the provisions of the Convention and has submitted the settlement to a Court of a party to the Convention, the Court must mandatorily enforce and recognise the settlement.⁷⁶ This was done as many States of the Working Group opined that recognition

⁶⁹UNCITRAL, 'Intervention of the Chair, in Audio Recording, Working Group II', 64th Session (United Nations 2016), Feb. 3, 2016, 10:00-13:00<www.uncitral.org/uncitral/audio/meetings.jsp> accessed 12 July 2020.

⁷⁰UNCITRAL Supp No 17 (1985) 40th Session UN Doc A/40/17, ('UNCITRAL') art 2(2).

⁷¹UNCITRAL, 'U.N Convention on the Use of Electronic Communications in International Contracts' <www.uncitral.org/pdf/english/texts/electcom/06-57452_Ebook.pdf> accessed 26 July 2020.

⁷²UNCITRAL (n 70), art4(1)(a).

⁷³ibid art4(2).

⁷⁴ibid art 4(1)(b)(i), art 4(1)(b)(ii).

⁷⁵ibid art 4(1)(b)(iii).

⁷⁶ibid art 3.

served as a precedent to enforceability.⁷⁷ The recognition so granted will be that of an international mediated settlement and will not be accrued to either jurisdictions of the parties to the dispute.

The Convention additionally provides for grounds on which Courts may refuse to grant recognition to mediated settlements.⁷⁸ These grounds are however, only persuasive in nature and not mandatory — Courts can grant relief even if the grounds apply depending on the circumstances of the case. Further, if a signatory seeks to implement the Convention through a domestic legislation, the States have autonomy to decide the application of this section limited to the grounds imbibed in the Convention. The legislation aspect becomes essential in this case as the recognition and enforcement of international mediated settlements are to be done according to the rules of procedure of the particular States. The grounds for refusal include – Incapacity of either or both parties to the dispute,⁷⁹ invalidity of the settlement,⁸⁰ non-binding mediated settlement,⁸¹ settlement subsequently modified,⁸² obligations have already been performed,⁸³ vague obligations,⁸⁴ contrary terms to settlement,⁸⁵ misconduct on part of the mediator⁸⁶ and public policy matters.⁸⁷

States further have the autonomy to make declaration stating that (i) the State will not apply the Convention, despite being a Party, to a settlement in which one of the parties is the Government or a representative of the Government, (ii) that the State shall apply the provisions of the Convention only to the extent that the parties agree to, under their respective settlement agreements.⁸⁸

India has taken a step forward towards the upliftment and normalisation of mediation by signing the Convention on August 7, 2019 and is set to take effect on September 20, 2020.⁸⁹ While there exists no legislation on the working of mediation in the Indian Jurisdiction as that of the Arbitration and Conciliation Act, the Supreme Court had appointed the Mediation and Conciliation Project Committee ('MCPC') in 2005 that submitted its report detailing the study conducted by the qualified members regarding the nuances of mediation in India.⁹⁰ The MCPC submitted a draft training manual that can be used to train

⁷⁷UNCITRAL, 'Interventions of Colombia and Ecuador, in Audio Recording, Working Group II', 63rd Session (United Nations 2015), Sept. 9, 2015, 9:30-12:30<www.uncitral.org/uncitral/audio/meetings.jsp> accessed 15 July 2020; UNCITRAL, 'Intervention of the United States, in Audio Recording, Working Group II', 65th Session (United Nations 2016), Sept. 15, 2016, 9:30-12:30 <www.uncitral.org/uncitral/audio/meetings.jsp> accessed 15 July 2020.

⁷⁸UNCITRAL (n 70), art. 5

⁷⁹ *ibid* art 5 (1)(a).

⁸⁰*ibid* art 5(1)(b)(i).

⁸¹*ibid* art 5(1)(b)(ii).

⁸²*ibid* art 5(1)(b)(iii).

⁸³*ibid* art 5(1)(c)(i).

⁸⁴*ibid* art 5(1)(v)(ii).

⁸⁵*ibid* art 5(1)(d).

⁸⁶*ibid* art 5(1)(e), art 5(1)(f).

⁸⁷*ibid* art 5(2).

⁸⁸*ibid* art 8(1)(a), art 8(1)(b).

⁸⁹ PIB Delhi, 'Cabinet approves signing of the UN Convention on International Settlement Agreements resulting from Mediation by India' (*PIB Government*, 31 July 2019) <<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1580824>> accessed 31 March 2020.

⁹⁰ Supreme Court of India, 'Mediation and Conciliation Project Committee' (*Supreme Court of India*, 2005) <https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwjnodSP8bbwAhWXA3IKHXPyAZQQFjAAegQIBRAD&url=https%3A%2F%2Fmain.sci.gov.in%2Fpdf%2Fmediation%2FBrochure%2520-%2520MCPC.pdf&usg=AOvVaw3w0mr49Rl8T6_DPA4ZVeKU> accessed 7 May 2020.

mediators and regulate the procedural aspects of mediation.⁹¹ On 20th January 2020, the Supreme Court in a landmark initiative had appointed a Committee headed by Mr. Niranjan Bhat, to draft a Legislation on Mediation.⁹² The other members of the Committee were appointed by the MCPC. This move marks the inception of efforts towards the ratification of the Convention.

Therefore, with its adoption, Trademark Keying disputes may be redressed through the mechanism of mediation effectively and efficiently in the international domain as it meets with the requisite elements as elucidated above. While the current mediation framework in India stands still at a broad canvas, mediation has been previously recognised in form of institutional mediation and provisions in the Civil Procedure Code, 1908.⁹³ With the fusion of the Convention and the prospective mediation legislation in India, mediation appears to have a promising future in the domain of international commercial disputes such as that of trademark 'keyword' infringement.

V. CONCLUSION

Trademark keying disputes are largely trans-boundary and international in nature. The plethora of opportunities offered by the internet today has proven to be detrimental when third party users nefariously utilise the trademark of a competitor in order to attain an undue advantage in terms of the attraction and shift in consumer pool that occurs. The infringement claims arising out of such practices are international and commercial in nature owing to the nature, domain and area of utilisation of such trademarked 'keywords'. The liability imposed for such acts may be two-fold but the same has not been set in stone or conclusively laid down. The confusion in the enforcement mechanisms regarding the position of law in such disputes proves to be a gaping vacuum in the legal field that calls for our utmost immediate attention. Mediation, on the other hand, provides an adequate and efficient solution to the issue at hand. The method of mediation is highly beneficial wherein it manifests its vitality in the manner of providing a personalised, time and cost effective, confidential method of dispute resolution that not only provides an effective outcome but also aids in the retention of commercial relations of large beneficence value. The Singapore Mediation Convention by the UNCITRAL provides international legitimacy to the mediation mechanism and has been proven to provide a platform that can address this procedural lacuna in the legal domain concerning trademark keying disputes. The Indian jurisdiction has taken measures towards the ratification of the Singapore Mediation Convention in the form of a legislation. However, the legal fraternity must await the implications and application of the provisions of this Convention in the domestic legislation. Mediation is the key to a harmonious, fair and justiciable environment in the trademark web domain.

⁹¹ Mediation and Conciliation Project Committee, 'Mediation Training Manual of India' (Supreme Court of India, 2018) <<https://main.sci.gov.in/pdf/mediation/Brochure%20-%20MCPC.pdf>> accessed 13 Feb 2020.

⁹² Ajmer Singh, Supreme Court forms Committee to draft Mediation Law (*Economic Times*, 19 Jan 2020) <https://m.economictimes.com/news/politics-and-nation/supreme-court-forms-committee-to-draft-meditation-law-will-send-to-government/articleshow/73394043.cms?_oref=cook> accessed 14 Feb 2020.

⁹³Civil Procedure Code 1908 (India),s 89.