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BRAND PROTECTION IN AN AI - DRIVEN WORLD

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ABSTRACT

Amid an increasingly digital environment, the relationship between artificial intelligence (AI) and intellectual property (IP) law, especially concerning brand protection, provides unique challenges and opportunities. This paper investigates the transformative impact of Artificial Intelligence (AI) on trademark enforcement and management, noting the requirement for a revision of current legal frameworks to address AI-generated content and the complexities of global enforcement. The integration of AI technologies, including machine learning and image recognition, into brand monitoring and protection activities prompts important questions about ownership rights, accountability, and the practicality of existing trademark laws. The research delves into the support that AI provides for brand protection operations, clarifying its purpose in discovering fake goods, tracking consumer involvement, and strengthening overall brand safety. While the paper notes major legal hurdles, it points to jurisdictional inconsistencies in trademark rules, the unclear status of trademarks produced by AI, and the difficulties in holding AI liable for false infringement discoveries. By examining cases of significant businesses and AI tools, the paper outlines the concrete implications of these challenges in actual situations. A major emphasis exists on the call for the alignment of intellectual property laws among different jurisdictions. The fractured structure of trademark regulation can make enforcement difficult, especially in a global market where AI functions unbounded. The paper pushes for international frameworks and agreements that are designed to deal with the unique challenges of AI in IP enforcement, stressing the vital need for collaboration among nations to establish a unified legal environment. In conclusion, the paper delivers recommendations aimed at updating trademark laws to take into account AI-generated content and improve the instruments for detecting infringement. This research, by addressing the dynamic nature of artificial intelligence and its effects on trademark law, adds to the ongoing discussions regarding the revision of legal frameworks to improve brand protection in the digital environment. Eventually, the paper intends to give a thorough grasp of the challenges and

opportunities that AI brings to the realm of IP, facilitating stronger and better legal reactions to these growing matters.

Keywords: AI, intellectual property, trademark law, brand protection, global enforcement

INTRODUCTION

Rise of AI in Business and Marketing

AI has significantly transformed how businesses and marketers function, playing a key part in their interactions with consumers and their approach to brand identity. The role of AI tools is becoming more conspicuous in automating activities, enhancing personalized user experiences, and predicting consumer behaviour through data analysis. Advancements in technology are leading to the widespread use of AI-driven tools such as machine learning algorithms, chatbots, and predictive analytics in marketing, helping businesses understand consumer preferences, optimize advertising, and upgrade customer service. Moving towards automation and personalization permits businesses to deliver focused products and services, enhancing efficiency and consumer satisfaction overall.

The application of AI has fundamentally reshaped how brands engage with their audience. The expansion of e-commerce and technology platforms underscores the importance of AI-infused marketing techniques in keeping businesses competitive through trend projection and analysis of consumer behaviour. Nevertheless, the application of AI also presents new hurdles for brand protection. The generation of brand-related content through automated systems blurs the lines between human creativity and machine-generated work, leading to potential issues in intellectual property (IP) law, specifically related to copyright and trademark infringement.¹

Also, the use of AI can help pinpoint fake merchandise, spot possible intellectual property issues, and oversee how a brand is used on various digital platforms. Even though there are these advantages, the absence of an extensive legal framework for AI-generated works has led to rising worries about brand protection. In the context of India, which is undergoing an accelerated digital transformation, the overlap between AI and intellectual property rights (IPR), particularly within the Trade Marks Act, 1999, raises unique challenges in protecting

¹ Horsy, A., 2023, November. Data Protection and Privacy: Risks and Solutions in the Contentious Era of AI-Driven Ad Tech. In *International Conference on Neural Information Processing* (pp. 352-363). Singapore: Springer Nature Singapore. https://link.springer.com/chapter/10.1007/978-981-99-8181-6_27

brand identities and upholding trademark rights.

Trademark Law and Its Significance in Brand Identity

Trademark law can be referred to as the foundation of brand protection, entrusting legal protection of symbols, names, logos, and other features, which characterize a company. According to India Trade Marks Act, 1999 trademarks are fundamental to prevent one's brand from being copied and promoting the concept of distinctiveness in market to enable consumers distinguish between similar goods and services in the market. A good trademark not only assists in market identification but also has its positive impact on customer loyalty and their level of trust.

When organisations conduct business on a transnational and digital landscape, it is essential that they can be easily distinguished from one another. Several marketing strategies may be implemented through AI technologies, but it has been observed that the use of trademarks may be unauthorized. Introducing AI systems to create new content may lead to production of new content that includes trademarks that are similar to other brands or even create confusion. For example, they can generate prints or jingles that infringe on a trademark, but the AI will not know or care that this is wrong. The above examples are some of the reasons why trademark owners need to protect these rights to avoid dilution of brand.²

In India also, trademarks are important for all the companies particularly those operating in the internet which is a hub of fraudulent individuals and organizations wherein a competitor or an adversary can take the identity of the company by copying their logos. Over time, the Indian judiciary has upheld the value placed on trademarks, and the distinction that should be affected between trademarks and violation of such marks in some emergent fields such as technology and the internet. Nevertheless, the rights stated above are somewhat difficult to practice in conjunction with the AI-based content production, and therefore, one should develop a better understanding of how AI is related to the trademark legislation.³

² Sekarini, S. and Selvabaskar, S., 2024. AI-Powered Branding: Enhancing Consumer Experience in Emerging Markets. In *Integrating AI-Driven Technologies Into Service Marketing* (pp. 19-48). IGI Global. <https://www.igi-global.com/chapter/ai-powered-branding/355985>

³ Petty, R.D., 2016. A history of brand identity protection and brand marketing. In *The Routledge companion to marketing history* (pp. 97-114). Routledge. <https://www.taylorfrancis.com/chapters/edit/1>

Overview of Challenges in Modern Digital Environments

The growth of AI and digital technologies has added layers of complication to intellectual property, especially in the area of trademark protection. In a world that is shaped by artificial intelligence, trademarks face various challenges related to unauthorized use, counterfeiting, and dilution of their value. A key worry in the digital domain is how simply brand elements can be duplicated, changed, or imitated by AI systems, which in turn can cause infringement. This problem is aggravated by the international scope of digital markets, where goods and services are sold across regions that have different levels of trademark enforcement.

Another serious problem in today's digital age is counterfeiting. The use of AI can fabricate compelling counterfeit products or websites, complicating consumers' ability to recognize authentic brands from counterfeits. In light of such issues, businesses are increasingly utilizing artificial intelligence tools for brand monitoring, using algorithms to discover the possibility of trademark infringements or online counterfeit activities. However, the performance of these tools depends heavily on the solidity of the legal framework that oversees brand protection in digital contexts.⁴

Also, the production of content powered by AI presents further challenges for trademark law. Especially, AI systems can produce brand-related content, such as logos or marketing materials, without human intervention, potentially infringing on preexisting trademarks. Because these materials are not the result of human creativity, there are questions regarding liability and the degree to which AI-generated content may be responsible for trademark breaches.

AI's Aid in Brand Protection

Artificial intelligence has grown into an essential aid for businesses that are aspiring to protect their brand identity in an increasingly digital realm. Through automating and simplifying tasks that would normally use up significant amounts of time and resources, AI provides strengthened capabilities for recognizing trademark infringements, monitoring counterfeiting activities, and improving brand management in general.

⁴ Sarvesh, K.S., Divya, S.R. and Sundar, A.H., 2024, January. A study on the protection of copyright in an AI-driven world. In *AIP Conference Proceedings* (Vol. 3000, No. 1). AIP Publishing. <https://pubs.aip.org/aip/acp/article-abstract/3000/1/020007/2932601>

One key method of how AI helps brand protection is by utilizing automated monitoring and detection systems. Artificial intelligence -powered algorithms can investigate vast amounts of internet content on different platforms, from social media to e-commerce sites and search engines, to spot potential misuse of a brand's intellectual property. These systems oversee the unauthorized use of trademarks, logos, and material connected to the brand in real-time, alerting companies to potential IP violations at an early stage. An example is the use of AI-powered tools, such as image recognition technology, to identify counterfeit products online by checking images against registered trademarks and brand assets. This has notably served to benefit luxury brands that regularly deal with counterfeiting in online marketplaces.⁵

Furthermore, domain monitoring and issue spotting related to cybersquatting are aided by AI for companies. Cybersquatting takes place when third parties create domain names resembling a brand's official page in a way that could be confusing, commonly doing this with the desire to monetize from the brand's recognized reputation. Before any harm transpires, AI tools are able to recognize suspicious domain registrations and inform companies, enabling them to initiate rapid legal measures in compliance with the Indian Trade Marks Act, 1999, or international laws like the Uniform Domain-Name Dispute-Resolution Policy (UDRP).

AI enhances the ability to perform brand sentiment analysis, where NLP algorithms scan reviews, social media posts, and customer feedback to understand the general sentiment directed towards a brand. Insight into this area permits businesses to pinpoint possible risks to their brand standing, such as fraudulent reviews or public contention stemming from counterfeit goods related to their trademark. By having an awareness of how their brand is received in the moment, organizations can safeguard their brand image proactively, addressing problems before they develop into serious legal conflicts.

Contract management and the enforcement of IP agreements have been further strengthened by AI. Codifying intelligent technology automates procedures for IP contract formation, governance, and implementation, making certain that trademark registrations and licensing agreements comply. For multinational companies, AI can play a vital role in tracing IP utilization across various jurisdictions, preventing improper use of their brand assets in

⁵ Wilson, J.M. and Grammich, C.A., 2020. Brand protection across the enterprise: Toward a total-business solution. *Business Horizons*, 63(3), pp.363-376.
<https://www.sciencedirect.com/science/article/pii/S0007681320300264>

worldwide settings.⁶

Legal Challenges and Implications in AI-driven Brand Management

Although there are so many benefits that can be accrued from the use of AI when it comes to brand identity, it has some legal risks which comes with it especially on issues to do with IPR in India. With more corporate brands employing AI for their protection, legal sufficiency and corporate accountability when it comes to enforcing IP rights via AI also become issues of concern.

Another challenge relates to the legal framework, particularly liability in connection with content generated by AI. AI systems are capable of creating marketing content, logos, and even products, without knowing they are copying someone's trademark or violating a copyright. Since AI lacks the legal personality of a human, the question of accountability arises: In particular, who is to blame – the company using the AI system to create content that contributes to trademark infringement, the developers of the system, or the AI system itself. Currently, Indian law, including Trade Marks Act, 1999 does not sufficiently cover these sorts of situations rendering a legal uncertainty in identifying the responsibility in trademark infringement by AI-generated content.⁷

Further, AI application in brand protection raises issues of data protection and monitoring. Tools for managing websites for violations of IPR and other social media platforms involve the analysis of a massive amount of user data. This poses legal questions regarding the collected data for brand protection's conformity to privacy rights like India's Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011. Businesses need to avoid engaging in legal wrongs when using AI tools for brand protection, as using personal data improperly is unlawful.

Another issue that can be discussed is the effectiveness of the protection of IP rights across national borders. While it is possible to monitor trademark violations all around the world

⁶ Kumar, D. and Suthar, N., 2024. Ethical and legal challenges of AI in marketing: an exploration of solutions. *Journal of Information, Communication and Ethics in Society*, 22(1), pp.124-144. <https://www.emerald.com/insight/content/doi/10.1108/JICES-05-2023-0068/full/html>

⁷ Kumar, D. and Suthar, N., 2024. Ethical and legal challenges of AI in marketing: an exploration of solutions. *Journal of Information, Communication and Ethics in Society*, 22(1), pp.124-144. <https://www.emerald.com/insight/content/doi/10.1108/JICES-05-2023-0068/full/html>

through AI technologies, the laws of implementing the protection of IP rights remain country-specific. Though AI is proficient in identifying IP infringement on worldwide grounds, legal prosecution across multiple jurisdictions proves to be complex and costly.⁸ The definition of what constitutes a violation of a trademark may be totally different from one country to another, and so, having AI manage such rights on the global stage makes the legal process more intricate. It becomes difficult for companies to protect their IPs in these countries that are considered by the AI brand protection tools as violators.

AI IN BRAND PROTECTION: OPPORTUNITIES AND APPLICATIONS

Image Recognition for Logo and Brand Symbol Monitoring

One of the most important trends in brand protection brought about by AI is image recognition technology, essential for guarding logos, symbols, and other visual trademarks. Image recognition algorithms have the capability to rapidly scan a variety of digital platforms— websites, social media, and e-commerce—with the main purpose of spotting unauthorized logos and brand symbols. This technology lets businesses keep track of incidents of trademark misuse or brand impersonation in real-time, which makes it a critical tool for protecting brand identity in a world shaped by AI.

In India, unauthorized use of logos on counterfeit goods is widespread, and AI-powered image recognition techniques have shown success in fighting against such infringements. Due to the new capability of companies to automatically spot the misuse of their visual brand assets, the need for extensive manual effort is reduced. For example, large e-commerce solutions such as Amazon and Flipkart are employing AI-based image recognition systems to find counterfeit items and mark sellers who are violating registered trademarks. This technology is instrumental in the protection of a brand's visual identity and guarantees that consumers are not deceived by counterfeit goods that seem like authentic products.⁹

Moreover, this AI application is vital in responding to brand dilution, as the illegitimate use of

⁸ Usman, F.O., Eyo-Udo, N.L., Etukudoh, E.A., Odonkor, B., Ibeh, C.V. and Adegbola, A., 2024. A critical review of ai-driven strategies for entrepreneurial success. *International Journal of Management & Entrepreneurship Research*, 6(1), pp.200-215. <https://fepbl.com/index.php/ijmer/article/view/748>

⁹ Hou, S., Li, J., Min, W., Hou, Q., Zhao, Y., Zheng, Y. and Jiang, S., 2023. Deep learning for logo detection: A survey. *ACM Transactions on Multimedia Computing, Communications and Applications*, 20(3), pp.1-23. <https://dl.acm.org/doi/abs/10.1145/3611309>

logos or symbols can weaken a brand's unique qualities. In particular, the Trade Marks Act, 1999 of India focuses on the importance of protecting the uniqueness of a brand's trademark. This technology is aimed at monitoring and enforcing these rights more effectively, helping to preserve both market reputation and consumer trust for brands.

Case Studies of AI Applications in Detecting Counterfeits and Infringements

Many international and Indian companies have used AI to identify counterfeiting and trademark issues and with success. For instance, the fashion industry has embraced AI tools to fight and prevent the use of counterfeits by brands like Louis Vuitton and Gucci. Such AI systems are always active and monitor the various online platforms where they detect fake sellers, counterfeit products, and even the digital advertisements that contain the brand's trademark without permission. This process has been automated and this has greatly diminished the amount of work that legal teams have to do while at the same time increasing the rate at which violations can be detected.¹⁰

For example, in India, Tata Motors has incorporated the use of AI within its IP protection plans. Tata Motors has also leveraged AI technologies to track for counterfeit auto parts that are being sold in the online market and social media platforms using Tata Motors' trademarks. These AI-based tools can help detect people selling counterfeit products and remove listings selling counterfeit products, thus protecting consumers and the brand.

Another example of such an example is the Amazon's Project Zero which is an international venture whose mission is to eradicate counterfeits. Project Zero uses AI technologies and machine learning to identify and remove counterfeit products from Amazon's marketplace. It uses artificial intelligence to detect counterfeits and the algorithms are trained using brand's logos and trademarks. This technology has been useful for Indian sellers and brands that are associated with Amazon strategy as it helps block fake products from entering the market and thus, not endangering their brand name.

Some tools include Google Lens, and Generative AI Technology.

Google Lens is a clear illustration of how Artificial Intelligence is becoming a solution in brand

¹⁰ Sankar, J.G., 2024. AI-Driven Marketing Success Stories: A Case Note of Industry Pioneers. In *AI-Driven Marketing Research and Data Analytics* (pp. 48-66). IGI Global. <https://www.igi-global.com/chapter/ai-driven-marketing-success-stories/344999>

protection through image identification. Google Lens is an application that uses a smartphone camera to search for products and additional information about them. On the one hand, it makes the life of the consumers easier, on the other hand it is a great tool for brands to control the digital presence of their products and trademarks. This AI technology can be utilized by brands to identify where their products are being sold or misrepresented giving them an insight of the unauthorized or fake sale of their products.

Besides Google Lens, several other generative AI technologies are evolving the ways of brand protection. Some of the recent applications of generative AI include OpenAI's GPT models or image generating AI systems which can design logos, formats and even marketing strategies. This is beneficial for the creation of brand assets, but as always, there are questions about trademark violation. For example, generative AI systems may generate logos or designs that may be very similar to other trademarks, which may cause IP issues.

In addition to Google Lens, generative AI is influencing the ways in which we protect our brands. AI that is generative, including GPT models from OpenAI and image-generating AI tools, is capable of creating new content such as logos, designs, and marketing collateral. This situation provides an opening for brands to develop inventive content but also comes with difficulties related to infringement of trademarks. For example, generative AI systems might inadvertently make logos or designs that strongly match existing trademarks, which could lead to potential intellectual property disputes. Organizations have to pay close attention to their use of generative AI tools, making certain that their AI-generated content does not violate any existing trademarks.¹¹

In addition, generative AI can be utilized negatively for the purpose of creating fake products or websites, causing important risks for brand owners. The production of AI-generated images or copies that resemble genuine items can mislead buyers into buying fake goods, thereby harming the brand's standing in the market. As technologies based on generative AI continue to advance, it is increasingly important for firms to use AI-powered monitoring tools that pinpoint and alert them to unauthorized applications of these generatively produced assets.¹²

¹¹ Mandapuram, M., Gutlapalli, S.S., Bodepudi, A. and Reddy, M., 2018. Investigating the Prospects of Generative Artificial Intelligence. *Asian Journal of Humanity, Art and Literature*, 5(2), pp.167-174. <https://i-proclaim.my/journals/index.php/ajhal/article/view/659>

¹² Cook, S., Hagi, A. and Wright, J., 2024. Turn generative AI from an existential threat into a competitive advantage. *Harvard Business Review*, 102(1), pp.118-125.

Phishing, Hacking, and AI's Function in Addressing Digital Threats

In this digital era, phishing and hacking constitute major risks to the integrity of brands. Consumers can fall victim to false websites, emails, and online ads that carry a brand's name, trademarks, or logos when cybercriminals exploit them for their own purposes. Brand reputation can be gravely harmed by phishing attacks, creating a loss of customer trust and potential legal consequences.

AI has a key function in detecting and lessening the impact of these threats. Advanced cybersecurity tools powered by AI can discern phishing attempts by recognizing patterns in domain names, email addresses, and website elements that carefully simulate real brand assets. These tools are especially useful in identifying small distinctions in fraudulent websites or emails, such as minor spelling errors or logo alterations, which would be hard for a human to notice. Identifying these threats early helps AI to block phishing attacks from reaching consumers.¹³

AI is used to stop hacking attempts that affect a company's digital resources, including its trademarks and intellectual property. AI-based systems are set up to monitor network activities on a continuous basis, pointing out suspicious behaviour that might suggest an effort to hack into a company's systems or to take its IP. AI tools, for instance, can recognize unusual login behaviour, unauthorized entry into important brand data, or attempts to change online product listings. With the help of AI for cybersecurity, brands can defend their digital assets, including trademarks, against attacks by cybercriminals.

AI Algorithms to Detect Trends, Product Usage, and Consumer Engagement with Brands

Strategies that use AI algorithms have changed the way that companies identify patterns, track product usage and customer interactions. Modern AI systems analyse vast amounts of data derived from social networks, reviews, sales, and users' interactions and interactions to deliver brands instant analytics. These are real-time analytics that use artificial intelligence to capture customer feelings, buying habits, and shifting markets to assist businesses identify opportunities and adapt their plans in the process.

<https://www.ew360.mx/clientes/Ado/especiales/310124/HBR4.pdf>

¹³ Jimmy, F., 2021. Emerging threats: The latest cybersecurity risks and the role of artificial intelligence in enhancing cybersecurity defenses. *Valley International Journal Digital Library*, pp.564-574. <https://vipublisher.com/index.php/vij/article/view/292>

For instance, when using NLP and sentiment analysis, business is able to know how their consumers feel about them and hence make their Decisions. They can not only be used in tracking brand sentiment but also risks like sudden surge in negative mentions or counterfeiting of products by some individuals. This is because AI algorithms also have the ability of using the information on previous interactions to identify consumers' behaviour in order to facilitate more efficient consumer relations through strategic marketing.¹⁴

In India, organizations across all industries are leveraging AI to enhance the consumer touchpoint. For instance, the operators of e-commerce websites employ AI in an attempt to ascertain which products will at some time in the future be popular given the patterns established by the searches conducted, clicks made, and purchases made. This makes it possible for brands to adapt to market trends and keep on competing for the consumers' attention.

The Emergence of AI Systems Capable of Designing Logos and Brands

AI is also emerging in the area of creative design, allowing for the development of logos and branding autonomously. AI-based platforms like Logo joy and Designhill provide companies with the option to design personalized logos by leveraging algorithms that combine user input and design principles. By analysing descriptions associated with brands, design preferences, and the types of industries, such AI systems can quickly deliver numerous logo options, thus decreasing the time and expense that usually accompanies branding projects.

Although AI systems democratize the design process, making it more accessible for smaller businesses, they also bring forth challenges relating to intellectual property rights. There is a possibility that AI-generated logos may inadvertently resemble existing trademarks, causing potential legal conflicts. The challenge is to guarantee that AI-produced designs do not clash with established brand identities. As AI is integrated more into the creative process, firms need to be cautious in making sure their AI-based branding projects adhere to provisions of the existing trademark laws like India's Trade Marks Act, 1999.

Furthermore, AI-driven design tools are used to update existing brand identities. Brands such as Pepsi and Coca-Cola have implemented AI data to adjust their logos and marketing

¹⁴ Babatunde, S.O., Odejide, O.A., Edunjobi, T.E. and Ogundipe, D.O., 2024. The role of AI in marketing personalization: A theoretical exploration of consumer engagement strategies. *International Journal of Management & Entrepreneurship Research*, 6(3), pp.936-949. <https://fepbl.com/index.php/ijmer/article/view/964>

initiatives, striking a balance between relevance to modern audiences and continuity of their brand.¹⁵

Case Studies of Companies Using AI to Predict and Mitigate Brand Risks

Some businesses have already employed AI to identify and prevent brand-related risks, particularly in industries with high risks of damaging the brand's image. These AI systems enable organizations to foresee organizational crises and prevent them from occurring in the first place. Below are case studies from leading companies:

1. ***Raze Banking***: This financial technology company leverages artificial intelligence to analyse social media conversations, reviews, feedback and even mentions within the market. Relying on sophisticated AI tools, Raze Banking is ready to identify and analyse tendencies and potential threats to consumers' trust, like the cases of service disruption or security incidents. This means that the AI system alerts potential problems at an early stage, thus enabling the company to come up with a quick solution on the image it portrays.
2. ***Towne Bank***: The bank uses AI to analyse customer behaviour to know the customers' likely future actions. AI enables one to recognize threats that are likely to affect the company such as a sharp decline in customer satisfaction or appearance of new competitors. Thus, identifying these trends, Towne Bank is able to modify the provided services and marketing tactics in advance that ensures the high level of brand recognition and minimizes potential threats from the competitors.
3. ***Tradelens by IBM***: Tradelens, an IBM platform that is operational in the global supply chain industry, applies AI to analyse the supply chain to determine if it contains any risks, such as counterfeiting or misrepresentation of brands. The system applies artificial intelligence to monitor the product's authenticity during the distribution process to avoid the entry of counterfeit products into the market with the brand's name. This in turn creates credibility and reliability of the brand since consumers are protected from counterfeits.
4. ***JP Morgan***: The bank employs risk management systems that incorporate Artificial Intelligence to analyse market data, social media for brand risks. Regulatory risks, for example, or unfavourable media exposure, can be anticipated by the bank's AI systems,

¹⁵ Engawi, D., Gere, C. and Richards, D., 2021, December. The ADI Game: Exploring Futures of Graphic Design and Artificial Intelligence in AI-Driven Autonomous Brands. In *Congress of the International Association of Societies of Design Research* (pp. 2183-2200). Singapore: Springer Nature Singapore. https://link.springer.com/chapter/10.1007/978-981-19-4472-7_143

which means that potential problems can be avoided before they become major issues. JP Morgan also incorporates AI in the cybersecurity to prevent phishing attacks and other misuse of the company's digital trademarks.¹⁶

AI AND TRADEMARK CREATION: OPPORTUNITIES AND COMPLEXITIES

Intellectual Property Questions Surrounding AI-Generated Content

With the increasing prevalence of AI-generated content, a number of intellectual property (IP) questions have surfaced, centered on the ownership and protection of content produced independently by AI systems. In their conventional form, intellectual property laws were crafted to safeguard the originality and ingenuity of human creation. Nonetheless, currently, AI produces logos, slogans, designs, and product advancements without immediate human involvement, raising queries about who owns these creations.

Trademark creation now allows AI to generate logos or bring about new brand identities for companies. In traditional intellectual property law, the ownership of content is normally attributed to the individual or organization that generates the content. Yet, when AI functions on its own with a scarcity of human input, this ownership turns uncertain. Suppose a business creates a logo using an AI platform; who is the creator- Is it the AI system, the person providing the data, or the company that owns it.¹⁷

In a similar manner to other international frameworks for IP, the Indian Trade Marks Act, 1999, fails to recognize AI as a creator. Currently, legal experts and courts are discussing whether AI-produced works can be covered by existing trademark laws. Trademark registration is allowed for AI-generated designs or brand elements, but only under the moniker of a human or corporate entity, thus excluding AI from this role. This dearth of clarity has created uncertainty, making it unclear how well AI-generated intellectual property will be protected in the future.

Also, as AI continues to be integrated into branding, there are worries about the potential overlap of trademarks. AI can produce designs or logos that accidentally appear to match

¹⁶ Also read, Marr, B., 2019. *Artificial intelligence in practice: how 50 successful companies used AI and machine learning to solve problems*. John Wiley & Sons. <https://books.google.com/books?hl=en&lr=&id>

¹⁷ Abdikhakimov, I., 2023, June. Unraveling the Copyright Conundrum: Exploring AI-Generated Content and its Implications for Intellectual Property Rights. In *International Conference on Legal Sciences* (Vol. 1, No. 5, pp. 18-32). <http://www.science-zone.org/index.php/conference/article/view/42>

current trademarks, leading to multifaceted legal problems. A rethink of present IP laws is necessary to make sure they remain relevant in the evolving field of AI.

Debate Over Whether AI Systems Should Hold Ownership Rights

One of the most hotly debated topics of the present-day intellectual property law is the issue of whether or not AI should be conferred ownership rights for trademarks or any other work created by it. It has been suggested that as AI systems continue to be developed and learn more about their environment, it may be beneficial for the AI to be awarded ownership of its products and their use. Some scholars, on the other hand, think that AI should not be granted the legal standing of an IP rights' holder because the legal system is predicated on the idea of human authorship.

A reason why AI ought to be considered the author of the works that it produces is that modern AI, particularly machine learning algorithms, can produce original, valuable content autonomously. For example, an AI system for logo or advertising campaign creation can create brand new logos or campaigns from scratch given the inputs. There are those who posit that by refusing to grant AI systems ownership rights, one would doom the growth of sophisticated AI technologies since the creators would not be motivated to come up with AI systems that can create other AI systems in the absence of a way of claiming them.¹⁸

Nonetheless, the majority of the legal scholars are in a consensus that the current laws do not allow AI to own a patent. Trademark laws and other IP laws exist to encourage human innovation and to safeguard human ideas and achievements. This is because AI lacks consciousness, intent, or the ability to bear responsibility and granting it ownership rights may erode the very basis of the intellectual property law.¹⁹

Also, the problem of responsibility appears. If an AI created trademark is held to be a violation of another trademark then the AI cannot be cited for the law. This comes to a question of who is liable for the infringement; the user, the company owning the AI or the AI developer? Finally, the general opinion is that the AI should be owned by its human creators while the AI's

¹⁸ Ballardini, R.M., He, K. and Roos, T., 2019. AI-generated content: authorship and inventorship in the age of artificial intelligence. In *Online Distribution of Content in the EU* (pp. 117-135). Edward Elgar Publishing. <https://www.elgaronline.com/abstract/edcoll/9781788119894/9781788119894.00015.xml>

¹⁹ Adolfsson, S., 2021. AI as a Creator: How do AI-generated creations challenge EU intellectual property law and how should the EU react?. <https://www.diva-portal.org/smash/record.jsf?pid=diva2:1589220>

creations will be owned by the creators.

Difficulties in Ensuring that the AI Wrongfully Accuses People of Infringements

However, the wrong identification of infringements is one of the most crucial difficulties in AI-based brand protection. Brand monitoring and identifying potential violations to trademark are performed by many organizations with the help of AI. Such systems are based on image analysis and processing, text mining, and natural language processing to analyse web sites, marketplaces, and social networks for the violation of trademark rights, logos, and other symbols.

Although these AI systems are useful in recognizing infringement risks at a large level, they have their drawbacks. One of the problems is false positives, meaning that the content which is not violating copyright is identified as such. For instance, an AI system that has been designed to detect counterfeits or logos may label a trademark variation or the non-infringing use of similar designs as counterfeit. This not only interferes with the business but also opens up the company to legal suits and reduces the effectiveness of the brand protection mechanism.²⁰

The trademark laws in India as provided by the Trade Marks Act of 1999 does not hold a person legally liable without a proof of intent or knowledge of the infringement. However, one big problem is that AI does not know the intent of the acted action, which makes it difficult to determine whether the infringement was intentional or not. Unfortunately, AI systems lack contextual knowledge that a human with expertise in copyright would possess, for instance, in distinguishing between fair use or parody and thus make wrong claims of copyright infringement. This is especially true in the case of brand monitoring when false positives may lead to the harm of relations with the legitimate business partners or customers.

However, the problem of responsibility is still open, and nothing has been done to address it. If an AI system identifies a party as a trademark infringer and the identification is incorrect, who is held liable? The AI system itself cannot be made to answer for the mistakes it has made; this puts businesses at risk of lawsuits by wrongfully accused individuals. Given the growing use of AI in brand protection, companies should define the rules of liability and continue to

²⁰ Henderson, P., Hashimoto, T. and Lemley, M., 2023. Where's the Liability in harmful AI Speech?. *J. Free Speech L.*, 3, p.589. https://heinonline.org/hol-cgi-bin/get_pdf.cgi?handle=hein.journals/jfslp3§ion=33

involve human intervention.²¹

These problems can be solved by creating better AI algorithms that produce less mistakes and by creating legal guidelines on who should be held liable when an AI-related system fails. The future of brand protection will also come down to the right mix between the AI automation and human legal supervision.

Issues arising from the enforcement of trademark laws in various jurisdictions while AI monitors global online platforms.

Enforcing trademark laws across numerous jurisdictions is one of the most intricate problems in the AI-assisted brand protection landscape, especially when AI is deployed to oversee online platforms that have international reach. Unlike businesses operating in the physical realm, digital commerce is able to cross borders easily, so that brands can engage with consumers domestically and internationally. This worldwide growth creates distinct legal issues involving trademark violations or infringements spotted by AI tools.

Firstly, the variation in how trademarks are acknowledged and regulated among different countries complicates the process. In general, trademark laws take a territorial approach, such that the rights that a company claims in one nation might not be applicable in an alternate. For instance, a brand with a registered trademark in India might lack the same protection in the United States or China, making it harder to pursue infringement accusations in those jurisdictions. Often, AI systems are unable to understand these territorial constraints, leading to the detection and reporting of infringements across global regions where brands may not enjoy legal protections. The result is a state of uncertainty regarding the locations and methods of enforcement.²²

Secondly, the combination of cultural and linguistic differences exacerbates the difficulties of enforcing trademarks on a global scale through AI. It's possible for AI algorithms to misjudge brand names or logos that sound alike across different languages, resulting in false positives or missed violations. For instance, a brand's identity might be perceived differently in various

²¹ Barfield, W., 2018. Towards a law of artificial intelligence. In *Research handbook on the law of artificial intelligence* (pp. 2-39). Edward Elgar Publishing. <https://www.elgaronline.com/abstract/edcoll>

²² Smits, J. and Borghuis, T., 2022. Generative AI and intellectual property rights. In *Law and artificial intelligence: regulating AI and applying AI in legal practice* (pp. 323-344). The Hague: TMC Asser Press. https://link.springer.com/chapter/10.1007/978-94-6265-523-2_17

regions, yet an AI system might fail to grasp these nuances. This poses a particular issue on global e-commerce platforms, as infringers can mislead their listings to fly under the radar while operating in different nations.

Conversely, the shortfall of a universal international framework for trademark enforcement hinders the effectiveness of AI-based monitoring systems. Although organizations such as the World Intellectual Property Organization (WIPO) strive to align IP laws, a lack of consistency among national laws still persists, making prompt legal action a rarity for businesses. In countries that have signed international agreements such as the Paris Convention for the Protection of Industrial Property, regulatory mechanisms change, which can produce delays or inconsistencies in prosecuting infringers detected by AI.

Legal Case or Judicial Decisions

AI in Intellectual Property, including Trademarks has been a subject of many legal disputes which can be observed as some of the first cases in this new area. An example is the Raghav – AI Painting App case where the ownership and the intellectual property right of AI-created content became an issue.²³ In this case, Ankit Sahni, a lawyer and an Intellectual Property Rights expert, wanted to know whether AI works can be copyrighted under the Indian law. This is because most of the legal precedents argue that ownership of any IP, trademark, or copyright, is usually vested in the human creator, especially where an AI is involved. This brings out the lack of legal measures that allow for granting of intellectual property rights to non-human subjects hence business that rely on the use of AI in content development are advised to be cautious.

A similar case is the *Christian Louboutin vs M/S The Shoe Boutique*²⁴ case, in which the Delhi High Court discussed the problems of AI in legal decision making. The French luxury brand in the shoe line, Christian Louboutin, brought an action of trademark infringement against The Shoe Boutique for copying the red sole design. Although AI-supported brand-protection technologies alerted this infringement, the Delhi High Court discussed the use of AI in legal proceedings. In this case, the court stated that ‘artificial intelligence (AI This decision is important for the following reason: it demonstrates that, although the algorithms can be helpful

²³ Singh, V.K., 2023. International Discussions on Dilemma on Intellectual Property to Non-Biological Intelligence. *RES MILITARIS*, 13(2), pp.5369-5381. <https://resmilitaris.net/uploads/paper/acdd6dccc1>

²⁴ CS(COMM) 582 of 2023

in the detection of infringement, the actual determination of the issue remains the purview of humans. It suggests that courts are yet to fully embrace AI in legal work, given that they are aware of AI's limitations in understanding the intentions of parties and legal principles. The court also emphasized the need to weigh the gains to be made from the use of technology to human decision making on matters to do with IP to ensure that fairness and justice prevail.

Fake Judicial Decisions in the Court

A second important issue with AI in legal contexts is the improper use of AI-generated content or decisions to try to give a false appearance of credibility. On some occasions, court refers to fake judicial decisions where AI systems have either created fake legal citations or wrong legal content. These fake decisions can be presented as genuine intentionally or unintentionally, and this is a big issue on the credibility of AI in legal systems.

For instance, in the recent case discussed in the United States of America, a lawyer was punished for quoting the fake judicial precedent that was created by ChatGPT, an AI language model. This incident, though, shows a more general problem with AI and legal compliance, as well as the risks of using AI without proper validation. Due to the risk of AI providing or referencing wrong information, there is a requirement for clear rules and regulation and human intervention in the utilization of AI in the court.

In India, although there has been no report of AI producing fake judicial decisions on high profile cases, the use of AI in generating legal research and contents may create similar issues. The question remains how the legal profession and courts will address the issue of identifying and preventing the use of AI-generated or AI-assisted incorrect or fake legal material.

CONCLUSION

Summary

With the current increased use of artificial intelligence in the creation, protection, and enforcement of brands, there is a need for legal frameworks' change. The laws governing IP, especially those around trademarking, were drafted in a time when artificial intelligence was not an influential part of creation and business. They fail to consider questions like who owns the output of an AI or how should the AI enhanced copyright infringement detection work? For instance, when AI generates logos or other branding elements, it raises concerns as to who has the legal claim to the developed brand assets, the business that implements the AI, the creator

of the AI or the AI system itself. Such principles lacking legal definitions pose a threat of confusion and disagreement for the business and its content creators. Furthermore, since the online platforms are used around the world, there is a need for consistency in trademark protection across different jurisdictions as the AI systems do not distinguish between the jurisdictions.

Recommendations for updating Trademark Legislation

To better accommodate the rise of AI in brand protection, several updates to trademark law should be considered:

- a) **Clarify Ownership of AI-Generated Trademarks:** The issue of ownership related to AI systems creating logos and other brand assets requires the updating of trademark laws. Legislators must define unambiguously whether the rights to these trademarks lie with the business that uses the AI system, the developer of the AI, or another entity in the industry. This understanding will stop any further conflicts and make sure of the right protections.
- b) **Enhance Global Cooperation for Enforcement:** Trademark laws should foster cross-border cooperation because Artificial Intelligence (AI) is able to track and find instances of trademark infringement internationally. Governments should aim to create consensus on IP laws and enforcement mechanisms via international treaties, creating an environment that simplifies pursuing infringement lawsuits across different areas.
- c) **Account for AI-Assisted Detection:** Trademark law needs to take into account AI-based techniques for detecting infringement. Achieving this might involve devising special rules for the legitimacy and credibility of AI-generated information during legal proceedings, so that AI-detected violations are acknowledged in courts and false positives are prevented.

Call for IP Laws to be Standardized Across jurisdictions

This paper argues that the increased adoption of AI in international business calls for harmonization of IP laws. Right now, trademark protections are almost geographically-bound, so brands can experience uncoordinated actions from AI when identifying violations in different countries. This dispersion makes it tougher for companies attempting to protect their brands because they may well own trademarks in one country but not in the other. Thus, harmonization would lead to a more rational system and would make legal rules and enforcement of IP rights more effective on the global level. While these AI tools are not limited

by geographical boundaries, cooperation between the jurisdictions is crucial for effective enforcement of trademark laws and closing all the possible loopholes.

International Standards or Guidelines in the Use of AI in IP Enforcement.

There are ongoing attempts to bring IP laws in conformity and to address the implications of AI in the enforcement of those laws through WIPO and Paris Convention for the Protection of Industrial Property. However, there is increasing requirement for particular arrangements concerning the utilization of AI in the domain of IP enforcement as well as rules on the extraterritorial application of the AI-identified violations. A possible recommendation is the establishment of a Global AI Governance Forum at WIPO to set best practices for the use of AI in trademark infringement identification and prevention. Further on, future multi-lateral conventions might provide for the requirements of data exchange between the countries to enhance the cooperation in the fight against AI-related IP infringement. These frameworks are crucial to the processes of updating IP law to the digital environment.

