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FLUID TRADEMARK: RETAINING FRESHNESS OF CONVENTIONAL MARK

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ABSTRACT

The swooping lines of the Coca-Cola logo, Nike's iconic tick, and Audi's interlocking hoops are some of the most powerful and recognizable trademarks which surround us in both physical and virtual space. These marks depict more than what our eyes see; creating an association with the brand in the consumer's mind and assuring the authenticity, source and quality of the goods/services bearing that particular mark.

However, the role of trademark has evolved with the advent of media and technology and the manner in which they interact with consumers has also changed. Thus, to keep the brand image alive among the consumers, to show support and engagement with social- issues, the proprietors seek to enhance and modify their marks retaining the parent trademark. This practice of ornamenting an underlying mark leads to creation of 'Fluid trademark'.

Fluid trademark being an evolving concept lacks legislation in India hence it may prove either a brilliant move or a brand risk if not used tactically. The article discusses how the concept gained popularity post covid times. Under the shadow of advantages, the challenges that accompanied have also been discussed along with the suggestions as best practices that can be undertaken by the proprietor.

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INTRODUCTION

“Progress is impossible without change, and those who cannot change their minds cannot change anything”²

As rightly said by George Bernard Shaw, adoption of the concept of volatility or re-invention is important to maintain the interest of the consumers in the brand especially when there are innumerable brands battling amongst each other to gain the market stand and consumers attention.³ It becomes crucial for the brands to improve and bring creativity and innovation in their marks so as to retain the consumers. In the world of marketing, branding, advertising and packaging, creativity in the form of products packaging, quality, quantity and pricing becomes vital for the progress of the brand.

Traditional trademark is a two-dimensional static term/design that helps identify the source of goods and services and distinguish between two similar categories of goods/services. It includes any word, name, symbol, configuration, device, and shape of goods, packaging, combination of colours or any combination. The function of trademark has developed from static signage to immersive communication tool in the modern age.⁴ This paradigm shift in the purpose of trademark has lead to the development of new concept termed as- ‘Fluid Trademarks’. As the name suggests, fluid trademarks are those marks that change with the time. They are transient in nature and designed in a manner that they correspond to the primary mark keeping the parent design static but with some variations in the colour combinations, background or font designs.

FLUID TRADEMARKS

In today’s fast-paced lifestyle, consumers prefer product description in a faster and smaller bits and bytes. Therefore, companies are seeking to make their marks flashier to catch mass attention so as to engage and delight consumers.

Half a century ago, trademarks used to be a source identifier and product distinguisher in the market. But now, the mark acts as a living organism that need to constantly adapt to the fast changing environment in order to survive.

² George Bernard Shaw

³ Manisha Singh, The Changing Dynamics of Fluid Trademarks, LEXORBIS (March 20, 2022) https://www.lexorbis.com/wp-content/uploads/2021/05/LexOrbis_TML0221_v2.pdf

⁴ Pearson, Fluid Trademarks and Dynamic Brand Identities, 104 TM REP. 1411 (2014)

Fluid trademarks are a natural outgrowth of new media and information technology.⁵ They involve the creation and use of a variety of different, frequently changing variations of a particular trademark, which coexist alongside the original mark. The common ways adopted by the owners of the trademark to create fluid mark are as follows:

- Ornamenting the trademark,⁶
- Changing the background,⁷
- Filling the frame,⁸
- Employing moving designs,⁹ and
- Adopting multiple ever-changing designs.¹⁰

It is an expansion of an original underlying mark.¹¹ They reflect a new, modern approach to branding that has found great success in the Internet age. Since fluid trademarks are nonconventional marks, they involve creation and use of a variety of different, frequently changing variations of a particular trademark, where the variations co-exist alongside the original mark.¹² These variations typically retain certain features of the underlying mark but include new design elements. Although the changes are quite subtle, they are easily distinguishable and recognized by an average consumer because of their worldwide reach, reputation, and goodwill, thereby maintaining a fresh and innovative brand identity and association among the public.

It is a decade-old concept which has become quite trending in this global pandemic. Google doodles are the most appropriate example to support the above statement. Another could be the Amul trademark; wherein the ‘amul girl’ could be seen depicting the current events every now and then. The global pandemic appeared as an opportunity for the brands to move from the conventional static mark to dynamic mark; wherein brands revamped their logos and slogans to spread awareness among the public at large regarding social distance, wearing of mask and staying at home. In this way, the trademark owners achieved twofold purpose:

- Spread the awareness about the Covid-19 guidelines;

⁵ Id.

⁶ Google doodles

⁷ MTV Logo: TV Channel

⁸ LV Toile monogram in Louis Vuitton

⁹ Shailesh Kumar Singh, *Trademark in Digital Era: Issues in Protection of Fluid Mark Analysis*, 1 IJLMH (2018)

¹⁰ Ekta Sharma, *Fluid Trademarks: Creating a Living Brand*, Mason & Associates (March 16, 2022) <https://mason.co.in/fluid-trademarks-creating-a-living-brand>

¹¹ Alexander Nicholson, *United States: Keeping it fluid in the US*, WTR (May 9, 2022) <https://www.worldtrademarkreview.com/united-states-keeping-it-fluid-united-states>

¹² Id.

- Leave an ever-lasting impression upon the customers by designing eye catchy logos.

POSITION IN DIFFERENT REGIONS

Fluid marks tap into the millennial psyche, appealing to the desire for personal connection, individuality and authenticity. The longstanding credo of trademark law that is the strength of a trademark depends on consistent use. Use of the same mark, repeatedly depicted in the same way until it is seared into the consuming public's mind as the source of a given good or service, has long been the gospel of trademark practice. Fluid marks defy this fundamental principle.¹³ The use of fluid trademarks in commerce is a relatively novel concept and is a brainchild of creative artist, therefore, there are grey areas regarding the legal protection of fluid marks. Protection concern being the major one, fluid trademark is surrounded with some other concerns also such as, whether inconsistent use will undermine trademark rights or compromise the integrity of the brand; will the fluid trademark confuse consumers with its shifting appearance; will it weaken the distinctiveness acquired by a mark; could the underlying core mark be deemed abandoned; what havoc could third parties wreak when inspired by fluid trademarks to make their own unauthorized variations of a mark?¹⁴

US

There being no straightforward provision for protection of fluid mark with all the possible variations. The concept of unregistered trademark is discussed under section 43(a) of the Lanham Act and a fluid trademark can enjoy the protection under same head.

UK

UK trademark law provides an applicant to file fluid marks under 'series of marks'. Series means a number of marks which resemble each other as to their material particulars and differ only as a matter of non-distinctive character which would not affect the identity of the trademark.¹⁵ An applicant can include maximum six marks as a 'series of marks'. However,

¹³ Celia Y. Li, *The Protection of Fluid Trademark and Slogans in China*, Ahuja's World Patent & Trademark news 18 (INTA MAY, 2014)

¹⁴ Art. 9, 44 and 52 of the Trademark Law (2001); Art. 39 of the Implementing Regulations of the Trademark Law (2002); Art. 20 of the Opinions of the Supreme People's Court on Certain Issues Concerning the Trial of Administrative Cases of Trademark Authorisation Confirmation (2010); Art. 9 of the Interpretation of the Supreme People's Court on Issues Concerning the Application of Law in the trial of Civil Cases Involving Trademark Disputes (2002); Art. 2 of the Copyright Law (2012) and Art. 6 of the Implementing Regulations of the Copyright Law (2013)

¹⁵ Ilya Goryachev, *Perpetual revolution: Protecting Fluid Trademarks in Russia*, Mondaq (May 8, 2022)

the above discussed remedy is not available where the fluid variants diverge considerably from the parent trademark.

Another option to protect fluid mark is under UK Copyright law. The Copyright Designs and Patents Act 1988 provides protection for works in which copyright subsists in the UK. Though the requirements of distinctiveness under trademark law and originality under copyright law is different, yet the protection afforded to artistic works would apply to fluid trademarks.

A fluid logo, pattern or device can also be protected under UK registered design. It allows for the possibility of regularly protecting numerous fluid variations and thus be a worthwhile alternative to trademark registration.

China

Like other jurisdictions, Chinese trademark law also has no legal standing for fluid trademarks. Incidentally, the Chinese trademark law provides right holder to use variations of their mark.¹⁶ Under Chinese trademark law, in the absence of registration of every variation of a registered trademark, the different variations might be granted protection based on their connection with the parent registered mark, provided that the distinctive character of the mark is not altered from its registered form.¹⁷

Russia

According to Russia Civil Code, trademark includes word, graphic, three dimensional designations or a combination of these.¹⁰⁶ The term ‘fluid trademark’ is not discussed or defined in the abovementioned act. Nevertheless, the current Trademark Prosecution Rules introduced

‘illuminated’ and ‘dynamic’ designation as one among the already discussed characteristics of applied-for designation.¹⁰⁷

In such case, the applicant along with the original proposed trademark, also provide a video file which gives an exhaustive and clear image regarding the intensity, nature and succession of the changes.¹⁹

<https://www.mondaq.com/russianfederation/trademark/742004/perpetual-revolution-protecting-fluid-trademarks-inrussia>

¹⁶ Trademark Prosecution Rules approved by the Ministry of Economic Development by Decree 482 (July 20, 2015)

¹⁹ Ilya Goryachev, *supra* note 16 at 5

¹⁷ Trademark Prosecution Rules approved by the Ministry of Economic Development by Decree 482 (July 20, 2015)

India

The concept of fluid trademark is nowhere specifically discussed under any intellectual property laws. However, the Indian Trademark Act, 1999 and the Copyright Act, 1957 incidentally accommodate the same, till we include them under one specific law.

Under Trademark Act, one can register fluid marks as a ‘series of marks’ provided the variations can bring ornamental changes, retaining the core concept throughout.¹⁸

In *Proctor and Gamble v. Joy Creators*,¹⁹ the Delhi Court held that, “it will be sufficient if the plaintiff is able to show that the trademark adopted by the defendant resembles trademark in a substantial degree, on account of extensive use of the main features found in a trademark.”²⁰ This interpreted that the fluid trademark of a company, even though not registered, can avail common law protection by proving similarity of a substantial degree.

Additionally, fluid trademarks, comprising artistic works, can also be accommodated under the copyright law by warding off the third party imitation and parodies.

CASE LAWS

1. *Louis Vuitton Malletier v. Dooney & Burke, Inc.*¹¹¹: Louis Vuitton (LV) company created and trademarked the ‘toile monogram’ in 1896. In 2012, LV launched a series of handbags featuring ‘new signature toile designs’. The multicolour mark was a modified version of the ‘toile marks’ printed in 33 bright colours on a white or black background.



Dooney & Bourke Company (defendant) introduced the bag collection under ‘It Bag’ in 2003. The features of the bag included: intertwined initials (BD), multicoloured zipper, pink heart hanging from the handle and coloured backgrounds.

¹⁸ The Trademark Act, No. 47 of 1999 § 15

¹⁹ *Proctor and Gamble v. Joy Creators*, CS(OS) No. 2085/2008

²⁰ Avanee Tewari, *Identity Crisis: Understanding the Concept of Fluid Trademarks*, Lexology (May 9, 2022) <https://www.lexology.com/library/detail.aspx?g=f5951404-fa12-4e7f-b239-e5610541c77d>

The LV (plaintiff) filed an infringing suit against the defendant on the ground that their mark was leading to likelihood of confusion among the consumers with similar trademark (design being the same, only letters are different). The court ruled in favour of LV because they trademarked first and the design used by the defendant was infringing the rights of the plaintiff.

2. *Monster Energy v. Maple Leaf Sports & Ent. Ltd. and NBA Prop., Inc.*²¹: In 2014, the Toronto Raptors came up with a slight different logo. Since the inception, raptors have been using a logo that had independent claws beside a basketball. However it modified the logo which now had claws within the basketball. To this, Monster Energy (sports Drink Company) filled a trademark opposition suit in 2015, with the primary contention that the new logo of Raptors will give rise to likelihood of confusion between the two giants.²²



















The board decided in favour of the Raptors, although the trademark was retained by Monster energy.²⁶ The judgment involved modification in the prior claw's mark, and has the Raptors proved continuing commercial identity, they would have claimed broader protection under fluid mark.

EXAMPLES

The list below illustrates few examples of fluid trademark undertaken by numerous brands. The list is not exhaustive. It illustrates handful of brands like Audi, Volkswagen, MacDonald's, Subway, and Starbucks and so on. The fluid trademark got its recognition during the Covid-19 period wherein some urged for maintaining social distancing like Audi, Coca-Cola, Volkswagen, and Mercedes Benz; some asked to wear mask like Starbucks coffee and Subway.

²¹ *Monster Energy Co. v. Maple Leaf Sports & Ent. Ltd. and NBA Properties, Inc.* Opposition No. 91222422 (Parent) 91222445, 91226092 and 91228458

²² Unnat, *Raptors v. Monster Energy: Bringing back the limelight on Fluid Marks*, metacept (May 10, 2022) <https://metacept.com/raptors-v-monster-energy-bringing-back-the-limelight-on-fluid-marks>

Trademark	Primary Trademark	Fluid Trademark
GOOGLE		
AMUL		
AUDI		
VOLKSWAGEN		
MacDonald's		
SUBWAY		
Coca-Cola		
Master Card		

Mercedes-Benz	 Mercedes-Benz	
Mercado Libre		
Starbucks Coffee		

Source: Google images

ROAD AHEAD: ALL FUN OR SOME RISK

Not denying the fact that this new trend is an opportunity for the brands to generate goodwill and cherish consumer attention, but one cannot ignore the accompanied challenges that have come up with this trend. Firstly, they are shape shifting in nature i.e. variations made to an existing mark. Frequent modifications in the mark create confusion among the consumers thereby tampering the distinctive nature of the mark.

Secondly, the fluid trademarks are transient in nature; therefore its registration is not the first priority of the trademark owner. The life span of such marks is situation or object oriented. Once the situation is over, the proprietor reverts back to the original underlying trademark. As and when the market demands, the proprietor manipulates and ornament their mark accordingly. Moreover, there is no specific provision in the Trademarks Act, 1999 that deals with the fluid trademark except Section 15 that remotely talks about ‘registration of series of trademarks’. But this too doesn’t serve the purpose. The non-registration of fluid trademark invites challenges like infringement and passing off.

Thirdly, too much use of fluid mark and rare use of underlying mark leads to the cancellation/abandonment of the underlying marks due to non use of the mark.

Having said that, the fluid trademark can be a success story if used with best practices which can shelter the proprietors from instances of infringement such as:

- a. Register the underlying trademark: registering the primary trademark is the first and the most crucial step before adopting the new trend. The registration protects the underlying mark and provides remedy to the proprietor against the infringer.
- b. Continue to use underlying trademark: Along with the fluid marks, the owner should continue to use the underlying mark so as to keep the mark alive among the consumers and to depict the connection between the two marks.
- c. Keep brand pillars constant: While opting for the fluid marks, the proprietor should keep the basic characteristics of the underlying marks constant. Complete makeover of the mark i.e. creating altogether a new mark will not be able to draw the attention of the people. Hence, the fluid mark should be the improvised version of the underlying mark retaining the parent mark.
- d. Adopt signature style: The improvisation in the marks should follow a definite pattern so that consumers can relate it with the parent mark. Random changes might invite likelihood of confusion among the consumers.

CONCLUSION

Primary trademark is a genus and fluid trademark is its species. It has become a new marketing tool for the rejuvenating a brand. It popularizes the mark in the market and helps build a connection with the consumers.

Even though the advantages of fluid trademark outweigh the challenges, the author draws the attention that the practice should be undertaken by the well-know trademark owners only who have a goodwill and strong consumer relation in the market. For start-ups and smaller business or new trademark owner undertaking this trend could be a risky adventure. It may lead to confusion among the consumers and eventually the dilution of the mark.

Having said that, Legislation follows innovation, there are no direct cases of infringement/passing off of fluid trademark before the Indian courts. Hence, no

judicial interpretation regarding the same. Till the time lawmakers define and lay out the provisions for the protection and regulation of fluid trademark in letters and spirits, reliance can be laid down to the best practices discussed in the earlier part of this article to face the upcoming challenges.
