Internet today has revolutionized the world of communication; it has brought the whole world at the click of the mouse. It has removed all the trade barriers and has transformed the world into a small village. But as there is a growth in the Net subsequently a rise in interaction between more and more number of people, so arises a dispute with the interface, viz. the Internet. The growth of web sites has also given rise to a new area of disputes—domain name disputes. This article has tried to analyse the position of law (before the notification of the Trade Marks Act, 1999) governing such a tort in other countries in comparison to India, and also such other international bodies, which have tried to allay the fears of genuine users, and bring them respite.

Keywords: Passing off, Internet domain names, Domain name disputes, Trademark law, Infringement, Cyber squatting

With the advent of Internet, the world today is witnessing a revolutionary change in the field of communications. Out of nowhere, the Internet seems to have exploded on the forefront of several commercial establishments, organizations, governments and institutions. Everybody, who is somebody, seems to have something to do with the Internet. Flashing an Internet address has become a sine qua non for almost every organization. Doing business on Internet allows a person to reach beyond his own jurisdiction. The thinking must likewise go beyond national or provincial territorial laws. E-commerce law must take into account all traditional areas of intellectual property, contract and tort and place them on an inter-jurisdictional network. The growth of web sites has also given rise to a new area of disputes—domain name disputes.

Domain Name—What is It All About?

Essentially, a domain name is Internet equivalent of a telephone number or a geographical address. The communication format used on the Internet is called Internet Protocol (IP). As a part of the IP,

Internet addressees are comprised of a string of digits delimited by periods

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†E mail: sunandomukherjee@rediffmail.com.
(commonly called “dots”). The delimited field indicates the network, sub-network and the local address, read from left to right. A typical Internet address might appear as "11.23.55" where "11" denotes the network, "23" denotes the sub-network and "55" denotes the computer itself. This all-numeric form is known as the IP address. Domain names are nothing but proxies for the IP address, although there is no logical correspondence between the IP address and the domain name. When computers communicate on the Internet, they do not "talk" in terms of domain names, but interpret a domain name into the corresponding IP address. All servers on the Internet interpret the same domain names the same way. That is the reason why when one types "indiainfo.com", one is taken to the Web site hosted by indiainfo, irrespective of where the person accessing the data is located or which server he is connected to. It is essentially for this reason that domain names are unique and therefore, identical domain names cannot be offered to two separate entities. As with IP addresses, domain names are also delimited with periods (dots), which are read from right to left. Thus, the domain name "indiainfo.com" indicates ".com" as the network and "indiainfo" as the sub-network. The domain name at the extreme right is called the "Top Level Domain" (TLD) and any domain to the left of the TLD and separated by a "." (dot) is the Second Level Domain (SLD). A domain to the left of the SLD is known as the Sub-domain (SD). The Sub-domain, Second Level Domain and the Top Level Domain put together comprise a "domain name". Thus, in the domain name "law.indiainfo.com", ".com," is the TLD, "indiainfo" is the SLD and "law" is the SD².

### Domain Name Disputes and Trademarks Law

Domain name disputes are relatively unheard of in the Indian courts. There have been hardly a handful of reported decisions regarding domain name disputes and the case law has still not developed in India. However, with the use of the Internet catching up at an amazing pace in the country, the Indian courts would surely be faced with domain name disputes in times to come. A global study of domain name disputes showed that they could be broadly classified under the following heads: (i) Infringement, (ii) Concurrent claim, and (iii) Cyber squatting.³

#### Infringement

This refers to disputes where the original registrant intentionally trades off the resemblance between the domain name and another famous trademark. Thereafter, the registrant tries to cash on the reputation of the trademark holder by running a business similar to that of the trademark holder. In such cases, the use of the mark (domain name) would be illegal under the existing trademark law, regardless of whether the infringement occurred as Internet domain names or in any other context⁴. The standard factors which determine infringement under the traditional trademarks law like: (a) the strength of the trademark; (b) the
deceptive similarity between the plaintiff's and the defendant's mark; and (c) the likelihood of confusion in the minds of the public, etc. would apply in cases of infringement of domain names also.5

**Position in US**

The US seems to be a forerunner as far as domain name litigation is concerned. Domain name disputes have multiplied many fold in the US over the past few years. The US has now passed the United States Anti-cybersquatting Consumer Protection Act (ACPA), which came into effect from 29 November 1999. The ACPA, also called the Trademark Cyber Piracy Prevention Act, calls for a broad protection of business trademarks. Guilty parties can be found liable for statutory damages of up to $300,000 per trademark if the registration of the Uniform Resource Locator (URL) is considered "willful". The statute contains a long list of factors that suggest "bad faith" on the part of a domain name owner and a trademark owner's ability to bring an action directly against offending domain names. In fact, the list of factors that suggest bad faith goes well beyond the typical cyber squatting scenario. The ACPA does not centre on the fact that a cyber squatter offered to sell or transfer the domain name to the trademark owner. It also includes factors such as whether a cyber squatter has any intellectual property rights in a domain name; whether a cyber squatter has been engaging in a *bona fide* use of a domain name to offer his own goods or services; or whether a cyber squatter intended to divert customers away from a trademark owner's site either for commercial gain or with the intent to disparage a trademark in a way that creates the likelihood of confusion among consumers.7

One of the first cases in which a US court was called upon to implement the ACPA was in *Sporty's Farm LLC vs Sportsman's Market, Inc*8 In the above case, the facts were as follows:

Sportsman's Market, a mail order catalogue company, was engaged in the business of selling products to aviation clientele and had registered the trademark "sporty's". A company called Omega entered the aviation catalogue business, formed a subsidiary called "Pilot's Depot", and registered the domain name "sportys.com". After Sportman's Market filed its lawsuit, Omega launched another subsidiary called Sporty's Farm to sell Christmas trees and then sold the "sportys.com" domain to Sporty's Farm.

The Court found that the defendant acted with a "bad faith intent to profit" from the domain name "sportys.com" not because Sporty's Farm attempted to sell the domain name to Sportsman's Market, Inc, the other owner of the trademark "sporty's", but because of other bad faith factors contained in the Act. One fact noted by the court was that neither Sporty's Farm nor Omega had any intellectual property rights in "sportys.com" at the time that Omega registered the domain name. It was also pointed out by the Court that the list of "bad faith" factors were only indicators that may be considered along with other facts. The Court found that the purchase and use of the domain name by Sporty's
Farm, generally suspicious in that Omega created a company in an unrelated business that received the name Sporty's Farm only after the lawsuit was filed.

In the US, the courts have brought cybersquatters within the purview of the Anti Dilution Law. Interestingly, not a single court has upheld the right of a cybersquatter to profit from the prior registration of the domain name. In fact, although the Federal Dilution Act does not provide for the transfer of a domain name as a remedy, the American courts have not merely enjoined the use or sale of domain names by cybersquatters, but have also transferred ownership to the challengers. This is one of the clearest examples of the way in which trademark rights in cyber space are being expanded beyond their normal meaning in law.

In relation to the Civil Jurisdictions and Judgements Act, 1982, particular attention should be taken of the 1995 amendments, specifically Sections 10 and 11. Section 10 abolished the double-actionability rule, which allowed claims only where the tort would be actionable in England under UK law and actionable as a tort in the foreign jurisdiction. Section 11 was enacted to clarify the required tests for jurisdiction for contract, tort and other claims. The rules are as follows: for actions in tort, the jurisdiction is the place of the tort; for actions in contract, the jurisdiction is the place where there is the substantial performance of the contract; for all other actions, the jurisdiction is the country with the most significant relationship with the occurrence.

The courts have held that cyber squatting is violative of the rights protected under the trademarks law. In Marks & Spencer PLC v One in a Million, the High Court of Justice, Chancery Division, enjoined the activities of two cyber dealers and their related companies, who had obtained and were offering for sale or “hire”, numerous domain names containing well-known marks. In this group of cases, the Court enjoined “the threat of passing of” (a threat which would become a reality if an offending domain name was sold to and used by a stranger to the trademark owner), issuing a warning to cyber squatters:

“Any person who deliberately registers a domain name on account of its similarity to the name, brand name or trademark of
an unconnected commercial organization must expect to find himself on the receiving end of an injunction to restrain the threat of passing off, and the injunction will be in terms which will make the domain name commercially useless to the dealer”

As is evident from the above, the courts over the world have generally frowned over cyber squatters and have protected the plaintiffs under the trademark law.

**Position in India**

Although the above cases seem to have great persuasive value for the Indian judiciary, one has to keep in mind that the above decisions have been passed on the basis of the applicable codified trademark laws.

The main issue of contention is the relationship between domain names and trademarks. While domain names were originally intended to perform only the function of facilitating connectivity to remember and use. Businesses have started to realize the significant potential of web sites as a primary means of facilitating E-commerce. By using trade and service marks as their domain names, businesses hope to attract their potential customers to their web sites and increase their market visibility, ultimately their sales and profits.

With the growth of Internet in India, domain names have increasingly come into conflict with trademarks. The possibility of such conflict arises from the lack of connection between the systems for registering trademarks, on one hand and the system for registering domain names, on the other hand. The former system (trademarks) is administered by a public (governmental) authority on a territorial (either national or regional) basis, which gives to rights on the part of the trademark holder that may be exercised within a territory. The latter system (domain names) is usually administered by a non-governmental organization (Netronics) without any functional limitation, domain names are registered on a first come first serve basis and a offer unique, global presence on the Internet.

The Trade and Merchandise Marks Act, 1958, defines trademarks as follows:

“trademark” means: (i) in relation to chapter X (other than section 81), a registered trademark or a mark used in relation to goods for the purpose of indication or so as to indicate a connection in the course of trade between the goods and some person having a right as proprietor to use the mark; and (ii) in relation to other provisions of this Act, a mark used or proposed to be used in relation to goods for the purpose of indication or so as to indicate a connection in the course of trade between the goods and some person having the right, either as proprietor or as registered user, to use the mark whether with or without any indication of the identity of that person, and includes a certification trademark registered as such under the provisions of Chapter VIII.

Essentially, trademarks are names and symbols that a company uses to identify its goods or services in the marketplace.
Trademarks identify the source of the product and also help indicate the quality of a product or service\(^{17}\). The trademark law seeks to provide effective protection of trademarks\(^{18}\) and prevents the use of fraudulent marks on merchandise\(^{19}\). Suffice to state that the Act seeks to prevent consumer confusion as to the source of a particular good or service by prohibiting a subsequent competing business from using an identical or extremely similar product or symbol as the previous competitor\(^{20}\).

Under the Act, a registered trademark is infringed by a person who, not being a registered proprietor of a trademark or a registered owner thereof using by way of permitted use, uses in the course of trade, a mark which is identical with or deceptively similar to the trademark in relation to any goods in respect of which the trademark is registered and in such manner so as to render the use of the mark likely to be taken as being used as a trademark\(^{21}\). Unregistered owners of trademarks are also entitled to protection of their marks under the scheme of the Act. Therefore, in order to prevail in a trademark infringement claim, the claimant must show that:

1. the marks is protectable under the provisions of the Trade and Merchandise Marks Act;
2. the defendant is using the same or similar mark; and
3. the defendant is likely to cause consumer confusion regarding the origin of the goods.

Although the first two issues are necessary for finding an infringement, the central question in any infringement case is whether there is a substantial likelihood of consumer confusion due to the similarity between the marks.

The Indian Courts on Domain Name Passing Off

Passing off on the Internet litigation is not very common in India. The first reported Indian case was *Yahoo! Inc. v Akash Arora*\(^{22}\), the former, the global Internet media search and information network, filed an action against the latter on the Internet as those of the plaintiffs' by adopting the domain name “yahooindia.com”.

The plaintiffs submitted that their domain name “yahoo.com” was registered with Network Solutions Inc (NSI) since 1995, that it had become well-known and they had obtained registrations on the trademark “Yahoo” or variations thereof in approximately 69 countries, although not in India. The defendants registered the domain name “yahooindia.com” with NSI in November 1997, as well as 16 variations containing the word “yahoo”. The Plaintiff objected to the defendant's use of the domain name and the defendants responded modifying the announcement of their forthcoming web site and by including the disclaimer that “www.yahooindia.com” had no connection with Yahoo, Inc. of California, USA. The defendants thereof activated their web site and adopted substantial part of plaintiffs’ Singapore web site named “yahoo.com” which contained a section in India.

The defendants submitted that a web site, unlike a trademark, is a specific
address and that their disclaimer would eliminate any confusion. They further pointed out that there was no protection for services in India that no goods were involved in this case. In addition they claimed that, contrary to the plaintiff, that we offered only content specifically directed to India, that “yahoo” was an English dictionary word available and that Internet users, who are usually sophisticated would know the difference between the two web sites.

The Delhi High Court rejected the defendants’ argument, on the grounds, inter alia, the trademark law applies equally to domain names on the Internet; that, where the parties are in the same or a similar line business, the use of similar names would result in confusion and deception; that the disclaimer by the defendants on their website did not reduce the likelihood of the confusion; that the plaintiff had obtained registration on the trademark YAHOO and variations thereof in 69 countries; that the mark was widely publicized and well-known; and that the fact that “Yahoo” was a dictionary word was no reason to deny protection for the mark. The mere fact that the Internet users were technically educated and literate, this would not reduce the risk of confusion.

The court held that:

“In an Internet service, a particular Internet site could be reached by anyone anywhere in the world who proposes to visit the said Internet site. With the advancement and progress in technology, services rendered on the Internet has come to recognized and accepted and are being given protection so as to protect such provider of service from passing off the services rendered by other as that of the plaintiff. As a matter of fact in a matter where services rendered through the domain name in the Internet, a very alert vigil is necessary and a strict view is to be taken for its easy access and reach by anyone from any corner of the globe.”

This was the first case in India in which the court has applied trademark law to support a judgement in a domain name dispute. This decision is particularly significant as the Indian Trade and Merchandise Marks Act, 1958 does not provide for registration of service marks and the court in effect extended the principles common law to cover services offered through the Internet.

Similarly Bombay High Court in Rediff Communications Ltd v Cyberbooth was faced with a case where the defendant has adopted the domain name “www.radiff.com” despite the existence of a well-known web site of the plaintiffs “www.rediff.com”. the court found such an adoption by defendant was completely dishonest and held that once the intention to deceive is established the court would not make any further enquiry whether there is any likelihood of confusion or not.

The Court relied upon the decision in Parker Knoll v Knoll International where the House of Lords had held that where the object is to deceive the court will be very much more ready to infer that its object has been achieved. Moreover, in the “rediff” case the Court relied on the fact that both the plaintiff and the defendant had a common field of
activity; both operated on the net and provided information of a similar nature, both offered the facility of sale of books, etc., both offered a chat line and a cricket opinion poll.

The Court further held that there is every possibility of the Internet user getting confused and deceived in believing that both domain names belong to one common source and connection although the two belong to two different persons. The Court was satisfied that the defendants have adopted the domain name “Radiff” with the intention to trade on the plaintiff’s reputation and accordingly the defendant was prohibited from using the said domain name.

In *Titan Industries v Prashant Koorapti & others*, the defendant registered the domain name “tanishq.com”. The plaintiff company, which has been using the trademark “tanishq” with respect to watches manufactured by it, sued for passing off and alleged that the use of the domain name by the defendants would lead to confusion and deception and damage the goodwill and reputation of the plaintiffs.

The Delhi High Court granted an *ex parte ad interim* injunction restraining the defendants from using the name "TANISHQ" on the Internet or otherwise and from committing any other act as is likely to lead to passing off of the business and goods of the defendants as the business and goods of the plaintiff.

**WIPO Arbitration and Mediation Centre**

Though each country has its own law governing protection of domain names, and courts but everywhere, more specifically in India the spate of litigation is so high that such cases take years to be decided. So the forums like WIPO arbitration and mediation become indispensable.

The WIPO Arbitration and Mediation Center, established in 1994 as a unit of WIPO’s International Bureau, offers alternatives to court litigation for the resolution of commercial disputes between private parties concerning intellectual property. The WIPO Center has created – with the active involvement of many of the foremost alternative dispute resolution (ADR) and intellectual property experts – the WIPO Mediation, Arbitration, and Expedited Arbitration Rules and Clauses. The WIPO Rules and Clauses, which exist in several languages, incorporate the latest developments in the area of dispute resolution and can be used in any legal system in the world. The WIPO Center advises on, and administers, procedures conducted under these Rules. In addition, parties can draw upon a growing list of over 1,000 independent WIPO arbitrators and mediators from some 70 countries. The candidates on the WIPO list of neutrals range from seasoned dispute-resolution generalists to highly specialized practitioners and experts covering the entire legal and technical spectrum of intellectual property. The WIPO Center also plays a leading role in the design and implementation of tailor-made dispute resolution procedures. The most prominent example is the Uniform Domain Name Dispute Resolution Policy (UDRP) which is based on
recommendations made by WIPO to address certain abusive practices in the domain name system. Since commencing its domain name dispute resolution service in December 1999, the WIPO Center has processed well over 20,000 cases.

Following WIPO’s recommendations, the Internet Corporation of Assigned Names and Numbers (ICANN) adopted the Uniform Domain Name Dispute Resolution Policy on 26 August 1999. The UDRP provides holders of trademark rights with an administrative mechanism for the efficient resolution of disputes arising out of bad faith registration and use by third parties of domain names corresponding to those trademark rights. Under the UDRP, trademark owners may submit disputes arising from alleged abusive registration of domain names to a mandatory expedited administrative proceeding, by filing a complaint with an approved dispute resolution service provider (provider). For gTLDs these providers are accredited by ICANN, and for those ccTLDs that have voluntarily adopted the UDRP, the registration authority of the ccTLD in question accredits the providers.

Pursuant to their accreditation agreement with ICANN, all gTLD registrars agree to abide by and implement the UDRP. Accordingly, the UDRP is applicable to the gTLDs, .com, .net, .org, and to all more recently introduced gTLDs. The UDRP is incorporated into the standard dispute resolution clause of all gTLD domain name registration agreements. On this basis, the registrant of a gTLD domain name must submit to any proceeding that is brought under the UDRP, regardless of whether the domain name registration was effected before the entry into force of the UDRP. Apart from the gTLDs, certain ccTLDs have also adopted the UDRP on a voluntary basis.

Global Scope
The UDRP is international in scope, in that it provides a single mechanism for resolving a domain name dispute regardless of where the registrar, the domain name registrant, or the complaining trademark owner is located. Any person or company in the world can file a request for the resolution of a domain name dispute through the UDRP procedure, asserting that each of the UDRP criteria is present in its case. UDRP proceedings administered by the WIPO Center have involved parties from over 100 countries across the world.

Some of the advantages of WIPO Arbitration and Mediation Center over ordinary litigation are:

(1) Time and Cost Effective
Compared to court litigation, the UDRP procedure is highly time- and cost effective, especially in an international context. A domain name case filed with the WIPO Center is normally concluded within two months, involving one round of limited pleadings and using mostly online procedures. WIPO fees are fixed and moderate.

(2) Enforceable Decisions
A key advantage of the UDRP procedure is the mandatory implementation of the resulting decisions. There are
no international enforcement issues, as registrars are obliged to take the necessary steps to enforce any UDRP transfer decisions, subject to the losing party’s right to file court proceedings and suspend the implementation of the decision.

(3) Transparent
The UDRP process is transparent. The WIPO Center posts all disputed domain names, case status, case statistics and full-text of decisions on its web site. In addition, the WIPO Center’s online Index of WIPO UDRP Panel Decisions offers easy access to the jurisprudence developed under the UDRP.

(4) Without Prejudice to Court Adjudication
Once a complainant initiates a UDRP proceeding, the registrant of a domain name must submit to the process. However, in line with its administrative character, the UDRP does not preclude the domain name registrant or the trademark holder from submitting the dispute to a court for independent resolution; either party may commence a lawsuit in court before, during, or after a UDRP proceeding. Paragraph 4(k) of the UDRP also allows a losing domain name registrant to challenge the administrative panel’s decision by filing a lawsuit in a competent court and thereby suspend the implementation of the panel decision. Although parties retain this court option, in practice this is a rare occurrence. The WIPO Center maintains a selection of court orders and decisions in relation to the UDRP or specific UDRP cases at its web site.

The Three UDRP Criteria
The UDRP procedure is designed for domain name disputes that meet the following cumulative criteria (UDRP, paragraph 4(a)): (i) the domain name registered by the domain name registrant is identical or confusingly similar to a trademark or service mark in which the complainant has rights; and (ii) the domain name registrant has no rights or legitimate interests in respect of the domain name in question; and (iii) the domain name has been registered and is being used in bad faith.

Reliefs Given by WIPO
Disputes under the UDRP are decided by independent panels appointed by the WIPO Center. The remedies available to a complainant in a UDRP proceeding are limited to the transfer of the disputed domain name registration to the complainant, or the – rarely requested – option of cancellation of the domain name registration. Neither monetary nor injunctive relief is available. Panels decide on the basis of the submitted complaint and response, without oral hearing. If a panel decides that a disputed domain name registration should be cancelled or transferred to the complainant, the concerned registrar will normally implement the decision after ten business days. If the complaint is denied, the registrar will unlock the domain name for the benefit of the respondent.

The first case which was decided by the body was World Wrestling Federation Entertainment, Inc v Michael Bosman, wherein the respondent had registered the domain name of the complainant only to sell them at US $1,000,000. The
Administrative panel ordered the respondent to transfer the ownership of the domain name to the complainant. Subsequently, the panel has also decided a plethora of other disputes, which include a number of Indian companies as well.

Conclusion

The global experience has shown that even the US has tried to plug the legal lacuna by passing the Trademark Cyber Piracy Prevention Act. As far as India is concerned, one has to be pragmatic and it is to be realized that the virtual world of cyberspace needs a law for itself. Bringing passing off within the framework of the Trade and Merchandise Marks Act, which is an antiquated legislation (passed in the year 1958), would result in granting trademark holders more extensive protection than what the legislature originally intended. A trend of increased disputes over web addresses is gaining ground in India over the past few years as companies recognize the commercial potential on the Internet. As large companies try to stake their claims in cyberspace, they often find their prime parcels already in the hands of somebody else. The WIPO Arbitration and Mediation Center may order the respondent only to refrain from the use of the “domain name”, but has no power to award damages for the loss caused to the complainant. The decision of Justice KS Gupta preserves the hope for the people who are not trademark holders of their domain names and strikes the proper balance between the rights of the trademark holders and the rights of the public to use words in the English language in legitimate ways without fear of being used.

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