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INTRODUCTION

With the advent of the Internet, the world today is witnessing a revolutionary change in the field of communication. A convergent digital environment has the feature of being, in terms of costs of delivery, not as related to distance as conventional media. In respect of the Internet, a specific feature called logical addressing has been developed which allows the user to reach a graphical or multimedia location where information is delivered to him in an interactive way. Both these issues may have an impact in respect of trademark protection.

Trademark issues related to convergence pertain to the use of digital highways in order to achieve lower costs of internationalisation. However, as traditional law on unregistered trademark has been established to protect local small enterprises, a retooling of this specific issue may be investigated in order to take into account the current, de-localised digital environment.

The Internet seems to have exploded on the forefront of several commercial establishments, organisations, governments and institutions. Flashing an Internet address has become a sine qua non for almost every organisation. It goes without saying that as the awareness of the Internet grows, the number of web sites grow correspondingly. Such growth of web sites has also given rise to a new area of disputes - domain name disputes.

A trademark can be defined as a distinctive design, picture, emblem, logo or wording affixed to goods for sale to identify the manufacturer as the source of the product. The question that attracts the attention of anybody is, does a Domain Name come under the Definition of a Trademark? The answer is found when both their nature and scopes are analyzed - under law a trademark is used in commerce to represent a product or a business while on the other hand a
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Domain Name is a word or a phrase registered in the Domain Name System (hereinafter referred as DNS). Moreover a Domain Name is not a corollary to the trademark system. Nevertheless, previously decided Domain Name disputes have given Domain Names as much protection as trademarks. In Cardservice International Inc. v. McGee\(^{198}\) it was held that Internet Domain Names are of importance and are entitled to equal protection as a trademark. The Indian stand point on the status of Domain Names is also encouraging as in the Rediff case\(^{199}\) it was held that a Domain name is more than an Internet address and is entitled to equal protection as trademark. In the Yahoo case\(^{200}\), The Delhi Court held that although services may find place in the expression used in Section 27 and Section 29 of the Act\(^ {201}\), services rendered have to be recognised for an action of passing off. But the most commendable Judgement which sets the record right as regards to the nature of Domain names in relation to Trademarks is the Bennett Coleman & Co case decided by the WIPO wherein it was held that Domain name registrations cannot be confined to comparisons with Trade mark registration or other rights in the country where the site is hosted. Further buttressing the strength hold of Domain Name in the ever growing scope of E- Commerce is the fact that consumers have now begun to attribute Domain Names with goodwill, reputation, dependability and brand following similar to that of a trademark.

Cyber-squatting is a form of speculation where a domain name is registered with the intention of selling off the same. Cyber-squatting is the practice by means of which a person or legal entity books up the trade mark, business name or service mark of another as his own domain name for the purpose of holding on to it and thereafter selling the same domain name to the other person for valuable premium and consideration. Cyber-squatters book up domain names of important brands in the hope of earning quick millions.

\(^{198}\) 42 USP Q2d 1850
\(^{199}\) Rediff Communications Ltd., v. Cyberbooth, AIR 2000 Bom 27.
\(^{201}\) Trade and Merchandise Marks Act, 1958
This chapter gives an overview of the relationship between Trademarks, Domain names, specific issue of Cyber-squatting, and protection of contents in a websites.

[A] The Concept of Domain Names

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 to indicate the quality of a product or service. The trademark law seeks to provide effective protection of trademarks and prevent the use of fraudulent marks on merchandise. The Act seeks to prevent consumer confusion as to the source of particular goods or services by prohibiting a subsequent competing business from using an identical or extremely similar product or symbol as that of the previous competitor.

There was no Trademarks Act in India until 1940 and it provided for registration of Trademarks including Certification Trademarks. Then came to be enacted The Trade & Merchandise Marks Act 1958, which brought the concept of Part A for registration of Trademarks which were distinctive and for registration of Trademarks in Part B of the Register, which were capable of distinguishing goods which the proprietor of a trademark is or may be connected in the course of trade from goods in the case of which no such connection subsisted. Keeping in view the developments in trading & commercial practice, increasing globalisation of trade & industry and the need for simplification and harmonization of trademark management systems it was felt necessary for the Parliament to pass new legislation. Thus the Trade Marks Act 1999 & the Trade Marks Rules 2002202 are passed.

The Act enlarges the definition of "Mark" and "Trademark". It also provides for Registration of "Collective Marks" and "Service Marks" in addition to goods. Article 15 to 18 of TRIPS provides that term of registration should not be for less than 7 years. In the Indian Act of 1999 the term of Registration is for 10 years and for renewal it is for a term of 10 years. The Act has abolished the

202 Came into force with effect from 15th September 2003
concept of Defensive registration of well-known marks. It has, however, given effect to Article 6 of the Paris Convention. It has prohibition for registration of well known Trade marks as provided for in Section 11 of the new Act read with the definition of "Well Known Trade Mark" as provided for in section 2(1)(zg). Certain sections are set out which deal with registration of Trademarks Annexure "A". Thus sections covered under definition of "Certification Trade Mark", "Collective Mark", "Mark", "Service", "Trade Mark", and "Well Known Trademark" are set out along with text of sections on "Absolute Grounds for refusal of registration u/s 9;" Relative grounds for refusal of registration "u/s 11 and "Registration in case of honest concurrent use" u/s 12 & "Effect of Acquiescence".

203 Tehemtan N. Daruwalla www.aippi.com

204 ANNEXURE "A"

Definitions and interpretation:

2(1)(e) "certification trade mark" means a mark capable of distinguishing the goods or services in connection with which it is used in the course of trade which are certified by the proprietor of the mark in respect of origin, material, mode of manufacture of goods or performance of services, quality, accuracy or other characteristics from goods or services not so certified and registrable as such under Chapter IX in respect of those goods or services not so certified and registrable as proprietor of the certification trade mark, of that person; 2(1)(g) "collective mark" means a trade mark distinguishing the goods or services of members of an association of persons (not being a partnership within the meaning of the Indian Partnership Act, 1932(9 of 1932) which is the proprietor of the mark from those of others; 2(1)(m) "mark" includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof; 2(1)(z) "service" means service of any description which is made available to potential users and includes the provision of services in connection with business of any industrial or commercial matters such as banking, communication, education, financing, insurance, chit funds, real estate, transport, storage, material treatment, processing, supply of electrical or other energy, boarding, lodging, entertainment, amusement, construction, repair, conveying of news or information and advertising; 7 2(1)(zb) "trade mark" means a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and combination of colours; and- (i) in relation to Chapter XII(other than section 107), a registered trade mark or mark used in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the 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 or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services; and some person having the right, either as proprietor or by way of permitted user, to use the mark with or without any indication of the identity of that person, and includes a Certification Trademark or collective mark; 2(1)(zg) "well-known trade mark", in relation to any goods or services, means a mark which has become so to the substantial segment of the public which uses such goods or receives such services that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first mentioned goods or services.
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It may be noted that the use of trademark for export trade whether it be in respect of goods or in relation to services for use outside India is deemed to be use of trademark or service mark in India for any purpose for which such use is material under the Trade Marks Act 1999 or any other law which will include the law of passing off or criminal proceeding based on trademarks or service marks.

Essentially, a domain name is the Internet equivalent of a telephone number or a geographical address. The communications format used on the Internet is known as the Internet Protocol (IP). As part of the IP, Internet addressees are comprised of a string of digits delimited by periods (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. As with IP addresses, domain names are also delimited with periods (dots), which are read from right to left. Thus, the domain name 'esselpropack.com' indicates '.com' as the network and 'esselpropack' as the sub-network. The domain name at the extreme right is called the 'Top Level Domain' (hereinafter referred as TLD) and any domain to the left of the TLD and separated by a '.' (dot) is the Second Level Domain (hereinafter referred as SLD). A domain to the left of the SLD is known as the Sub-domain (hereinafter referred as SD). The SD, SLD and the TLD put together comprise a 'Domain Name'. Thus, in the domain name 'law.esselpropack.com', '.com' is the TLD, 'esselpropack' is the SLD and 'law' is the SD. There are two types of TLD Names, Generic and Geographic.

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205 u/s 56 of the Act of 1999
206 Chapter XII of the New Act (Trademark Act, 1999)
1. **Generic Top Level Domain Names**

Table VIII: The current generic Top Level Domains

<table>
<thead>
<tr>
<th>Domain</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>.com</td>
<td>For commercial use.</td>
</tr>
<tr>
<td>.edu</td>
<td>For educational institutions.</td>
</tr>
<tr>
<td>.org</td>
<td>For miscellaneous and non-profit organisations.</td>
</tr>
<tr>
<td>.net</td>
<td>For Networking providers.</td>
</tr>
<tr>
<td>.gov</td>
<td>For Government organisations.</td>
</tr>
<tr>
<td>.int</td>
<td>For International treaty organisations</td>
</tr>
<tr>
<td>.mil</td>
<td>For Defence.</td>
</tr>
</tbody>
</table>

Generic domain names are issued by Network Solutions Inc. (hereinafter referred as NSI) as part of the Inter NIC. Generic domain names are unique to the entire world. To register a domain name with NSI, one needs to visit the InterNIC website and fill in the forms and comply with the other stipulated formalities. Generally, NSI assigns domain names on a first come, first served basis. NSI will not exercise veto power over a requested name, so long as that name is not identical to one already assigned within the TLD.

2. **Geographical Top Level Domain Names**

Geographical TLDs end with a two-letter code, which is assigned to each country. For example, '.in' (India), '.fr' (France), '.aus' (Australia), '.uk' (United Kingdom) and so on. Each country has an agency that handles registration of geographical domain names. These agencies are also known as Network Information Centres (hereinafter referred as NIC). Each country has its own registration policy and domain names ending with a geographical TLD are issued only to persons operating within the said country.
3. Registration of Domain Names

The domain names were initially registered by NSI only, who had the sole monopoly to register the TLDs. This monopoly of NSI continued for many years and only in 1999, the Internet Corporation for Assigned Names and Numbers (hereinafter referred as ICANN) allowed other accredited registrars to register domain names. Today there are a large number of registrars with whom one can register a TLD.

4. Importance of a Domain Name

Since it is not possible to remember each and every numerical value of an IP address, the system of domain names evolved. Internet domain names, in a common man’s language, are used as an easy-to-remember substitute for the specific IP address. The dominant purpose of the domain name is simply to provide an easy method for remembering another’s electronic address. It’s a unique name used to identify, among other things, a specific web site.

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 ‘esselpropack.com’, one is taken to the web site hosted by Essel Propack, 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.

The unique feature of domain names is that the said domain names are given on ‘first come, first serve’ basis. This feature of domain names gives rise to numerous legal issues and disputes. Thus, the important thing in domain names registration is speed. To take an example, the domain name www.microsoft.org'
was available and was registered by Amit Mehrotra much before Microsoft Corporation could think of it. This led to numerous ticklish legal issues. Microsoft Corporation, despite having the trademark Microsoft, could not get the domain name ‘www.microsoft.org’ because of the ‘first come, first serve’ criteria of domain name registration.

5. Infringement of Trade Marks V/S Infringements of Domain Name

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. Infringement refers to a dispute where the original registrant intentionally trades off the resemblance between the domain name and another famous trademark. Thereafter, the registrant tries to en-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 an Internet domain name or in any other context.

The standard factors which determine infringement under the traditional trademarks law like:

1. the strength of the trademark,
2. the deceptive similarity between the plaintiff’s and the defendant’s mark,
3. the likelihood of confusion in the minds of the public, etc., would apply in cases of infringement of domain names also.

In Concurrent Claims of domain name disputes, there is more than one legitimate user of the domain name. Apparently, there is no intention to trade off a trademarked name and little or no potential for confusion between the products of the conflicting claimants. Both parties have a particular trademark of their own or a valid reason to use a particular domain name. For example, both Moonlight
Computers and Moonlight Dry Cleaners would be interested in registering the domain name ‘moonlight.com’.

[B] **Cybersquatting**

Cyber-squatting occurs when domain names bearing a resemblance to famous trademarks are registered by persons hoping to sell the registration to the corresponding trademark holder. Typically, in such cases, persons who have absolutely nothing to do with the name, virtually pirate the name by obtaining a SLD registration with the ‘.com’ TLD of a well-known company or brand.

The practice that’s come to be known as cybersquatting originated at a time when most businesses were not savvy about the commercial opportunities on the Internet. Some entrepreneurial souls registered the names of well-known companies as domain names, with the intent of selling the names back to the companies when they finally woke up. Panasonic, Fry’s Electronics, Hertz and Avon were among the "victims" of cybersquatters. Opportunities for cybersquatters are rapidly diminishing, because most businesses now know that nailing down domain names is a high priority.

If you own a trademark and find that someone is holding it hostage as a domain name until you pay a large sum for it, you may be the victim of cybersquatting. You can either sue to get your domain name and possibly some money damages under a 1999 federal law known as the Anti-Cybersquatting Consumer Protection Act, or you can initiate arbitration proceedings under the authority of the Internet Corporation of Assigned Names and Numbers (ICANN) and win the name back without the expense and aggravation of a lawsuit.

The most important criteria for determining trademark infringement, i.e., likelihood of confusion, is completely absent in the case of cyber-squatting, as no one can be confused by a blank screen. Cyber-squatters never make pretence of being a company whose name they control. The problem of cyber-squatting is more acute than it seemingly is because as already mentioned, any given Internet domain name, consisting of the exact combination of numbers, letters and
characters, can be registered by one entity only. If someone attempts to register a domain name previously registered by someone else, he will be prevented from doing so because of the prior registration of that domain name on a 'first come, first serve' criteria by the first user.

Although cyber-squatting may seem a nuisance from a social point of view, one has to examine whether it would be illegal under Indian law or fall within the ambit of protection granted by the Trade Marks Act, 1999. In the case of cyber-squatting, the cyber-squatter does not offer for sale any goods or services nor does he attempts to trade any goods or services as that of another trademark owner.

Moreover, even a registered trademark owner is subject to a disclaimer if a trademark contains any matter, which is common to the trade or is otherwise of a non-distinctive character. The registration is granted subject to the condition that the proprietor shall disclaim any right to the exclusive use of such part or of all or any portion of such matter.

Therefore, going back to the above said hypothetical example, if 'Moonlight Computers' registers its trademark in India, subject to the disclaimer that it would not claim any exclusive rights over the word 'moonlight', it cannot be said that its trademark is violated if a cyber-squatter registers a domain name, 'moonlight.com' and puts up a picture of a moon on the said website.

The Trade Marks Act stipulates that when a mark is registered subject to such limitation, the use of a mark in a manner to which the registration does not extend, would not constitute an act of infringement.

The next question, which would arise, is whether an action of passing off can be maintained in the context of domain name registrations. The Act provides that the jurisdictional District Court may grant an injunction as a relief in a suit for passing off. Essentially, an action for passing-off lies where misrepresentation is likely to be caused or wrong impression created in the minds of ordinary
customers causing injury to the owner of the mark. The tendency to mislead or confuse forms the gist of a passing-off action and the plaintiff need not establish fraud, actual damage or actual deception. The main question is not the intention of the alleged infringer in using trademarks but the probable effect of such action on the minds of the customers.

Recently the Supreme Court of India in Cadila Health Care Ltd. Case has made a distinction between British Law and Indian Law regarding the application of passing off action.209

Broadly, two tests are applied in a passing-off action for determining the question whether the plaintiff is entitled to an injunction. These tests are:

- Whether the words used in the trade name of plaintiff are mere descriptive words of common use or they have come to acquire a distinctive or secondary meaning in connection with the plaintiff's business?

- Whether there is a reasonable probability that the use of the name adopted by the defendants was likely to mislead the customers of plaintiff by reason of similarity of the two trade names?

The purpose of passing off, which is a tort, is basically to protect commercial goodwill to ensure that peoples' reputations are not exploited. The law of passing off is based on economic policy, the need to encourage enterprise and to ensure commercial stability. The law of passing off is complementary to the codified trademark law and is based on common law. To succeed in a claim of passing off, the plaintiff has to establish the existence of the business reputation, which he seeks to protect, the possibility for confusion and deception and, therefore, the probability of sufferance of damage.

208 http://www.asianlaw.org/latest.htm
The courts over the world have generally frowned over cyber-squatters and have protected the plaintiffs under the trademark law. Although the decided cases seem to have great persuasive value for the Indian judiciary, one has to keep in mind that the decisions have been passed on the basis of the applicable codified trademark laws.

On close analysis of the majority of disputes relating to Domain Names the paramount issues involved in such disputes principally revolve around the following cause of action claims.

**Bad Faith**

A registration of a Domain Name is one in 'bad faith' when the registration was for the primary purpose of disrupting the business of a competitor *Infospace.com Inc. v. Hari Prakash*. Also lack of legitimate interest in respect of the Domain Name also gives rise to an action based on bad faith. In *World Wrestling Federation Entertainment, Inc. v. Michael Bosman*, the panel held that if a person seeks a Domain Name for valuable consideration in excess of any out of pocket costs directly related to the Domain Name then he has said to have used the Domain Name in Bad faith. In order to resist an action under bad faith 'a connection or nexus between the mark used in relation to the goods and the person claiming a right to use the same *Kirloskar Diesel Recon Pvt.Ltd. v. Kirloskar Proprietary Ltd.*' must be shown. Moreover, if a 'Cybersquatter' is able to show a reason for registering the Domain Name other than to sell it back to the trademark owner, then the courts will allow him to continue to use the mark. However in *Sporty's Farm. v. Sportsman's Market, Inc.*, the court held that even if a necessary ingredient for a successful Cybersquatting charge was not satisfied under the Act but under the unique facts of the case Omega Engineering was held to have acted in bad faith.
**Dilution**

Dilution can be defined as the 'lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of competition between the owner of the famous mark and other parties, or the likelihood of confusion, mistake or deception'. Dilution is regarded as unfair competition. In order to prove a violation under federal Trademark Dilution Act, a Plaintiff must show that the 1) mark is famous; 2) the defendant is making a commercial use of a mark in commerce; 3) the defendant's use began after the mark became famous; and 4) the defendant's use of the mark dilutes the quality of the mark by diminishing the capacity of the mark to identify and distinguish goods and services. In the Panavision case *Panavision International L. P. v. Toeppen* a leading case on dilution theory, the court found a new form of dilution outside of the traditional dilution and blurring. The Delhi High Court in a landmark judgement *William Grant & Sons. v. McDowell & Co. Ltd.* recognised a hitherto unacknowledged form of 'loss to business' and 'loss of reputation', namely the 'dilution of the image' of a trademark.

1. **Acquisition of Domain Name**

An individual or an entity can employ a Domain Name only have registered the Domain Name for their use. The organization responsible for overall coordination and management of the DNS is the 'Internet Assigned Number Authority' (Hereinafter to be referred as IANA). In the U.S today the major part of the assignment of the Domain Name is done by the registry called as the 'Network Solutions Inc.'. The world over the assignment and registration of Domain Names are carried out by registries called as 'Network Information Center'.

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211 141, F.3d. 1316 (9th Cir. 1998)
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However the most significant development in the world of Internet has been the establishment of the non-profit organization called the ‘Internet Corporation for ICANN. It is a global organization created for the in OCTOBER 1998 by a broad coalition of the Internet’s business, technical, academic and user communities. ICANN is assuming responsibility for a set of technical function previously performed under the U.S Government contracted by IANA and other groups. The ICANN today is responsible for managing and coordinating the DNS to ensure ‘Universal Resolvability’. To categorically state the core ambit of ICANN’s function is to develop and manage Internet policy and logistics related to (i) Internet Protocol (ii) IP address and (iii) Domain Names.

The assignment of Domain Names is carried out by the administrator, of a desired TLD, who is authorized by ICANN. The applicant can be made electronically by means of online forms for registration of the Domain Name available with the respective TLD administrators. Only Domain Names which had previously not been assigned are open for assignment and every applicant must ensure that the Domain Name he seeks to register does not infringe any others trademark.

With the upswing of E-commerce millions of dollars change hands on the Internet and these economics are translated principally between Domain Names, thus resulting in Domain names becoming the bone of contention.

2. Identification of Cybersquatting

As a general rule, first check to see if the domain name takes you to a legitimate website. If the domain name takes you to a website that appears to be functional and reasonably related in its subject matter to the domain name, you probably aren’t facing a case of cybersquatting. However, you may have a case of trademark infringement.

But if your browser produces any of the following results, you may have a case of cybersquatting on your hands:

1. you get a “can’t find server” message
2. you get an "under construction" page, or

3. you get a page that appears to have no relationship to the meaning of the domain name.

Although each of these results suggests the possibility of cybersquatting, there may also be an innocent explanation, especially if the website is still under construction. You can reserve a domain name for two years, so the fact that a website is not up and running, even months after the name was reserved or registered, does not necessarily mean that the registrant doesn’t have perfectly legitimate plans to have a website in the future.

Before jumping to any conclusions, contact the domain name registrant. To find the name and address of a domain name owner, you can use the "WHOIS Lookup" at whois.net. Find out whether there is a reasonable explanation for the use of the domain name, or if the registrant is willing to sell you the name at a price you are willing to pay.

Sometimes, you may find that paying the cybersquatter is the easiest choice. It may be a lot cheaper and quicker for you to come to terms with a squatter than to file a lawsuit or initiate an arbitration hearing: these processes cost money, and although you may be able to recover your costs and attorney fees if you win, there is no guarantee; it's completely up to the judge.

3. Types of Domain Name Disputes

As more and more users choose to ride the Cyberwave to further their interests, the incidents of Domain Name Disputes also seem to be burgeoning. Although it is an accomplished fact that the Domain Name Registration is based on 'first come first served basis', the registry of Domain Names does not determine the legality of the Domain Name Registration or otherwise evaluate whether that the Registration may infringe upon the rights of a third party\(^\text{214}\). Hence any Domain Name is open for challenge.

\(^{214}\) American Civil Liberties Union v. Reno., 929 F-Supp 824, 830, 845 (ED P 1996)
As many as 2162 Cases have been decided by WIPO, which is an ICANN accredited Organization (Approved effective 1 December 1999) alone until the end of February 2001. Although the natures of Domain Name Disputes vary still they can categorically be grouped under 3 distinct heads:

a) Disputes Based On Illegitimate Claims: In the Disputes relating to illegitimate claims to Domain Names, cases of 'Cybersquatting' form the core of such types of disputes. Let us now analyze the phenomenon of 'Cybersquatting' in medias res. Under the Anti-Cybersquatting Consumer Protection Act 1999, 'cybersquatting' means registering, tracking in, or using a Domain Name with bad faith intent to profit from the goodwill of a trademark belonging to someone else.\(^{215}\) The 'Beologic Case'\(^{216}\) is a classical illustration of 'Cybersquatting' where a Danish law student registered a number of famous Danish trademarks in the U.S under various Top Level Domains and he then attempted to resell them at a profit. His act was held violative of Paragraph 1 of The Marketing Act as well as Danish common law that it amounted to the converting of another's property right to his own use and profit.

A 'Cybersquatter' may be described as 'one who knowingly reserves with a Network Information Center a Domain Name consisting of the mark or name of a company user for the purpose of relinquishing the right to the Domain Name back to the legitimate owner for a price.\(^{217}\) A close corollary to 'Cybersquatting' if 'Typosquatting' - herein a 'Typosquatter' registers a Domain Name which is a variant of a famous trademark with the intent of profiting out of the goodwill of the famous trademark. The Rediff case\(^{218}\) is one such illustration of 'Typosquatting' wherein the respondent registered a Domain Name, which was similar to the plaintiffs Domain Name.

\(^{215}\) See "Cybersquatting: What it is and what can be done about it", Stephen Elias and Patricia Gima.
\(^{216}\) In Re, beologic, Municipal Court of Copenhagen, 2 December 1997
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Thus “Any person who deliberately registers a Domain Name on account of its similarity to the name, brand name or trademark of a unconnected commercial organization must expect to find himself on the receiving end of an injunction…” 219. In *Bennett Coleman & Co Ltd. v. Long Distance Telephone Company* and in *Bennett Coleman & Co Ltd. v. Steven. S. Lalwani* the Respondents were ordered to transfer the Domain Names and as they did not have legitimate interest in the Domain Names.

b) Disputes Based On Legitimate Claims: Disputes based on illegitimate claims are most often 'open and shut case' but the disputes based on legitimate claims pose a great problem for the adjudicators. These genre of disputes involve parties having a legitimate claim to a Domain Name and since there can be only one registration for a particular Domain Name there lies a matter for adjudication. As the trademark laws are territorial in nature many parties use the same name as a trademark without causing infringement. But the ambit of Domain Names is universal in nature thus giving vent to the issue of territoriality.

Thus when the parties intend on registering their trademarks as Domain Names a hornet's nest is stirred thus giving rise to the most complex problem in Domain Dispute Resolution. Buttressing the universal scope of Domain Names is an *American case* 220, which highlighted the fact that an injunction granted in respect of a jurisdiction, may have the effect of a “global injunction”.

There are two types of legitimate competing claims dispute. In the first type, both the parties have a trademark claim in the Domain Name and in the second type of disputes only one party has a trademark claim while the other has only a legitimate claim to the Domain Name. Since the DNS is not a corollary to the trademark system it is not incumbent for a legitimate Domain Name holder to have a trademark claim.

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219 *Marks and Spencer PLC v One in a Million*, 1998 VSR 265
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A shining illustration of a legitimate claim dispute can be seen in *Infospace.com, Inc. v. Infospace Technology Co. Ltd.*, wherein both the parties had asserted a legitimate claim over a Domain Name. The Panel giving the benefit of the doubt to the Respondent stated that the onus is on the complainant to show that the Respondent lacked a right or legitimate interest in the Domain Name.

As legitimate claim disputes are the most challenging types of disputes for the adjudicators and since there is a lacuna in the law to decide disputes of legitimate claims the best approach to adjudicate such matters would be to base the adjudication based only purely on facts and circumstances that surround the dispute.

c) **Reverse Domain Name Hijacking:** ‘Reverse Domain Name Hijacking’ is an offshoot of a legitimate claim dispute, wherein a powerful company tries to force a small user to give up a Domain Name that was legally acquired in good faith by the small user. The law is *per se* in favour of the holder of a legitimate Domain Name, in the *New York Stock Exchange Case* the Court held that innocent third party users of a trademark or service mark have no duty to police the mark for the benefit of the marks owner. The powerful companies nevertheless resort to coercive measures like constant threat of legal proceedings in a bid to, firstly to intimidate the user into relinquishing his right in the Domain Name and to transfer the same to them. As such kind of bullying is rampant on the Internet the Internet community has been extremely hostile to such online bullies.

4. **Remedies available**

The World Intellectual Property Organisation (WIPO), a treaty organisation with more than 170 nation states as its members, undertook a series of consultations concerning the management of the domain name system. Finally, in April 1999, WIPO issued its final report including its recommendations to ICANN. Most of the

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222 For more information on this issue. Cf. The Domain Name Rights Coalition at http://domain-name.org.
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WIPO recommendations were approved by the ICANN and have been incorporated in the current UDNDRP.\textsuperscript{223}

The UDNDRP is the latest breath of fresh air in the fight against cybersquatting. Under the said Policy, a summary procedure is adopted to adjudicate the complaint of any complainant relating to any domain name on payment of processing fees. This policy has been in operation from the last five years. Under the said Policy, Indian companies are also beginning to get back their legitimate domain names. The domain names ‘www.theeconomictimes.com’ and ‘www.timesofindia.com’ have been won back under the said policy. Two recent successes for Indian Companies under the said policy include winning back the domain names ‘www.tata.org’ and ‘www.philipsindia.com’ by TATA and Philips India respectively.

5. Measures to Fight a Cybersquatter

A victim of cybersquatting in the United States can now sue under the provisions of the Anti-cybersquatting Consumer Protection Act (ACPA) or can fight the cybersquatter using an international arbitration system created by the Internet Corporation of Assigned Names and Numbers (ICANN). The ACPA defines cybersquatting as registering, trafficking in or using a domain name with the intent to profit in bad faith from the goodwill of a trademark belonging to someone else. The ICANN arbitration system is considered by trademark experts to be faster and less expensive than suing under the ACPA, and the procedure does not require an attorney.

\textsuperscript{223} It has come into effect from 1st January 2000.
a) Fighting Under the ACPA: The Anti-cybersquatting Consumer Protection Act (ACPA) authorizes a trademark owner to sue an alleged cybersquatter in federal court and obtain a court order transferring the domain name back to the trademark owner. In some cases, the cybersquatter must pay monetary damages.

In order to stop a cybersquatter, the trademark owner must prove all of the following:

a) the domain name registrant had a bad-faith intent to profit from the trademark
b) the trademark was distinctive at the time the domain name was first registered
c) the domain name is identical or confusingly similar to the trademark, and
d) the trademark qualifies for protection under federal trademark laws -- that is, the trademark is distinctive and its owner was the first to use the trademark in commerce.

If the person or company who registered the domain name had reasonable grounds to believe that the use of the domain name was fair and lawful, they can avoid a court decision that they acted in bad faith. In other words, if the accused cybersquatter can show a judge that he had a reason to register the domain name other than to sell it back to the trademark owner for a profit, then a court will probably allow him to keep the domain name.

b) Using the ICANN Procedure: In 1999, after assuming control of domain name registration, ICANN adopted and began implementing the Uniform Domain Name Dispute Resolution Policy (hereinafter referred as UDNDRP) a policy for resolution of domain name disputes. This international policy results in an arbitration of the dispute, not litigation. An action can be brought by any person who complains (referred to by ICANN as the "complainant") that: a domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; the domain name owner has no rights or
legitimate interests in the domain name, and the domain name has been registered and is being used in bad faith.

All of these elements must be established in order for the complainant to prevail. If the complainant prevails, the domain name will be cancelled or transferred to the complainant, but financial remedies are not available under the UDNDRP.

c) Alternate Dispute Resolution (ADR) for Domain Names: A domain name dispute resolution system established by the ICANN is beginning to bear fruit. ICANN established the system under the UDNDRP adopted on August 26, 1999, and the first forum opened for business on December 1, 1999. The policy is binding on all domain name registrars in the ",. com", ", net" and ",.org" top-level domains.

The system offers an expedited administrative proceeding for trademark holders to contest "abusive registrations of domain names," and may result in the cancellation, suspension or transfer of a domain name by the registrar. Complaints may be filed with one of three ICANN-approved centers: the WIPO Arbitration and Mediation Center (Geneva, Switzerland), the National Arbitration Forum (Minneapolis, Minnesota), and the Disputes.org/eResolution Consortium (Amherst, Massachusetts & Montreal, Canada). Additional centers may be approved by ICANN at a later date.

The clearest advantages of the ICANN dispute system are its quick resolutions and relatively low costs. Respondents must reply to the complaints within 20 days, and once the submissions are complete the panel has 45 days to issue its decision. The parties have the option of a panel of one or three arbitrators, selected from a list of ICANN-approved experts in intellectual property matters. The panel will then base their decision on the filings alone, as no personal appearances are allowed under the UDNDRP rules, unless there are

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exceptional circumstances. The parties may even conduct the entire proceeding through electronic filings. All final decisions are then listed on the ICANN web site (www.icann.org), along with a list of pending matters.

Costs can range from $1,000 to $3,500 or more, depending on the number of domain name disputes involved and the number of panelists selected to resolve the dispute. The costs are born by the complainant, unless both parties opt to have a three-person panel hear the matter, in which case the costs are split.

Despite the recent enactment of federal cybersquatting laws, the UDNDRP appears to be developing into a popular alternative to litigation in domain name disputes. Between December 1, 1999, and March 15, 2000, approximately 300 complaints had been filed with the three dispute resolution service providers. The first case to be decided resulted in a transfer of the domain name www.worldwrestlingfederation.com to the World Wrestling Federation from a man in California who purchased the initial registration. Since then nearly 40 complaints have been resolved by the panel, settled or withdrawn. The parties always retain the option of pursuing legal action.

The possibility for a quick resolution may have been a factor in decisions by such major corporations as Fox, Christian Dior, Nabisco and Hewlett Packard to forego litigation in favor of the ICANN forums, even though relief under the UDNDRP is limited to a transfer, cancellation or suspension of the domain name, as opposed to potential statutory damages.

There has been some concern expressed over a potential bias in favor of the trademark holders. Of the nearly 40 cases resolved, 28 have resulted in the transfer of a domain name to the complainant, and only six complaints have been decided in favor of respondents. Whether this is evidence of bias in favor of the trademark holders or pervasive cybersquatting remains to be seen.
[C] Indian Scenario

The Domain Names or Web sites are soaked in information, much of it with varying degrees of copyright protection. In fact, the reality is that almost everything on the Web is protected by copyright law. E-business Web sites are a composition of materials, often consisting of words, graphics, audio, and video, that are expressed to the consumer as information content. The owners and Web site developers carefully select the content to sell the company's product or service. The subject matter expressed in the site is an electronic publication of the content. The owners and Web site developers carefully select the content to sell the company's product or service.

Since, designing, producing, and maintaining a sophisticated Web site is very expensive, protecting content ownership is extremely important. As Web sites become more and more interactive with consumers, their creation, design, and maintenance place enormous demands on innovative marketing techniques that should be legally protected.

Never before has it been so easy to violate a copyright owner's exclusive right to copy the material. Everyone with a computer and an Internet connection creates his own Web pages and thus becomes a publisher. Hence the rules that once applied to only a few companies bind million of people now.

Imagine having paid a Web site developer hundreds of thousands of Rupees to launch a killer application and acquiring millions of Rupees from a venture capitalist firm, only to discover that another e-business is using your online material. Or consider a scenario where a Web site is linked or framed to an e-business that displayed copyrighted material without the owner's consent. This part highlights the scenario when contents of a Web site are exploited by others without the owner's permission or knowledge. The discussion is centred on copyright issues involved in the practices of Linking, Inlining and Framing technologies which are normally being used on the Internet.
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1. Linking

The interactive feature of the Internet's most popular information access tool, the World Wide Web, to hyperlink defines its very culture distinguishing it from any other communication medium. On the Internet, a link is a selectable connection from one word, picture, or information object to another. Links usually appear as highlighted, underlined, otherwise prominent text or picture that can be selected by the user (with a mouse or prominent text) or picture that can be selected by the user (with a mouse of in some other fashion), resulting in the immediate delivery and view of another file. The highlighted object is referred to as an anchor. The anchor reference and the object referred to constitute a link.

A link is simply a connection between the content of two different files or between different parts of a single file. A link may lead either to another file in the same Web site, or to a file on a different computer located elsewhere on the Internet. Internet browsers automatically decipher the instructions given by links and retrieve the specified file. A single Web page may contain many links to other Web pages. That same page may itself be the 'destination' of hundreds, or thousands of other links on other pages.

Linking is the *sine qua non* for the World Wide Web and in fact links are what make the World Wide Web a web. Links allow quick access to information that otherwise could take much time and effort to find. Consequently, if linking were disallowed or made illegal, the Web would no longer exist.

Linking is of two types:

**Surface linking:** When the home page of a site is linked, it is the case of surface linking.

**Deep linking:** When a link bypasses the home page and goes straight to an internal page within the linked site, it is the case of deep linking.

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225 On the Web or other hypertext systems, hyperlink is a synonym for both link and hypertext link.
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The Web was built for the purpose of enabling hypertext capabilities, allowing one site to link to and access another. In most cases, the owner of Web page will desire the page to be the destination of as many links as possible because more links would mean more hits, and more hits would in turn mean wider dissemination of whatever information the page is designed to get across. To date, Web site owners have made money primarily from the sale of advertising at their sites. The advertising rate is set keeping in mind the number of people who visit the site. From a revenue perspective, Web site owners should encourage the practice of linking. The conventional view has held that sites welcome linking from others because it increases traffic, advertising rates, and hence, revenue.

The problem arises only with regard to the practice of deep linking. The home page of a Web site is used as the entry point to information contained within the Web site and welcomes users, explains the nature of the site and offers links that allow the user to navigate through the site. Deep links defeat a Web site's intended method of navigation. Further deep links may “steal” traffic from the linked site's homepage thereby decreasing the revenue that could be generated from advertising that is dependent on the traffic onto the site. A link is just a URL, the Internet address of a Web site and, therefore, like a street address is not copyrightable. But this technology of hyperlinking may aid in the distribution of creative material that belongs to someone else.

In the Ticketmaster Corp. v. Microsoft Corp. case, the plaintiff, Ticketmaster Corporation sued Microsoft for Microsoft's practice of linking, without permission, deep within its site rather than to the home page, and claimed, among other things, that Microsoft effectively diverted advertising revenue that otherwise would have gone to the plaintiff. Ticketmaster Corporation had also entered into contract with other firms whereby those firms had agreed to pay to link to the Ticketmaster site. Free linking by Microsoft to the plaintiff's site could have devalued those contractual relationships. Ticketmaster

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226 Ticketmaster Corp. v. Microsoft Corp., No. 97-3055 (CD CA, complaint filed on April 28, 1997).
had also contracted to give Master Card prominence at its site. Microsoft’s bypassing of the home page threatened the ability of Ticketmaster to comply with that contract. Allowing such a free link undercut Ticketmaster’s flexibility both in designing its site and in its marketing efforts and arrangements with other sites. During the pendency of the court proceedings the parties entered into a settlement agreement whereby Microsoft agreed not to link to pages deep within the Ticketmaster site and agreed that the links will point visitors interested in purchasing tickets to the ticketing service’s home page.

In a Scottish case, Shetland Times, Ltd. v. Dr. Jonathan Wills and Another\(^\text{227}\), the plaintiff, the Shetland Times operated a Web site through which it made available many of the items in the printed version of its newspaper. The defendants also owned and operated a Web site on which they published a news reporting service. Defendants reproduced verbatim a number of headlines appearing in the Shetland Times. These headlines were hyper linked to the plaintiff’s site. Clicking on the headline took the reader to the internal pages in the plaintiff’s site on which the related story was found. The judge agreed that the plaintiff had presented at least a *prima facie* case of copyright infringement based upon the United Kingdom’s law governing cable television program providers. He found that the articles were being sent by the Shetland Times but through the Web site maintained by the defendants. In the process, the front page of the Shetland Times’ site (on which paid advertisements appeared) was bypassed significantly diminishing the value of the site to potential advertisers. The court issued an interim interdict barring defendants, without the plaintiff’s consent, from copying headlines from the plaintiff’s newspaper onto their Web site, and creating hyperlinks from those headlines to the location on the plaintiff’s site on which the article described in the headline appears. Thereafter, the case was settled out of court by the parties whereby the defendants agreed not to deep-link into the site of the plaintiff.

\(^{227}\) Shetland Times, Ltd. v. Dr. Jonathan Wills and Another. [1997] FSR 604.
There have been many cases of unwanted linking to pages. An interesting (possibly apocryphal) case was where the parents of a dead girl had created an “in memorial” Web site to her memory, only to find that there was unwanted linking to the page which had a photograph of the girl from an Internet service entitled “Babe of the Week”.\(^{228}\) A few courts have now held that a hyperlink violates the law if it points to illegal material with the purpose of disseminating that illegal material.

In *Intellectual Reserve, Inc. v. Utah Lighthouse Ministry, Inc.*\(^{229}\), the plaintiff, Intellectual Reserve held a copyright in the Church Handbook of Instructions. After being directed by the court to remove the Handbook from its Web site, defendants posted a message on its Web site that informed users that the Handbook was online. The message went on to provide users with the URLs of three Web sites at which the Handbook was posted.\(^{230}\) The plaintiff sought a preliminary injunction enjoining defendants from continuing to post such message to their site which, plaintiff claimed, constituted contributory infringement of its copyright in the Handbook. The court issued the requested injunctive relief and further held that by posting a message on their Web site providing users with the location of infringing materials and apparently aiding a user in viewing the infringing Web sites, the defendants had committed contributory infringement.

Deep linking by search engines has won the legal thumbs-up in Germany in *Verlagsruppe Holtzbrinck v. Paperboy*\(^{231}\). The German Federal Court of Justice ruled that Paperboy, an online search engine, neither violated copyright nor competition law for providing deep links to the plaintiff’s Web site. According

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\(^{228}\) [https://www.freepint.com/issue2/070199.htm?freePnt_Session=89034776777142855e2f46b12679c71#feature](https://www.freepint.com/issue2/070199.htm?freePnt_Session=89034776777142855e2f46b12679c71#feature).


to Links & Law\textsuperscript{232}, a Web site which campaigns against legal attempts to stop deep linking, the plaintiff's argument against the headline scraper was that such deep links are illegal, because they "take users directly to news articles, bypassing introductory pages and advertising, thus depriving the plaintiffs of revenue from their advertisements". The question here is couldn't the plaintiff, publishing firm Verlagsrupee Holtzbrinck, sell more advertising on the traffic generated by deep-links to interesting stories? Most Internet publishers welcome a deep link to a story, courtesy of a Slashdot or a Drudge Report, or a prominent position on Google News. They know this traffic isn't going to come along every day, and they know it isn't "their" traffic. The German court also thought the plaintiff's demand that users must start with the home page was unreasonable. The court stressed the importance of deep links for the Internet and held that it is up to the plaintiff to prevent deep links with technical measures, if they don't like them.

**Liability for linking under Indian Law**

What liability is there for the content on a linked site? A hyperlink used by a Web site does not directly cause copying of any substantive content by anyone, but instead merely provides a pointer to another site. A surface link to a home page does not generally require permission. This position is based on the theory that going online creates an implied license for anyone with a computer to view the Web site. Simply placing a surface link is no more an infringement than the library catalogue.\textsuperscript{233} The very fact that a person or an entity has put up a Website is in itself an invitation to all to visit the site. So, the owner of a Web site should only be happy that someone has provided a link to his Web site.

But what exactly can be the liability for a deep link under the Copyright Act of India. Section 14 states as follows:\textsuperscript{234}

\begin{itemize}
\item \textsuperscript{232} http://www.linksandlaw.com/.
\item \textsuperscript{234} S.14, Copyright Act, 1957
\end{itemize}
**Meaning of copyright.** For the purpose of this Act, "copyright" means the exclusive right subject to the provisions of this Act, to do or authorize the doing of any of the following acts in respect of a work or any substantial part thereof, namely –

a. in the case of a literary, dramatic or musical work not being a computer programme, -

   ii. to reproduce the work in any material form including the storing of it in any medium by electronic means;

   iii. to issue copies of the work to the public not being copies already in circulation;

   iv. to perform the work in public, or communicate it to the public;

   v. to make any cinematograph film or sound recording in respect of the work;

   vi. to make any translation of the work;

   vii. to make any adaptation of the work;

   viii. to do in relation to a translation or an adaptation of the work, any of the acts specified in relation to the work in sub-clauses (i) to (vi);

b. in the case of a computer programme, -

   i. to do any of the acts specified in clause (a);

   ii. to sell or give on hire, or offer for sale or hire any copy of the computer programme, regardless of whether such copy has been sold or given on hire on earlier occasions;

c. in the case of artistic work, -

   i. to reproduce the work in any material form including depiction in three dimensions of a two dimensional
work or in two dimensions of a three dimensional work;

ii. to communicate the work to the public;

iii. to issue copies of the work to the public not being copies already in circulation;

iv. to include the work in any cinematograph film;

v. to make any adaptation of the work;

vi. to do in relation to any adaptation of the work any of the acts specified in relation to the work in sub-clauses (i) to (iii).

d. in the case of a cinematograph film,

i. to make a copy of the film including a photograph of any image forming a part thereof;

ii. to sell or give on hire or offer for sale or hire, any copy of the film regardless of whether such copy has been sold or given on hire on earlier occasions;

iii. to communicate the film to the public;

e. in the case of a sound recording -

i. to make any other sound recording embodying it;

ii. to sell or give on hire, or offer for sale or hire, any copy of the sound recording regardless of whether such copy has been sold or given on hire on earlier occasions;

iii. to communicate the sound recording to the public.

(Emphasis added)
Further Section 51 states:\footnote{S. 51, Copyright Act, 1957.}

When copyright infringed, Copyright in a work shall be deemed to be infringed-

a. when any person, without a licence granted by the owner of the Copyright or the Registrar of Copyrights under this Act or in contravention of the conditions of a licence so granted or of any conditions imposed by a competent authority under this Act -

i. does anything, the exclusive right to do which is by this Act conferred upon the owner of the copyright, or

ii. permits for profit any place to be used for the communication of the work to the public where such communication constitutes an infringement of the copyright in the work, unless he was not aware and had no reasonable ground for believing that such communication to the public would be an infringement of copyright; or

b. when any person -

i. makes for sale or hire, or sells or lets for hire, or by way of trade displays or offers for sale or hire, or

ii. distributes either for the purpose of trade or to such an extent as to affect prejudicially the owner of the copyright, or

iii. by way of trade exhibits in public, or

iv. imports into India, any infringing copies of the works. Provided that nothing in sub-clause (iv) shall apply to the import of two copies of any work, other than a cinematograph film or record, for the private and domestic use of the importer. (Emphasis added)

By virtue of section 14 and 51, reproducing any copyrighted work, issuing copies of the work to the public or communicating the work to the public could amount to copyright violation. But in case of deep linking, the linking site is not
reproducing any work. The reproduction, if at all, takes place at the end of the user who visits the linked page via the link. Can the linking site said to be issuing copies of the work or communicating it to the public? Technically, the linking site is only informing people about the presence of the work and giving the address of the site where the work is present. It is the user’s discretion to access the work by clicking the link. Nevertheless, the linking site is definitely aiding in the distribution of the work.

Looking from another angle, section 2(ff) of the Copyright Act says:

> Making any work available for being seen or heard or otherwise enjoyed by the public directly or by any means of display or diffusion other than by issuing copies of such work regardless of whether any member actually sees, hears or otherwise enjoys the work so made available. (emphasis added)

This definition of communication to the public could be stretched to cover the communication of contents of a Web site on the Internet as the expression 'by any means of display' has been used to define communication.

Without deep linking the Internet as we know it would collapse. One couldn’t have a search engine, for example. But some grey areas do need to be addressed. It is quite different for a search engine to deep link than a competitor of an e-business Web site to do the same. Deep linking to commercial Internet databases without the permission of the content owner could raise many problems. It would be difficult for any business to see its content being used by a competitor for free just because the new technology allows it. Many publishers are moving to curtail or block permanent deep links, as more free content moves behind registration screens or is shepherded after a few days into paid-for archives. But many Web sites would welcome deep links as well.

So, should the law be amended to stop deep linking without permission of the owner of the content? Or should the law provide complete immunity to links of all kinds? Internationally, no law till date has put a ban on deep linking. There

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236 S. 2(ff), Copyright Act, 1957.
are indeed problems in doing so. On the one hand, one has to consider the rights of the owner of content and, on the other hand, the interest of the society for which growth of the Internet is all important. The international treaties and laws do emphasize the importance of control in the hands of the content owner, but specifically they have not dealt with the problem of deep linking. It would not be proper for the Indian legislation to include a provision banishing deep links altogether because the current provisions are sufficient to check the unauthorized use of someone's content through deep linking and using these provisions, courts can fill the vacuum by deciding from case to case basis; if a deep link has been created with bad intent and in order to derive unjust enrichment out of somebody's content then it could be injected.

Before linking deep within a Web site, the prudent course for business and individuals would be to seek permission. And for the creators of a Web site who want that it is not linked to a pornographic or shabby site could place a prohibition in its 'terms of use' similar to, “do not link to this site without our express consent”. Could one be liable for linking to a site that includes illegal material? It may be best to post a disclaimer on the site indicating that the links are for information only, and do not constitute an endorsement or approval of the material on the linked sites.

2 Inlining

Inlining or 'In-line linking' enables a Web page to summon different elements from diverse pages or servers to create a new Web page. Instead of copying the elements to the composite page, the elements are linked in by 'pulling in' graphic or image filed from another site and displaying on the composite Web page. Thus, the composite page would consist of a series of links to other sites and servers. While browsing the composite page, the page directs the browser to get the pictures, graphics etc. from the original sources.

An example could be a Web page on art that contains images stored around the world. The Web page could contain the text: “See my favourite
paintings”. Using an inline link, the Web page could then direct the visiting browser to retrieve the images of famous paintings from the Web page of various museums and place it immediately below the text. To the end-user, the integration of the two pieces of content (text and pictures) is seamless, despite the fact that they were taken from two very different sources. The viewer cannot distinguish that the image has originated and been imported from a separate site and may never come to know that it was not created or stored at the site being visited by him. In this respect, inlining is different from deep linking where the user is usually aware that he has “changed pages”, either from the different appearance of the newly accessed page, or from the change in the URL address displayed in the Web browser.

In the USA, the Dilbert dispute, though did not involve the filing of a complaint or any judicial determinations, is one of the few inline controversies and thus serves as a point of discussion for these links. Dan Wallach created “The Dilbert Hack Page,” a site that presented the Dilbert comic strip via inlining to the United Media Web site, where the comic strips were located. The images appeared on Wallach’s Web site, where the comic strips were located. The images appeared on Wallach’s Web site via inlining. United Media, speaking for United Feature Syndicate, Inc., owner of the copyright in the comic strip, requested by letter to Wallach to discontinue the link. United Media contended that “the names or likenesses of the Dilbert comic strips and all other United Media intellectual property cannot be used – on the World Wide Web or elsewhere – without the express, written consent of UFS.”¹²³⁷ United Media asserted that Wallach’s inline links to copyrighted material constituted an unauthorized display of a copyrighted work, a violation of the Copyright Act. To avoid litigation, Wallach removed the page.

In Leslie A. Kelly v. Arriba Soft Corporation\textsuperscript{238}, a visual search engine (ditto.com, formerly known as Arriba) crawled the web to produce thumbnail images of photographs and used them to link to the original pictures. Leslie Kelly, a professional photographer was upset that the search engine reproduced thumbnails of the images on his site which, when clicked, produced the full-size image in a window on Arriba's site. The page used so-called in-line linking to display the original full-sized image, surrounded by text describing the size of the image, a link to the original web site, the text describing the size of the image, a link to the original web site, the Arriba banner, and Arriba advertising. Kelly filed suit on April 6, 1999, alleging copyright infringement.

A California District Court ruled that both the creating of the thumbnails and the inline-linking is justified under the fair use doctrine. On appeal by Kelly, the Ninth Circuit Court of Appeals affirmed and reversed in part the district court decision. The display of the tiny images was deemed to be legal fair use, but not the inline-linking. On February 6, 2002, the US Court of Appeals for the Ninth Circuit held that unauthorized inline linking to images residing on the copyright owner's Web site violates the copyright owner's right of the public display. The court rejected defendant's fair use defence and stated that inline linking diminishes the opportunities of the copyright owner to sell or licence the images on his own Web site. The Electronic Frontier Foundation (hereinafter referred as EFF) filed a brief thereafter, urging the court to reconsider the part of its ruling on inlining to copyrighted images. The EFF argued that the ruling against "inline linking" threatened to transform everyday Web site activities into copyright infringements. In July 2003 the court withdrew that portion of its opinion which was relating to inlining, leaving it to the lower court to take a fresh look at the issue. It is now open for the court to reconsider whether inlining is violative of copyright or not.

\textsuperscript{238} Leslie A. Kelly v. Arriba Soft Corporation, Case No. 00-55521, US Court of Appeals for the Ninth Circuit.
Inlining and Indian Law

As in linking one has to turn to section 51\textsuperscript{239} read with section 14\textsuperscript{240} of the Copyright Act, 1957 to test the legality of inlining. By virtue of section 14 and 51, reproducing any copyrighted work, issuing copies of the work to the public or communicating the work to the public could amount to copyright violation. The person who employs an inline link on his site is not causing any reproduction of the copyrighted content. This is because the link’s creator never copies the pirated content; instead merely provides a visiting browser with instructions to retrieve the image, which is then incorporated into the overall page on the user’s site. Thus the only person who copies the protected image is the final user who never comes to know that his browser is fetching different elements from different sites. So, the reproduction, if at all any, takes place at the end of the user who visits the linked page via the link. Also, the creator of the inline link is not issuing copies of the work nor communicating or distributing the work to the public. But he can be said to be aiding in such communication and distribution.

Looking from another angle, the definition of communication to the public under section 2(ff) of the Copyright Act\textsuperscript{241} could be stretched to cover the communication of contents of a Web site on the Internet as the expression ‘by any means of display’ has been used to define communication to the public.

Section 14(a)(vi)\textsuperscript{242} grants the right of adaptation\textsuperscript{243} only to the owner of copyrighted work. By inlining the linking site could take some elements from the

\textsuperscript{239} Supra note 186.
\textsuperscript{240} Supra note 185.
\textsuperscript{241} S. 2(ff), Copyright Act, 1957. See, supra note 187.
\textsuperscript{242} Supra note 185.
\textsuperscript{243} S. 2(a), Copyright Act, 1957 states:

“adaptation” means -

i. in relation to a dramatic work, the conversion of the work into a non-dramatic works;

ii. in relation to a literary work or an artistic work, the conversion of the work into a dramatic work by way of performance in public or otherwise;
linked site’s multimedia settings and create its own site, thereby affecting the right of making a derivative work of the linked site because taking some elements from the multimedia setting and combining them with some other could well fit into the definition of adaptation. So, adaptation rights do come in picture vis-à-vis inlining.

Inlining brings in the question of moral rights as well. Section 57 of the Copyright Act, 1957, which talks about Author’s special rights, says:

1. Independently of the author’s copyright, and even after the assignment either wholly or partially of the said copyright, the author of a work shall have the right—

   a. to claim the authorship of the work; and

   b. to restrain or claim damages in respect of any distortion, mutilation, modification or other act in relation to the said work which is done before the expiration of the term of copyright if such distortion, mutilation, modification or other act would be prejudicial to his honour or reputation.

2. The right conferred upon an author of a work by sub-section (1), other than the right to claim authorship of the work, may be exercised by the legal representatives of the author. (emphasis added)

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iii. in relation to a literary or dramatic work, any abridgment of the work or any version of the work in which the story or action is conveyed wholly or mainly by means of pictures in a form suitable for reproduction in a book, or in a newspaper, magazine or similar periodical;

iv. in relation to a musical work, any arrangement or transcription of the work; and

v. in relation to any work, any use of such work involving its rearrangement of alteration.

244 S. 57, Copyright Act, 1957.
First, this section allows the copyright author to claim authorship of the work. In case of inlining, the user is confused about the original source and hence may never come to know about the author of an inlined work as the user may never know from where different elements of the site have emanated. So, the practice of inlining may implicate the moral right of the author.

Second, section 57 talks about the right of integrity. The author of the copyrighted work has a right to see that his work is not being distorted, mutilated or modified. Copyrighted graphic image could be pulled into a site with its image appearing on a single page combined with other images, thus creating another work, virtually new and different form the original, thereby strongly implicating the right to integrity of the work. The combination of various elements could be termed as modification or even mutilation in certain circumstances.

Even if a Web page allows others to link to it, it cannot be presumed that it has also granted permission to link to individual elements of the page. If someone were to create a composite Web page by summoning various elements from a different Web site without necessary permission, it is clear that such a use would not be protected as fair use. By stripping an element of its context, one also strips many of the copyright privileges that may have been attached.

Should the law be amended to outlaw inlining or to allow this practice? The Copyright Act talks about various rights of owners and authors of works and describes situations where these rights can be infringed. So, there is no need for the law to be changed as such in this regard. A complete ban could restrict the growth of the Internet. At the same time owner’s content should not be subject to exploitation by one and all. In this situation, it is for the courts to decide upon the legality/illegality of inlining from case to case. The measure would always be the Copyright Act, the philosophy of which is amply clear. In case an inline link amounts to aiding in distribution or communication with dishonest intentions, the courts will come forward and declare such inlining illegal.
It is considered a breach of net etiquette to link to anyone else’s image through an inline link without permission. Consequently, one should obtain permission from the copyright owner of the image prior to creating an inlining link.

3. Framing

Web browsers allow Web authors to divide pages into “frames”. A frame is an independently controllable window on a Web site through which pages from another Web site can be viewed. Since it is possible for a site to call a frame’s contents from a different location, a programmer might “frame” another’s Web content beneath his own navigation or banners. This allows him to use creative content owned by another entity to sell banner advertising on its own site. A typical use of frames is to have one frame containing a selection menu and another frame that contains the space where the selected (linked to) files appear.245

The technology of framing was developed by Netscape and was introduced in 1996 and is now a common technology used on many Web pages, but sometimes it can lead to legal problems for those who use it.

In Washington Post Co. v. Total News, Inc.246, the Washington Post filed a complaint against an online news site, Total News, the publisher of the Web site www.totalnews.com. TotalNews, an aggregator of web news sources, employed frame technology to display news sites from around the Web. Total News had created pages with frames that contained hyperlinks to other news Web sites, such as the Washington Post, CNN, USA Today, Time and Sports Illustrated, etc. Web users, therefore, could use www.totalnews.com to access articles from various sources. The TotalNews Web site generated its revenue from advertising, which it placed in a static border frame. Clicking on a hyperlink to 'The Washington Post' within the Total News Web page displayed the content of The...


Washington Post page within a frame that was surrounded by TotalNews’s URL, logo, banner, advertisements and information. Six content providers — CNN, Time-Warner, Reuters, The Washington Post, The Wall Street Journal and the LA Times, sued TotalNews, claiming that such framing was “the Internet equivalent of pirating copyrighted material. They also alleged misappropriation, trademark infringement and trademark dilution. The plaintiffs complained that TotalNews has designed a parasitic Web site that republishes the news and editorial content of others’ Web sites in order to attract both advertisers and users. Total News settled the case by agreeing to link to, rather than frame, the Web pages of various plaintiffs and the court did not have an opportunity to decide any of the legal issues that were raised by the plaintiffs.

In, *Futuredontics Inc. v. Applied Anagramic Inc.*\(^{247}\), Applied Anagramic, Inc., a dental service Web site, framed the content of a competing site. The frames included information about Applied Anagramic as well as its trademark and links to all of its Web pages. A US district court ruled that the addition of the frame somewhat modified the appearance of the linked site and such modifications could, without authorization, amount to infringement.

**Legality of framing under Indian Law**

As in linking and inlining one has to turn to section 51\(^{248}\) read with section 14\(^{249}\) of the Copyright Act, 1957 to test the legality of framing. The person who frames some other site’s content on his site is not causing any direct reproduction of the copyrighted content. This is because the framer never copies the pirated content; instead merely provides a visiting browser with instructions to retrieve the content, which is then incorporated into the overall page on the user’s site. Thus the only person who copies the content is the final user who never comes to know that his browser is fetching different elements from different sites. Also, the


\(^{248}\) *Supra* note 105.

\(^{249}\) *Supra* note 104.
framer is not directly issuing copies of the work nor communicating or distributing the work to the public as the user's browser is actually fetching the content directly from the owner's site. But he can be said to be aiding in such communication and distribution.

Section 14(a)(vi)\(^{250}\) grants the right of adaptation only to the owner of copyrighted work. The framing site could take some elements from the framed site's multimedia settings and create its own, thereby affecting the right of making a derivative work of the framed site because taking some elements from the multimedia setting and combining them with some other could well fit into the definition of adaptation. So, derivation and adaptation rights do come in picture vis-à-vis framing.

Framing brings in the question of moral rights as well. Section 57(1)\(^{251}\) of the Copyright Act, allows the author to claim authorship of the work. In case of framing the user is confused about the original source and hence may never come to know about the original source and hence may never come to know about the author. The user may never know from where different elements of the site have emanated. The creator of a frame does not literally "copy the contents of the framed page but only directs the user's browser to summon content from another Web site and show the same along with the content of the framing site. Since the URL of the framed Web page does not appear on the screen, the user accessing a framed site may not perceive the site as being framed and may attribute the appropriated material to the home site owner. This could implicate the right of the author to be identified as such, since the user never comes to know that he is viewing content from a different site.

The author of copyrighted work has a right to see that his work is not being *distorted, mutilated* or *modified*. Content from various sites could be pulled into a single window, thus creating another work virtually new and different form

\(^{250}\) *Ibid.*

\(^{251}\) Section 57 Copyright Act, 1957.
the original thereby strongly implicating the right to integrity of the work. The combination of various elements could be termed as modification or even mutilation in certain circumstances.

The Copyright Act talks about various rights of owners and authors of works and describes situations where these rights can be infringed. Imagine a situation akin to the Washington Post\textsuperscript{252} case. The world renowned news portals make huge investments in terms of time, effort and cost to bring a news report. What if someone just frames the same by a simple technique? It would be wholly unfair to do so or to allow so. In this situation, it is for the courts to decide upon the legality/illegality or framing from case to case. The measure would always be the Copyright Act, the philosophy of which is amply clear. In case a frame amounts to aiding in distribution or communication with dishonest intentions, the courts will come forward and declare such framing illegal.

4. Content on Domain Names or Websites: Copyright Registration

The \textit{sine qua non} to the existence of copyright, is the expenditure of skill and labour on any work which originated from its author and unless the original work on which skill and labour has been expended by its author is produced in court to \textit{prima facie} show that the work has originated from the author, it cannot be said that there is copyright in the work.\textsuperscript{253} The Copyright Act under section 44 provides for registration of a work in which copyright subsists but registration of copyright is not compulsory either for acquiring copyright or for enforcing the copyright by infringement suit.\textsuperscript{254} Copyright subsists as soon as the work is created and given a material form.

\textsuperscript{252} Washington Post Co. v. TotalNews, 97 Civ. 1190 (S.D.N.Y.)


\textsuperscript{254} Kumari Kanaka v. Sundararajan (1972) Ker LR 536; Satsang v. Kiron Chandra AIR 1972 Cal 533.
The Copyright Act provides that the registration of copyright shall be *prima facie evidence of the particulars entered therein.*\(^{255}\) The registration only raises a presumption that the person shown is the actual author. The presumption is not conclusive but where contrary evidence is not forthcoming, it is not necessary to render further proof to show that the copyright vested in the person mentioned in the register.

The Copyright Office maintains a Register of Copyrights containing the names or titles of works and the names and addresses of authors, publishers and owners of copyright and other particulars as may be prescribed.\(^{256}\) The Register of Copyright is kept in six parts as follows:

- **Part I** - Literary works other than computer programmes, tables and compilations including computer databases and dramatic works.
- **Part II** - Musical works
- **Part III** - Artistic works
- **Part IV** - Cinematograph films
- **Part V** - Sound recordings
- **Part VI** - Computer programmes, tables and compilations including computer databases.

Since Web sites are relatively new, both in terms of content and technology, it may be tricky figuring out under which of the above parts one could register the entire Web site. Web sites are generally a combination of text, images, graphics, sound and video. So, individually each category of work could be registered under the corresponding part. For example, the textual component

\(^{255}\) S. 48, Copyright Act, 1957

\(^{256}\) S. 44, Copyright Act, 1957.
of a Web site could be registered under Part I as a literary work and the sound component could be registered under Part V as sound recording.

The problem arises only as to registering the whole Web site as such, which could contain content in the form of multimedia. There is no provision under the existing Indian Copyright Legislation which specifically talks about multimedia works. But registering works which are a combination of many media is not unknown to the Copyright Act under Part IV, Cinematograph films could be registered which is nothing but a combination of various works existing in different media. Web site content, strictly speaking, cannot be described as 'Cinematograph film' but since it is a combination of several media it should be possible to register it under Part IV. Moreover every Web site has a software component to it. So, it can also be registered under Part VI as a Computer programme.

[D] Passing off Action on Internet: Judicial Directions

The various courts have given directions on important issues in some of the landmark cases which are discussed as follows:

For the first time the Delhi High Court in Yahoo Inc. Case\textsuperscript{257} has considered a stark question whether section 27 and 29 of the Trade and Merchandise Marks Act, 1958 would attract to the use of the domain trade name or domain on Internet. The brief facts of the case, where the plaintiff registered the domain name yahoo.com with NSI (Network Solution Inc.) on 18 January 1995.

The Domain name ‘yahoo.com.’ is registered in the plaintiff’s favour with Network Solution in Inc., in 1995. The Trade Mark ‘yahoo’ and its variance are registered or pending registration in 69 countries of the world and also pending in India. The plaintiff is a global internet media rendering services under the domain name/Trade name ‘yahoo’.

\textsuperscript{257} Yahoo Inc. v. Akash Arora and Netlink Internet Services, (1999) PTC (19) 201.
The defendant has by adopting a deceptively similar trade mark “yahoo India”. The defendants have verbatim copies the format, contents layout, colour scheme, source code of the plaintiff’s prior created regional section on India at yahoo.com and thus passing off the services to the plaintiff.

Dr. M.K. Sharma J. has rightly rejected the argument that the provisions of the Trade and Merchandise Marks Act would not be attracted to the use of domain name on the Internet. He has observed:

“although the word ‘services’ may not find place in the expression used in sections 27 and 29 of the trade and Merchandise Marks Act, services rendered have to be recognised for an action of passing off...that the two marks/domain names ‘yahoo’ and ‘yahoo India’ are almost similar excepting for the use of suffix “India” in the latter.

The learned judge also rejected the argument of the defendants that the Internet users are sophisticated users and only literate people who are able to ascertain can approach the actual Internet site that they intend to visit. He observed:

“That if an individual is a sophisticated user of the Internet, he may be an unsophisticated consumer of Information and such a person may find his/her way to the different Internet site which provides almost similar type of information as that of the Plaintiff and there by confusions could be created in the mind of the said person who intends to visit the Internet site of the plaintiff, but in fact reaches the Internet site of the defendant. The Principal of disclaimer has no application on Domain Name. Interim Injunction granted.

The law relating to passing off in India is fairly well-settled. The principal underlying the action is that no man is entitled to carry on his business in such a way as to lead to the belief that he is carrying on or has any connection with the business

\[258\] Id. P. 216.
\[259\] Id. P. 216.
carried on by another man. It is also well established that passing off action is a
common law remedy.

There are a catena of cases where in it has been held that the principle of
Common Law govern actions of passing off and have been recognised by
sections 27 and 29 of Trade and Merchandise Marks Act, 1958. P. Narayanan
rightly formulated the doctrine of passing off in the following words:

"The general principles of the law applicable to cases where a person uses a name or
intends to use a name which is likely to deceive and divert the business of the plaintiff to
the defendant or cause confusion between the two business are analogous to the
principles which are applicable to ordinary cases of passing off relating to sale of
goods."

Lord Greene MR. In Reddaway v. Benham observed that:

"Passing off may occur in cases where the plaintiffs do not in fact deal with the offending
goods."

In yahoo case, there can be no two opinions that the two marks/domain
name's 'yahoo' of the plaintiff and 'yahooindia' of the defendant are almost
similar except for the use of the suffix 'India'.

It is crystal clear that the two names being almost identical or similar in
nature, there is every possibility of an Internet user being confused and deceived
in believing that both the domain names belong to one common source and
connection although the two belong to two different concerns.

In British Telecommunications Pls and Another v. One in A Million Ltd.,
and Other Action. In this case the court of appeal has resolved the conflict
between Trade Marks and domain name on the Internet and infringement thereof
and discussed the history of doctrine of passing off and quoted a number of

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261 1996 Ac 199
262 1998 4 All ER 476
cases. In Nicholson & Sons. Ltd.\textsuperscript{263} In this case Lawrence LJ that the right to restrain infringement of a trade mark depended not upon reputation, but use. The Trade Marks Registration Act, 1875 did not alter the common law rule that a mark did not become a trade mark until it had been publicly used. It provided for the establishment of a register of trade marks.

In Mangolia Metal Co. v. Tandem Smetting Syndicate Ltd.\textsuperscript{264}, it was held by Lord Halsbury LC that the action for passing off is old and right to prevent other people fraudulently that it is their manufacture when it is not if that right is infringement there is a remedy.

In the case of Erven Warnink v. Townen\textsuperscript{265}, which is known as Advocates case the essential characteristics which must be present in order to create a valid cause of action for passing off as stated by Lord Diplock as under:

1. misrepresentation;
2. made by a person in the course of trade;
3. to prospective customers of his or ultimate consumers of goods or services supplied by him;
4. which is calculated to use the business or goodwill of another trader (in the sense that this is a reasonably foreseeable consequence; and
5. which can be actual damage to a business or goodwill of the trader by whom the action is brought or (in a quia timet action) will probably do so.

However, for many years the court has granted injunctions to prevent the creation and disposal of instruments of fraud. Recourse to those cases is necessary to ascertain why and in what circumstances an injunction should be

\textsuperscript{263} Application (1931) 48 RPC 227 at 253
\textsuperscript{264} (1900) 17 RPC 477 at 484
\textsuperscript{265} (1980 R.P.C. 31)
Chapter V: Protection of Domain Names and its Contents

granted, bearing in mind that prior to 1938 there were two causes of action, one for infringement of trade mark and one for passing off. It follows that a court will intervene by way of injunction in passing off cases in three types of cases. First, where there is passing off established or it is threatened. Second, where the defendant is a joint tortfeasor with another in passing off either actual or threatened. Third, where the defendant has equipped himself with or intends to equip another with an instrument of fraud. This third type is probably mere quia timet action.

In Titan Industries Ltd. v. Prashant Kooopati, 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 has granted an ex-parte ad-interim injunction restraining the defendants for 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.

Recently, the Bombay High Court in Rediff Communication Ltd. Case has held that a domain name is entitled to protection under the Trade and Merchandise Marks Act, 1958 as a ‘Trade Mark’. Where the plaintiff is a well known on-line media company with a registered domain name ‘rediff.com’ the defendant also an on-line Company had registered the domain name “radiff.com.”

The Brief facts of the case were, the plaintiff are carrying on their business of communication and providing services through the Internet. The plaintiff’s are publishing advertisements of their clients by setting up plaintiff’s web pages. The

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267 Rediff Communications Ltd. v. Cyberbooth, AIR 2000 Bomb. 27.
plaintiff also provide services such as sale of cinema tickets of selected cinema theatres in Bombay, made hotel booking and selling books and other goods etc. The services of the plaintiff under Trade Mark/Domain name Rediff had been widely published and the turn over of the group of companies is over 250 Corers. On the other hand the defendant had a common field of activities. Defendant is one operating on the web sites and providing information of similar nature. Both the plaintiff and defendant offer facility of sale of books, music cassettes and Compact Disks and flowers. Both offer a chart time and both presently offer a cricket opinion polls that the two domain names are of almost similar in nature. The petitioner filed a suit for permanent injunction restraining the defendant using the Domain name.

The Bombay HC has considered a pertinent question whether there is a case of misrepresentation, radiff.com create livelihood of confusion or deception of the public and consequent damage to the Domain names are of similar nature. On the other hand, defendant contended that the work “radiff.com is coined by taking first three letter of the word “radical” information, feature and free. He further contended that there is no likelihood of any deception or confusion between www.rediff.com of plaintiff and www.radiff.com of defendant and there is no similarity between the two.

Moreover, defendant argued that the plaintiff’s web site is more in the nature of web newspaper and provides various services from means to shopping whereas the defendant’s web site mainly provides hyper text links to its advertisers’ web sites it looks and feels of that plaintiff’s web site is totally different from the defendant web site. He further argued that the user of the internet are skilled and educated and there can be no confusion in their minds regarding the two domain names. Radiff.on line also argued that the design and content depicted on the web site of the plaintiff is not artists or literary work within the meaning of Copyright Act, 1957 and the plaintiff therefore not entitled for any
protection and relief under the Act. There is no Evidence about the alleged reputation in the Domain name *rediff*.

Bombay HC has discussed the new emerging concept of Domain on Internet and protection thereof in the global village. The HC heavily relied upon American Jurisprudence on Internet. The HC referred American Civil Liberties case. It was held that with the advancement and progress in technology the services rendered by and given protection from passing off.

In *American Civil Liberties Union* Case\(^{268}\), Justice Mekenna has aptly explained the Internet address system, as follows:

"Each host computer providing internet services site has a unique internet address. User seeking to exchange digital information (email, Computer programs, images and music) with a particular internet host requires the host address in order to establish a connection. Hosts actually possess two fungible addresses: a numeric "IP" address such as 123, 456, 12312, and an alphanumeric "Domain Name" such as *microsoft.com* with greater numeric potential... Internet Domain Name are similar to telephone number numeric, but they are greater importance – Domain name may be a valuable corporate asset, as it facilitates communication with a customer base. NSI which provides registration services of Domain name under the Internet Network Information Canter. NSI registers names free on the basic of “first come first served”. NSI does not determine the legality of the domain name registration or otherwise evaluate whether that registration or use may infringe upon the rights of third party. Any one can apply for the registration of a domain name and if the name is available, it is allotted to the applicant.

In *Marks and Spencer PLC* cases,\(^{269}\) where it was held that any person who deliberately registers a domain name on account of its similarity to the brand name or trade mark of an unconnected commercial organization must expect to

\(^{268}\) (929 F) (Supp 824) 1996
\(^{269}\) (1998) FSR 265
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 name commercially useless to the dealer. The court further held that the name "marks and spencer", could not have been chosen for any other reason than that it was associated with the well known retailing group. The decision further goes on to say that where the value of a name consists solely in its resemblance to the name or trade mark of another enterprise, the court will normally assure that the public is likely to be deceived.

Similarly in Card Service International Inc. The U.S. Court held that the domain name serve same function as the trade mark and is not a mere address or like finding number on the Internet and therefore, it is entitled to equal protection as trade mark. The Court further held that a domain name is more than a mere Internet address for it also identifies the Internet site to those who reach it, much like a person's name identifies a particular person or more relevant to trade mark disputes, company's name identifies a specific company. Accordingly the court granted the injunction as per under section 32 of the Lamhan Act. The Court further held that cardservice International's customers who wish to take advantage of its Internet services, but do not its domain name are likely to assume that "cardservice.com," belongs to Cardservice International. These Customers would instead reach MeGee and see a home page for "Cardservice" and there by many would assume that they have reached "Card service International".

Having considered American jurisprudence on Internet, Bombay HC held that what emerges from these authorities is that Internet Domain names are important and can be an able corporate asset and need legal protection.

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270 (42 USPQ) 2d (1850)
Chapter V: Protection of Domain Names and its Contents

In *Maruti Udyog Ltd.* and *Suzuki Motor Corp. Case*[^71^], where the complaint was filed by e-mail on July 27, 2000 and in hard copy on July 31, 2000 with WIPO Arbitration and mediation center.

The complainant’s trade marks Maruti and Suzuki are registered in more than ninety countries. The hybrid mark ‘Maruti’ ‘Suzuki’ has been used on the products of joint ventures of complainant 1 and 2 in various brochures and advertisements. The word ‘Maruti’ is the name of an Indian Goods but this does not detract from identity of the domain name with the mark. The respondent’s domain name ‘marutisuzuki.com’ is identical and confusingly similar to the Mark “Marutisuzuki”. The Respondent does not operate any business or have any interest in any company using the name “Maruti Suzuki”. Further it has neither used nor demonstrated any serious preparations to use the domain name “Maruti Suzuki Com.” In connection with a bonafide or legitimate offering of goods or service. It was alleged by the complainant that the respondent over the telephone had asked for an amount as advertising sponsorship on ‘misgivingindiakids.com’ and the registration of the disputed domain name shall continuous” use in Bad Faith”? As contemplated under clause 4(b)(IV) of the uniform dispute Resolution Policy. Which says that complainant shall prove the following:

1. That the domain name registered by the respondent is identical or confusingly, similar to a service mark or trade mark in which the complainant has right, and

2. That the respondent has no legitimate interests in respect of the Domain name; and

3. That the Domain name has been registered and used in bad faith.

Manind Singh, Panelist after discussing the facts and held that the respondent’s Domain name ‘marutisuzuki.com’ is identical to the trade mark ‘Maruti Suzuki’ and the complainant has right. It has no legitimate interest in the

[^71^] 2000 PTC 636
Chapter V: Protection of Domain Names and its Contents

domain name "marutisuzuki.com" and registration of the domain name 'marutisuzuki.com' is in bad faith registration. Therefore, the respondent's domain name 'marutisuzuki.com' should be transferred to the complainant.

In the bodacious.tatas.com. Case\textsuperscript{272}: WIPO decision under the UDNDRP, the panel held and cancelled the domain name. The action was brought by Tata group India, holding a trademark on "tata". The panel relied that the Tata trademark "deserves" wide protection due to high repute, and that bodacious-tatas was confusing similar to the Tata trademark".

Similarly in Fuji sawa pharmaceuticals Co. Ltd., case\textsuperscript{273} Where the domain name in dispute is "suprax.com." which is registered with NSI based in USA and that the respondent, Acaramba Inc. is the current registrant of the name. In February 1999, the complainant via its lisencee contacted the respondent by certified mail to demand that the domain name be transferred. The Respondent though telephone contracted to complainant and offered to transfer or assign the domain name "for expenses" in excess of any out of pocket cost. But he did not do. The complainant had instituted arbitration proceedings before the WIPO centre against the respondent in respect of the domain name "ativan.com.", "lo-oural.com." and "oural.com. The panelists had relied on Paragraph 4(a) and found in favour of the complainant's trademark rights. The only other requirement to be addressed is whether the domain name "suprax.com." is identical or confusingly similar to the complainant's trademarks. It is evident that the impinged domain name is identical to the trademark of the complainant and also the respondent has no legitimate interest in respect of the domain name at issue.

The panel holds that the doctrine of “advance inference”, which is a well established legal doctrine in most justifications”.\textsuperscript{274} For taking help of bad faith criteria element 3 class 4(b)(iv) of UDNDRP must be proved by the complainant

\textsuperscript{272} Available at Tata sons Sec. http://www.tata.com/tata.sons/releases/2001/0828.htm.
\textsuperscript{273} 2001 PTC 208 (WIPO)
that the Respondent has registered and is using the disputed domain name in bad faith. The policy indicates that certain circumstance may "in particular but without limitation be evidence of bad faith. Thus the panel reached on a conclusion that the conditions of paragraph 4(b)(1) of the policy have been met, i.e., "the Respondent has registered the domain name Primarily for the purposes of selling, renting or otherwise transferring the domain name registration to the complainant for valuable consideration in excess of the respondent's documented out-of-pocket costs directly to the domain name." Therefore, the panel held that the domain name "suprax.com." has been registered is being used in bad faith.

In Satyam Infoway Ltd. v. Sifynet Solutions (P) Ltd., the appellant, a company incorporated in 1995, registered several domain names like www.sifvnet.com, www.sifyrealestate.com, etc with the Internet Corporation for Assigned Names and Numbers (ICANN) and the WIPO. "Sify" is a coined word which the appellant invented using elements from its corporate name, Satyam Infoway. In 2001 the respondent, Sifynet Solutions (P) Ltd. Started its business of internet marketing under the domain names www.siffy.net and www.siffy.net. The appellant filed a suit for damages and also sought an injunction against the respondent on the basis that they were passing off its business by using the appellant's business name and domain name. In reply to the notice by the appellant, the respondent only alleged difference between the respective trade names i.e. 'sify' and 'siffynet'. The reason put forward by the respondent for the choice of the word 'siffy' as part of its corporate domain name appear from the second written statement filed y them before the trial court in which the respondent company is said to be the brain child of its founder director Mr. Bawa Salim, and that the word 'Siffy' was the acronym made out of names of its originators. But the same was turned down by the trial court considering that the respondent was aware of existent and success of 'sify' prior to their adoption of the word 'siffy' and that 'sify' has a large subscriber base and its business had

been high profile since 1999. Therefore, the respondent's explanation for their choice of the word ‘siffy’ was a post realisation.

However the High Court reversed the judgement of the trial court stating that no prejudice would be caused to the appellant as it was a case of bonafide concurrent use where the right to use was coequal.

An appeal was preferred before the Supreme Court allowing the appeal the Supreme Court held that:276:

The doubtful explanation given by the respondent for the choice of the word ‘Siffy’ coupled with the reputation of the appellant can rationally lead us to the conclusion that the respondent was seeking to cash in on the appellant's reputation as a provider of the service on the internet.

It further said that domain names are not just Internet website addresses, they act as business identifiers. They identify the business itself, its goods and services and specify its corresponding online location. Therefore, maintaining an exclusive identity is critical. Domain names have all characteristics of trademarks and therefore could form the basis for an action against passing off.

The *Tata Sons Ltd.* Case277 Where the plaintiff Company seeks permanent injunction, restraining the defendants from passing off, dilution of trademarks and for realisation of account, damages, delivery-up etc. The defendants have been registered the plaintiff well known and famous Trademark TATA. Counsel for plaintiff has relied upon, *yahoo. Inc. Case, British Telecom Plc. And Rediff Communications Ltd.* Cases to submit that the Trade Marks Law applies with equal force on the Internet as it does not in the physical world. Justice Mukul Mudgal accepted the counsel’s argument and held that with the advancement and progress in technology the services rendered by an internet site have also to

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277 *Tata Sons Ltd. v. Mama Kosuri* 2001-432
be recognised and accepted and are being given protection from passing off. He further observed:

"With the advent of Modern technology particularly that relating to cyberspace, domain names or Internet sites are entitled to protection as a trade marks because they are more than a mere address. The rendering of Internet services is also entitled to protection in the same way as goods and services, and trademark law applies to activities on Internet."^{278}

The Plaintiff Company is entitled to a decree with costs. The suit is decreed in favour of plaintiff in the following terms:

(i) The defendants, their partners, or proprietors, officers, servants, agents and representatives are restrained from using domain names or operating any business, and making, selling offering for sale, advertising and in any manner dealing in any goods or services under any domain names containing the word ‘TATA’ or any other mark/name identical with or deceptively similar to the plaintiff’s trade mark TATA, and

(ii) Permanent Injunction is passed in favour of the plaintiff and against the defendants from using the trade Mark and name TATA in any manner whatsoever, under any other domain names containing the word TATA or containing the word TATA on the Internet or otherwise and from doing any other causing dilution of the trade mark TATA.

In Sony Corporation Case^{279}, Where the Respondent domain “New sony.com” is virtually identical and confusingly to the domain name of the complainant, “sony.com” and as the good will of the complainant who is one of the world’s premier entertainment electronics companies, Sony is a leading manufacturer of Audio, Communications and Information Technology Products for

^{278} Id. at P. 436.

^{279} Sony Corporation v. Park Kwangsoo, 2001 PTC 429 (WIPO)
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the consumer and professional Market. The “Sony” Trade Mark is registered in over 150 countries and doing business for over 40 years and his turn over is more than $63 billion dollars and employs over 189,000 people world wise. The Respondent on the other hand played the mischievous activities and tarnished the image of complainant by showing of sexually explicit and pornographic material put on the website. There is nothing on record to even indicate that the respondent has been or is commonly known by the disputed domain name. Even there is no licence or authorization by the complainant in favour of respondent.

The WIPO panelists held that they have no hesitation in accepting the total possibility of confusion in the minds of the Website users/Consumers. The panel relied on Sony Kabushiki Kaisha (trading as Sony Corp. v. Inja Kilf. In this case the WIPO panel held that the use of various other prefixes and suffixes with the Mark Sony would not entitled the Respondent in that case to continue with the disputed for their transfer in favour of the complainant. Similarly in Dell Computer Corp. and Carrefour S.A. Case the WIPO Panel directed the transfer of the 122 domain names to the complainants.

The WIPO Panel in this case heavily relied on the above cited cases and held that:

(i) The Respondent domain name “newsony.com.” is identical ad confusingly similar with the trademark ‘sony.com’ of the complainant.

(ii) That the Respondent had tarnished the good will of the complainant by showing the pornographic material on his website. Thus it is clear that the Respondent has no ‘legitimate interest’ in the disputed domain name.

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281 Sony Trade Mark Such as Sony academy.com, sonycompus.com, sonycollege.com, worldsony.com, sunsony.com, dreamsony.com, etc.
282 WIPO case D-2000-087
283 WIPO case D-2000-837.
(iii) That the Respondent's attempt to sell the disputed name to the complainant, the registration and use of the disputed domain name by the respondent is in bad faith.

Therefore, the WIPO Panel held that the Respondent's domain name "newsony.com" should be transferred to the complainant.

*Dr. Reddy's Cyber squatter case*[^284] is the first case of Delhi High Court arriving at "final decision and granting a permanent injunction against the offender from using the name drreddyslab.com. In this NSI, the domain name registering entity has been notified by the High Court and will transfer domain name to Dr. Reddy’s Laboratories.

The Squatter Manu Kosuri is not new to the game and has a record of sorts, including several Tata domain names and 'spindia.com". The latter is proceeding ex-parte in the Delhi High Court as Mr. Kosuri is never known to have appeared for a hearing. He did not respond to the summons and did not file a written statement. Delhi High Court held that:

The injunction restrains the use of the trade mark and domain name "drraddyslab.com." or any other deceptively similar trade mark or domain name for internet related services which may lead to dilution of the plaintiff's trade mark "Dr. Reddy".

The Court further restrained them from registering a domain name or operating any business and, offering for sale, advertising and in any manner dealing in any service or goods on the internet or otherwise under the trade mark/domain name, drreddyslab.com or any other mark/domain name which is identical without deceptively similar to the plaintiff's trade mark. Justice N.G. Nandi rightly observed that:

"In a matter where services rendered through the domain name in the Internet, a very alert vigil is necessary and a strict view needs to be taken for its easy access and reach by any one from any corner of the world. The Trade Marks/domain name Dr. Reddy's of the plaintiff and "drreddyslab.com" of the defendants are almost similar except for use of the "suffixlab.com" in the defendant domain name use. The degree of similarity of the marks usually is vitally important and significant in an action for passing off as in such a case. There is every possibility and likelihood of confusion and deception being caused. Considering both the domain names, it is clear that two names being almost identical or similar in nature there is every possibility of an Internet user being confused and deceived in believing that both the domain names belong to plaintiff although the two domain names belong to different concerns."

The court directed to the defendant to transfer the domain name drreddyslab.com to the plaintiff and also deliver all material including brochures, stationery and other printed material, which has the name 'drreddyslab.com'. The High Court held that the 'function of a domain name is akin to a trade mark on internet and it is vital importance in e-commerce.

In Lockheed Martin Corporation v. Dan Parisi285 a significant decision has been rendered which has a large bearing upon future domain name disputes on similar issues.

In the judgement the domain names in dispute were lockheedsucks.com and lockheed-martinsucks.com. In this case, the respondent Dan Parisi registered the aforesaid domain names allegedly to provide a website where individuals could criticize Lockheeds Martin Corporation's practices and corporate America generally. The Complainant Lockheed martin Corporation is very well-know in the field of aerospace and electronic manufacturing.

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The complainant approached WIPO under UDNDRP on the ground that the domain names are in issue and Lockheed Martin's mark are confusingly similar because the marks are contained within the domain names and on the ground that the respondent had not made a legitimate non-commercial or fair use of the domain names. Another ground taken by the complainant was that none of the disputed domain names were being used and but were merely being held presumable, the parties concerned were waiting for the mark owner to buy them at an inflated price. It was also alleged that bad faith registration and use may be found in the present case, even if there was no resale offer, as the domain name was being held passively with no obvious motive other than cyber piracy.

The respondent took the plea that the only use the respondent had ever made of the disputed domain names had been to link them to the respondent’s website, sucks.com – a free speech website where visitors could register their complaints about corporate and the disputed domain names were neither identical nor confusingly similar to the complainants trademark. It is also argued that a website for free speech by its nature cannot operate with intended bad faith.

The WIPO panel held by a majority that “a reading of the plain language of the policy support the view that the domain name combining a trademark with the word ‘sucks’ or other language cleanly indicating that the domain name is not affiliated with the trademark owner, cannot be considered confusingly similar to the trademark’ with this observation, the two member panel rejected most of the previous cases which has been decided by the WIPO in this category. The panel further held that it believed that once the searcher searches lockheedsucks.com and lockheedmartinsucks.com listed amongst the websites for further search, he would be able to readily distinguish between the respondent’s site from the complainants site. Thus the panel held that the domain names in dispute were not confusingly similar to the trademark of the complainant and so the panel ordered that the disputed domain names lockheedsucks.com and lockheedmartin.sucks.com remain registered in the name of the respondent.
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This is good decision and is aimed at a strong and robust growth of the Internet and domain names in as much as the corporate world should not be allowed to gag Citizens seeking free speech. This judgement is likely to have a tremendous impact over future cases involving the use of the word 'sucks' and future domain name disputes. In particular case the decision to register the domain name in question would be entirely yours.

[E] Internet and the Problem of Jurisdiction

Trademark rights are territorial. They are effective only in the country or territory where they are registered.\(^{286}\) When trademarks are applied to goods or services that are then supplied or provided under those trademarks, in a traditional sense, the territorial nature normally causes no problems. If an undertaking requires protection in other territories, it can apply to register the trademark elsewhere. Similarly, infringement involves use of a sign within a territory where the trademark in question is registered. Where signs identical to or similar to registered trademark are used, it is tolerably clear whether that use infringes or possibly infringes.\(^{287}\) However, in the context of using on the Internet signs identical to or similar to registered trademarks, infringement is far less predictable. This is particularly so where the question is whether infringement has occurred in a jurisdiction other than that in which the server containing the website is located.

To take an example, say an English company, which makes and sells confectionery, has a website advertising its goods which is hosted on a web server located in the United Kingdom. If the company places on that website a sign which is identical or similar to a trademark registered in Australia for similar goods, does the English company infringe the Australian trademark?\(^{288}\) It is a

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\(^{286}\) Of course, the Community trademark applies to the whole of the European Community but the rights afforded by registration apply only within the Community.

\(^{287}\) Though in many cases, the presence of a likelihood of confusion is required to be shown or, where goods or services are neither identical nor similar, unfair advantage of or detriment to the registered trademark must be proved.

\(^{288}\) In Australia, a person infringes a registered trademark, \textit{inter alia}, if the person uses as a trademark a sign that is substantially identical with, or deceptively similar to, the trademark in relation to goods or services in respect of which the trademark is registered; section 120(1) Australian Trade Marks Act, 1995.
possibility depending whether such use of the sign can be deemed to be use within Australia, bearing in mind that material placed on a website can be accessed from any where.

The implications of finding infringement in such a case are potentially very grave. The thought of defending litigation in an Australian State will frighten off many small and medium sized business, particularly if any judgment in favour of the proprietor of the trademark is likely to be able to enforce that judgment in England and Wales by application of the Foreign Judgments (Reciprocal Enforcement) Act 1933. This point looks at some of the issues relating to infringement of trademarks by the use of signs on websites located outside jurisdiction and the impacts of rules on jurisdiction and enforcement of foreign judgments and suggests the formulation of a test to be used to determine whether use on a website is use within a particular jurisdiction. First, it is important to determine whether use of a sign on a website can infringe trademarks registered in other countries.

1. Use of Sign on Websites

The rationale for trademarks is that they operate as badges of origin in that they indicate the source of goods or services to the consumer, 'enabling the consumer who acquired them to repeat the experience, if it proves to be positive, or to avoid it, if it proves to be negative, on the occasion of a subsequent purchase'. In this way, trademark rights prevent others taking advantage of the reputation associated with a trademark and diverting trade away from the trademark owner's business by confusing the consumer as to the origin of goods or services. The essential function of a trademark is to guarantee the identity of the origin of the

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291 However, not all forms of infringement require confusion to be proved, for example, where the use objected to takes unfair advantage of or is detrimental to, the repute of a well-known trademark, sometimes referred to as blurring and tarnishing.
marked goods or services and the protection extends to use that affects or is likely to affect that function, whether or not the use complained of is trademark use.\(^{292}\)

The basic right given by registration of a trademark is to prevent the use in the course of trade of a sign that is identical to or similar to that mark in relation to identical or similar goods or services. Where there is not complete identity of the sign or the goods or services, a likelihood of confusion on the part of the public must be shown. Furthermore, infringement may come about where a sign that is identical or similar to a registered trademark of repute is used in the course of trade in relation to non-similar goods or services.\(^{293}\) The right conferred by a Community trademark is equivalent though it extends to the entire territory of the European Community. However, the Court of Justice has ruled that, subject to the defences to infringement in Article 6, the scope of the right is limited so as to preserve its essential function of a trademark, being to act as a guarantee of origin.\(^{294}\) Thus, use that is purely descriptive does not infringe.\(^{295}\) Trademark law in jurisdictions outside Europe is broadly similar to European trademark law, certainly sufficiently so for the purposes of the discussion that follows:

The question to be determined then is whether placing a sign on a page on a website where that sign is identical to or similar to a registered trademark infringes that trademark. First, the sign must be used in connection with the same or similar goods or services for which the trademark is registered and that use

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\(^{293}\) See section 10(1) - (3) of the Trade Marks Act, 1994 and Article 5(1) and (2) of the First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trademarks (OJ L40, 11.2.1989, p.1). The latter right applies only if the use complained of would take unfair advantage of or would be detrimental to the distinctive character or repute of the trademark. In the United States, the Trademark Dilution Act, 1995 could apply in similar circumstances; see §43 Trademarks Act 1946, 15 USC 1125 as amended.

\(^{294}\) 8 Case C-206/01 Arsenal Football Club Plc v Matthew Reed [2002] IPLR 32 and T-130/01 Sykes Enterprises Inc v OHIM [2003] IPLR 1.

must be in the course of trade.\textsuperscript{296} In the case where use is in the course of trade and is in relation to identical or similar goods (or, in some jurisdictions, non-similar goods where the trademark is one of repute), the sole issue to resolve to determine if infringement is a possibility is whether the use in question is use within the relevant jurisdiction.\textsuperscript{297} In other words, does a person, by placing a sign on a web page, use that sign in all territories in the world or is the geographical range of the use more limited than that?

There are a number of United States' cases on trademark infringement on the Internet relating to whether a particular state has jurisdiction. The law as developed there is very instructive in deciding whether use is use for the purposes of infringement. The leading authority is \textit{Zippo Manufacturing Co. v Zippo Dot Com Inc.},\textsuperscript{298} in which the claimant, a manufacturer of cigarette lighters and proprietor of the 'zippo' trademark with its principal place of business situated in Pennsylvania, sued the defendant which was an internet subscription news service based in California.\textsuperscript{299} The defendant had no physical presence in Pennsylvania but posted information about its services on its web pages, which were accessible through its 'zippo' domain names. The defendant had 3,000 subscriptions from residents of Pennsylvania who had completed the application form after accessing the defendant's website. Furthermore, the defendant had entered into agreements with Internet access providers, two of which were established in Pennsylvania, for the purpose of allowing their subscribers to access the news service. The claimant sued in Pennsylvania for trademark infringement and dilution of its trademark.

\textsuperscript{296} Although, as noted above, use in relation to non-similar goods can infringe in some jurisdictions if harmful to the trademark. An example is afforded by \textit{Baywatch Production Co Inc v Home Video Channel} [1997] FSR 22 and by \textit{General Motors Corp v Yplon SA} [2000] RPC 572.

\textsuperscript{297} Assuming the proprietor of the trademark is able to show a likelihood of confusion or deceptive use or unfair advantage or damage to repute or dilution or tarnishing, etc. depending on the precise nature of trademark rights in that jurisdiction.

\textsuperscript{298} 952 F Supp. 119, 1124 (WD Pa 1997).

\textsuperscript{299} 952 F Supp 1119 (WD Pa 1997).
The Federal District Court of Pennsylvania developed a sliding scale for determining whether a court would have personal jurisdiction in a case of Internet contacts. At one end of the scale, a defendant is clearly doing business over the Internet in jurisdiction by having an interactive website and making contracts with residents in that jurisdiction, involving the deliberate and repeated transmission of computer files over the Internet. At the other end, the website is passive, such as where a person has simply posted information on a website which is accessible by persons in other jurisdictions. In such a case, where the person posting the information does little more than to make the information available to those who might be interested in it, there are no grounds for exercising personal jurisdiction. There is, however, a middle ground, where the website is interactive and where the user can exchange information with the host computer. In this case, it is a question of locking at the level of interactivity and the commercial nature of the exchange of information to determine whether a court in a state has personal jurisdiction.

From the United State's approach to jurisdiction for trademark infringement, it is reasonable to conclude that use of a sign to infringe a trademark must be real commercial use and that there must be actual sale of goods or supply of services to persons within the jurisdiction concerned. Simply placing a sign on a web page that can be and is accessed by persons in a particular jurisdiction is not sufficient, per se, to form the basis of a trademark action. But how does this equate to the approach of the courts in the United Kingdom? The first case to address the issue was 800-FLOWERS Trademark. An American company applied to register 800-FLOWERS as a service mark for receiving and transferring to florists orders for

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300 See, for example, Intercon Inc v Bell Atlantic Internet Solutions Inc, 205 F 3d 1244 (10th Cir 2000) and Tech Heads Inc v Desktop Service Center Inc, 105 F Supp 2d 1142 (D Or 2000).

301 See, for example, Mink v AA Development LLC, 190 F 3d (5th Cir 1999) and Neogen Corp v Neo Gen Screening Inc, 109 F Supp 2d 724 (WD Mich 2000).

302 A bizarre aspect of this case was that neither party had any real trade in the United Kingdom. The legal costs of the action were in excess of £100,000 and the judge considered that the trademark registration in the United Kingdom was probably invalid for lack of use under section 46(1) of the Trade Marks Act, 1994.

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flowers. At first instance, Jacob J rejected counsel's submission that placing a trademark on a website was potentially a trademark infringement anywhere in the world because this website use was use in and omnipresent cyberspace and placing a trademark on a website was 'putting a tentacle' into the computer of each and every person who accessed the website. Jacob J gave an example of a fishmonger from Bootle in Lancashire who advertised on his own website for local delivery. The fishmonger could hardly be said to be trying to sell his fish all over the world, or even the whole of the United Kingdom. Jacob J made the point that anyone 'surfing the web' will retrieve numerous irrelevant hits and someone who accessed such a website from another country would immediately realise 'this is not for me' and take no further interest in it. Of course, in practice it will depend on the circumstances. The website owner's intention and the impact on persons accessing the website will be important, especially what a person accessing the website would understand. The basic question as set out in the Zippo case, is whether the website owner targets a particular country or state for commercial purposes.

Jacob J had another opportunity to consider the matter in Euromarket Designs Inc., v Peters and Crate & Barrel. The claimant was an American company, which had a chain of stores there under the name 'Crate and Barrel' which it had registered as a trademark in the United Kingdom and as a Community trademark. The defendant had a shop in Dublin also called Crate and Barrel and sold household items and furniture. The defendant advertised in a magazine (Home & Garden) and had a website and had, in both cases, used the Crate and Barrel name. The defendant had never sold any goods in the United Kingdom. When the claimant sought summary judgement for infringement of the United Kingdom trademark, the defendant argued that its advertisements were not directed to the United Kingdom market and it had no intention of trading there.

As regards the advertisement in Home & Garden, Jacob J noted that it had a circulation in Eire and in the United Kingdom but he accepted that the defendant had no trade in the United Kingdom and had no intention of trading there.

there. The advertisement was for the shop and not for supplying goods by mail order. Counsel for the claimant pointed out that the proprietor of a trademark has '... exclusive rights in the trademark which are infringed by use of the trademark in the United Kingdom without his consent' (emphasis added).

Section 9(1) has no equivalent in the trademarks Directive and if it really did mean that mere use of a trademark without consent would infringe, whether or not that use was in the course of trade that would extend trademark rights in the United Kingdom beyond that permitted in the Directive. As Jacob J previously said in *British Sugar plc v James Robertson & Sons Ltd*, section 9(1) itself adds nothing to the infringing acts in section 10 except for the fact that the use must be without the proprietor's consent.

To interpret the provision otherwise would mean that placing an advertisement in a magazine or on a website would be to use the trademark in any jurisdiction where copies of the magazine found their way or from which the website had been accessed.

In relation to the website, persons could visit the site by entering the address or through a search. Jacob J once again made the point that carrying out a search on the Internet almost always throws up lots of irrelevant hits. In whatever way a person got to the site, the question was whether the defendant was using Crate & Barrel in the United Kingdom in the course of trade. If the defendant was, bearing in mind there was no proof of actual trade or an intention to carry out trade in the United Kingdom, potentially it was using the name in every country in the world. However, the language of the Internet gives a clue as when a person accesses a website, he is said to go to the site or visit the site.

Jacob J favoured the argument that using the Internet was like the user focusing a super-telescope on the site concerned, for example, where a user had

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305 section 9(1) of the Trade Marks Act, 1994.
306 [1996] RPC 281, in which Jacob J described section 9(1) as a 'chatty introduction' to section 10.
307 The address contained the letters 'ie' making it clear to most people that it referred to Eire.
the telescope on a hill in Wales to look at the defendant’s shop in Dublin. Without evidence of commercial activity in another country the website owner can hardly be said to be using a trademark in the course of trade in that other country. Of course, some websites deliberately target other countries or even the whole world. An example favoured by Jacob J was amazon.com, which actively seeks business on a worldwide scale.

In Scotland, Lord Drummond Young followed this approach in Bonnier Media Ltd v Greg Lloyd Smith and Kestrel Trading Corp.,\footnote{[2002] IPLR 13, Court of Session Outer House, 1 July 2002.} in which the defender had registered domain names including variations of the names used by the pursuer. He accepted that, potentially, operating a website can result in a delict (tort) being committed in every country in the world from where the website can be seen but it does not follow that a delict is committed in every country in the world. He said that the website should not be regarded as having delictual consequences if the impact of a website in a particular country is unlikely to be of significant interest, considering the content of the website and the commercial or other context in which it operates.\footnote{An application of the \textit{maxim de minimis non curat praetor}.}

In the context of the present case, especially as the defenders had announced an intention to offer on-line services similar to those offered by the pursuer, the impact of the defenders’ planned activities would have their main impact in Scotland and that impact would be commercially significant.

In the absence of commercial activity in other countries, there can be no use in the course of trade in those other countries. If it were otherwise, the possibility of conflicting rights would arise. To take an example, imagine that a company in England has a United Kingdom registration for the trademark 'Psorolene' for skin care creams and an Australian company had an Australian registration for 'Psorolens' for a cream used to treat eczema. Neither trade in the other’s country. If both have websites and use those names on the websites, the
English company would infringe the Australian trademark in Australia and the Australian company would infringe the United Kingdom trademark. That cannot be rational. It would also have the effect of disrupting the single European market by causing conflicts between identical or similar trademarks registered in different Member States by different proprietors who used their respective trademarks on their websites.

The 800-FLOWERS case was appealed to the Court of Appeal, where the correctness of the approach of Jacob J was confirmed. In terms of a submission that 'publication' of statements in a particular jurisdiction by downloading from the internet according to the rules of the law of defamation or of misrepresentation was of at least strong analogical relevance to whether a trademark downloaded from the internet had been 'used' in the jurisdiction to which it was downloaded.

'There is something inherently unrealistic in saying that A "uses" his mark in the United Kingdom when all that he does is to place the mark on the internet, from a location outside the United Kingdom, and simply wait in the hope that someone from the United Kingdom will download it and thereby create use on the part of A the very idea of "use" within a certain area would seem to require some active step in that area on the part of the user that goes beyond providing facilities that enable others to bring the mark into the area. Of course, if persons in the United Kingdom seek the mark on the internet in response to direct encouragement or advertisement by the owner of the mark, the position may be different; but in such a case the advertisement or encouragement in itself is likely to suffice to establish the necessary use'.

Thus, to infringe a trademark, it must be placed on a website by someone who actively pursues a commercial activity in the country concerned. To that extent, law in the United Kingdom is of approximate effect to that in the United States. However, the courts in the United Kingdom have not yet had an

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opportunity to develop an equivalent of the 'Zippo sliding scale', which has come about as a result of the nature of the United States Constitution and issues of State jurisdiction. Where a website goes beyond being merely passive, the question as to whether the owner seeks business in a particular jurisdiction probably will be treated by the courts in the United Kingdom as a question of fact, to be determined in accordance with the circumstances of the case. This may involve further development of Lord Drummond Young's test of significance. However, there is already a useful body of case law available in relation to the grounds of revocation of trademarks for non-use. This can provide a litmus test for whether the use complained of is use within jurisdiction. The reason this is so is that, if the use in question is insufficient to save a trademark in an action for revocation, then it can hardly be said to have been used, in a trademark sense, within the relevant jurisdiction.

Logically, the concept of use must be the same in both cases. If the offending sign, had it been registered as a trademark within jurisdiction, would be susceptible to revocation on the grounds of non-use, how it could be said to infringe an identical or similar trademark validly registered in that jurisdiction. That there is already a significant body of law on revocation on the grounds of non-use, this would bring more certainty to the enquiry than trying to draw a line in the intermediate area in Zippo.

The grounds of revocation based on non-use or suspended use for five or more years are in terms of the sign not being put to genuine use for the relevant five-year period. 'Genuine use' is not the opposite of 'fake' or 'sham' use and advertisements in magazines published in the United States, which readers in the United Kingdom knew had come from the United States, and a small handful of sales to customers who were citizens of the United States but resident in the United Kingdom and posted to their United Kingdom addresses was not sufficient for genuine use.

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311 See section 46(1) of the Trade Marks Act, 1994
So Jacob J in *Euromarket Designs Inc v Peters and Crate & Barrel* where, held that 'genuine use' must involve that which a trader or consumer would regard as a real or genuine trade in this country. The required use must be genuine use judged by commercial standards. However, it could be established in circumstances where no actual sales of the goods had taken place. An example could be where targeted promotional literature had been distributed in a country. This would only apply, however, where it was clear from the circumstances that the undertaking responsible was actively pursuing commercial sales in that country. This is not the same as a passive website lacking such intention.

Section 46(2) is also helpful in that it defines use, for the purposes of whether a mark should be revoked for non-use as including use in a different form provided this does not alter its distinctive character. Again there is case law here that could be helpful where the sign used on a website is not identical to the registered trademark and the use in question has not been to such an extent to be able to prove a likelihood of confusion.

It is likely that other countries in Europe will follow the approach thus far in the United Kingdom if the question of infringement of a trademark by use of an identical or similar sign arises and it is almost certain that the Court of Justice will come to similar conclusions as the Chancery Division and Court of Appeal in England because any other view would lead to conflict and distortion in the internal market.

Outside the United States and the United Kingdom, there is little case law on trademark infringement on the Internet. In Australia, before the Australian

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314 For example, *ELLE Trade Mark* [1997] FSR 529 and *United Biscuits (UK) Ltd v Asda Stores Ltd* [1997] RPC 513.
315 There are, however, a large number of cases involving domain name disputes settled by dispute resolution services.
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Trade Marks Office, in *Torrag Pty Ltd v Lydboots Pty Ltd and Petcure Pty Ltd*, the Office accepted that an opponent to an application to register a trademark containing the words 'Pet Vet' had established prior use of the name, *inter alia*, by use on its website. There was evidence that the website had regularly generated enquiries about the opponent's veterinary practice. The scope and effect of injunctions on websites can be unpredictable and this could make judges wary of granting interim injunctions in particular. In *Speechworks Ltd v Speechworks International Inc*, the difficulty of deciding whether to impose an interim interdict in the context of a website arose. The pursuer had a United Kingdom registered trademark 'SPEECHWORKS'. The defender was a substantial company incorporated in Delaware in 1994 and had registered 'SpeechWorks' in the United States as a trademark and dealt in speech recognition software. It had a domain name *www.speechworks.com* in respect of which it had made substantial use since 1997. Before the defender knew of the pursuer's trademark, it had applied for registration of 'SpeechWorks' in France and Germany and, at the time of the trial, these were expected to be granted shortly. In 1999, the defender established a European headquarters in Staines, Middlesex.

The judge, Lord Nimmo Smith, noted the consequences of granting an interdict. As it would apply to the defender's website, it could have worldwide effect, leading to closure of the website. Even if limited to the United Kingdom, this would cause immense problems for the defender, as it would have to use a different name in the United Kingdom. The application for an interim interdict was refused. The pursuer was only recently established and it would be easier for it to change its name. Furthermore, the balance of convenience favoured the defender, as it would be able to pay damages should the pursuer be successful at full trial and it was unlikely that the pursuer would be able to do so if it lost.

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318 The judge said that, had he been minded to grant an interim interdict, he would have restricted it to Scotland as that was the only place the pursuer had any business.
2. Threatened Infringement of a Trademark in a foreign country

If we accept that use of a trademark on a website will only infringe if there is evidence of commercial activity within the relevant jurisdiction, what is the position where there is no evidence of such activity, only the threat that there might be some commercial activity? For example, will the courts in the United Kingdom have jurisdiction in respect of someone outside the United Kingdom who threatens to infringe a United Kingdom trademark? The rules on jurisdiction are fairly complex and there are different rules depending on where the defendant is domiciled or has a presence.

In Europe, there is the Convention on Jurisdiction and Enforcement of Judgments in Civil and Commercial Matters (the 'Brussels' Convention), now largely replaced by Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters. For persons outside Europe and certain Commonwealth countries, jurisdiction can only be claimed by the courts in England if the defendant is present in the United Kingdom when served with the claim form, submits to the jurisdiction of the English courts or where the courts exercise their discretion to permit service in a foreign country. In the case of a company, it must carry on business in England. Infringement of a trademark is a tort. The basic rule-governing jurisdiction in Europe is set out in the Civil Jurisdiction and Judgments Act 1982, as amended, which is that defendants are sued in the Member State in which they are domiciled. However, in relation to a tort (or delict or quasi-delict in Scotland), the defendant can be sued '... in the courts in the place where the harmful event occurred or may occur' (emphasis added);

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319 OJ L 12, 16.1.2001, p.1. This Regulation does not apply to Denmark. There is a parallel Lugano Convention covering the EFTA countries. The provisions of interest here are effectively the same as in the Brussels Convention. The necessary changes were made to the Civil Jurisdiction and Judgments Act, 1982 by the Civil Jurisdiction and Judgements Order 2001, SI 2001/3929.

320 Different rules apply to actions in rem. 34 [2002] IPLR 13, Court of Session Outer House, 1 July 2002.

321 Or, in terms of EFTA countries, the Civil Jurisdiction and Judgments Act, 1991.
Article 5(3) of the Council Regulation. This seems fairly clear that a court in the relevant part of the United Kingdom can have jurisdiction not just in terms of an act infringing a United Kingdom trademark but also to a threat to carry out such an act. However, Article 5(3) of the Brussels and Lugano Conventions do not have the additional words 'or may occur', or an equivalent form of words. Whether those Conventions extended to threatened torts or delicts was considered in the Scots case of Bonnier Media Ltd. v Greg Lloyd Smith and Kestrel Trading Corp. 322

The pursuer in Bonnier had a newspaper business called 'business a.m.'. It had a registered trademark, being the words 'business a.m.' set on a rectangular background. Along the top of the rectangle were the words 'Scotland's Business, Financial & Political Daily'. The areas covered by the pursuer's newspapers were business, politics and finance. The pursuer also operated a website and provided an online service to supplement its publishing activities and it was claimed that the pursuer had substantial goodwill in its online service. The pursuer owned a number of Internet domain names, including 'business.co.uk'.

The first defender was domiciled in Greece and was the managing director of the second defender, a company incorporated in Mauritius. The pursuer published articles in business a.m. about the first defender alleging that he had registered domain names, such as 'amazon.gr'. Consequently, the first defender commenced defamation proceedings against the pursuer in the High Court in England. At the time of the Scots trial these proceedings were still on going.

During 2001, the pursuer received an email from one Mr Gregory A Lindstron purporting to be from a firm known as LJ & Co. The email confirmed that LJ & Co had acquired the domain name 'businessam.com' and would agree to sell it to the pursuer for $25,000. On the same day, the second defender published on its website a statement to the effect that it had agreed to acquire

322 [2002] IPLR 13, Court of Session Outer House, 1 July 2002.
'businessam.com' from LJ & Co and that it intended to launch an online business advisory service. The first defender's name was given as a contact name. The pursuer alleged that a further 22 domain names had been registered by the first defender which included forms of 'businessam', 'business-am' and 'businesspm'.

The pursuer brought the proceedings on the basis that it feared that the defenders had set up or would set up websites which would be used in breach of section 10(2) or (3) of the Trade Marks Act 1994 and sought an interdict to prevent this and to prevent the defenders passing themselves off as the pursuer. An interim interdict was granted and the defenders now applied for it to be recalled or restricted. They based their application on grounds relating to jurisdiction, title to sue and that the pursuer had not established a prima facie case of trademark infringement nor of passing off.\textsuperscript{324}

Article 5(3) of the Brussels Convention does not expressly mention threatened wrongs. Some of the provisions in the Civil Jurisdiction and Judgements Act 1982 deal with jurisdiction as between parts of the United Kingdom and the equivalent rule, in Schedule 4 of that Act, stated that '[a] person domiciled in a part of the United Kingdom may, in another part of the United Kingdom, be sued ... in matters relating to tort, delict or quasi-delict, in the courts for the place where the harmful event occurred or in the case of a threatened wrong is likely to occur'.\textsuperscript{325} It was argued that this strongly supported the view that threatened torts did not bestow jurisdiction as between European Member States and that the words in Article 5(3) of the Brussels Convention should be restricted to their literal meaning.

Lord Drummond Young rejected this submission for two reasons, saying that Article 5(3) also applies to threatened wrongs. The first reason was based on

\textsuperscript{323} The mark was registered in Class 16 for printed matter, etc., Class 35 (advertising, business management, etc.) and Class 41 (education and the provision of training, etc.).

\textsuperscript{324} Lord Drummond Young found that the pursuer had made out a prima facie case of trademark infringement and passing off. He also held that the pursuer had established title to sue.

\textsuperscript{325} Therefore, in terms of internal jurisdiction in the United Kingdom, anticipatory torts were catered for as in the Council Regulation on jurisdiction.
maintaining the rule of law. If a person domiciled in one Member State had no option but to commence proceedings in another Member State to prevent a wrong threatened in the first Member State, that would threaten the rule of law, as it was often vitally important for the courts in the first Member State to take effective action against any wrong of a delictual or tortious nature threatened there. The second reason was that it is not always easy to draw a distinction between a completed delict and a threatened delict. He gave an example of a discharge of effluent from a factory, the owner of which is domiciled in another country, which causes damage to another person's land downstream. That person could sue in the courts in his own country for damages but would have to bring an action in the factory owner's country for an injunction to prevent further discharges. In support of his finding that Article 5(3) of the Brussels Convention extended to threatened wrongs, Lord Drummond Young noted that the European Court of Justice has held that the phrase 'tort, delict or quasi-delict' in Article 5(3) must be given an autonomous meaning and that its construction must be determined without reference to domestic legislation 38 as to the second defender, a Mauritian company, the Brussels Convention did not apply but Schedule 8 of the Civil Jurisdiction and Judgments Act applied instead. Rule 2(1) of the Schedule was the equivalent rule and that was expressly stated to apply also to threatened wrongs. Therefore, the Scots court had jurisdiction over the second defender also.\(^{326}\)

3. Enforcement of Judgments in Foreign Trademark Infringement Cases

If a company based in the United Kingdom is found to have infringed a foreign trademark, the question is whether the foreign judgment can be enforced in the relevant part of the United Kingdom. There are no real problems in Europe as the Brussels or Lugano Conventions or the Council Regulation on jurisdiction and

\(^{326}\) It had been argued that the company was domiciled in England or Greece. If it was domiciled in Greece it would be in exactly the same position as the first defender and, if domiciled in England jurisdiction would result from Schedule 4.
judgments in civil and commercial matters applies.\textsuperscript{327} Judgments obtained in other Member States are enforceable in another Member State. The only point to note is that if there is any question about the validity of the trademark, the proceedings must take part in the place where the trademark is registered; see Article 22(4) of the Council Regulation. However, that will normally be the case anyway. For some Commonwealth countries enforcement by registration with the relevant court is possible under the Administration of Justice Act 1920 or the Foreign Judgements (Reciprocal Enforcement) Act 1933.

For other countries, enforcement of a foreign judgment is possible at common law, where it is for a fixed sum in damages. However, an injunction imposed by a foreign court is not enforceable at common law.\textsuperscript{328} To be recognised and enforced by a court in England, however, the English court must recognise the jurisdiction of the foreign court. This requires that the defendant is a subject of that foreign state, was resident there when the action began, where he chose the forum by suing as claimant or counterclaimant and the judgment is in relation to the counterclaim, if he voluntarily appears or where he has contracted to submit to the forum in which judgment was given.\textsuperscript{329}

To take an example, say that an English company operates a website located on a host computer situated in England. The company has started offering goods for sale by mail order and has placed information about the goods and prices in sterling and in US dollars and the amount to be added for post and packing for delivery to either the United Kingdom or the United States, as appropriate. Imagine that some orders to the State of Florida have been fulfilled. A company in Florida, having the same name as the English company, has a

\textsuperscript{327} With respect to the Community trademark, the Member States have designated courts for the Community trademark and any infringement action would take place in the Member State in which the infringing act was performed. If infringement took place in a number of Member States, courts in the other Member States would decline jurisdiction in favour of the court first seized.


\textsuperscript{329} This is now doubted; see Collier, \textit{ibid.}, and \textit{Per Buckley LJ in Emanuel v Symon} [1908] 1 KB 302.
registered trademark in which the name is a prominent part. It sells similar goods. Say that the Florida Company sued the English company in Florida for trademark infringement. The English company decided to defend the action and appeared before the court. Substantial damages were awarded against the English Company and injunctive relief granted.\textsuperscript{330}

The judgment, if final, can be registered in and enforced by an appropriate court in the United Kingdom. However, only the award of damages can be enforced and the injunctive part of the relief will not be enforced. This is in contrast with the effects of the Brussels and Lugano Conventions and Council Regulation.

A problem for the Florida Company would be if the English company did not submit to the jurisdiction of the Florida court by failing to enter a defence. At common law, there seems to be some doubt whether the English courts will recognise and enforce any subsequent judgment. One way of overcoming this problem would be for the Florida Company to initiate proceedings in England on the basis of the Florida judgment and apply for summary judgement in England on the basis that the defendant has no real prospect of defending the case. However, if the judgment in Florida was entered in default and the defendant appears before the English court and puts forward a defence, the English court may be reluctant to grant summary judgment.

The court will have an even greater dilemma if the defendant then challenges the validity of the claimant's trademark registration. As regards registered intellectual property rights in Europe, if there is a challenge to the validity of the registration, that can only be determined in the courts in the Member State where the right is registered.\textsuperscript{331} If an English court declined jurisdiction where the validity of a United States registered trademark is in issue on an analogous basis, this could leave the trademark proprietor with no effective

\textsuperscript{330} Assuming that the Florida courts would be willing to accept jurisdiction after applying the Zippo test.

remedy. However, where the issue is clear-cut and there is no real question of the trademark being invalid, it is possible that the English court would grant summary judgment to the Florida Company.\(^{332}\) There is at present, a draft Convention on Jurisdiction and Foreign Judgments in Civil and Commercial Matters which, if finally agreed and in force, will extend the enforceability of foreign judgments to a number of other countries including the United States.\(^{333}\) The draft Convention has a number of similarities with the Brussels and Lugano Conventions and the Brussels Regulation.

An English court might accept jurisdiction in relation to a finding in a foreign court in respect of infringement of an informal foreign intellectual property right such as a copyright. Alternatively, an English court might accept jurisdiction outright in relation to a foreign intellectual property right, if there was a contract between the claimant and defendant, which expressly conferred jurisdiction on the English courts. In *Celltech Chiroscence Limited v MedImmune Inc*,\(^{334}\) Jacob J heard a case on the alleged infringement of a United States patent by a licensee of the proprietor where the licence conferred jurisdiction on the English courts. In that case there had been no counterclaim for revocation of the patent. If there had been, it would have been difficult to decide whether jurisdiction could be accepted or whether the English court would have little option but to apply the principle forum non-conveniens.

**RECAPITULATION**

There is no doubt that cyber-squatting is the most contentious issue in the Cyber Law area throughout the world. Even credit card frauds are not discussed with as much fervor as domain name disputes and cyber-squatting. Since the Internet is a

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333 Hague Conference on Private International Law. The draft Convention was adopted by the Special Committee on 30 October 1999 but still awaits final agreement. There are currently 62 Member States of the Hague Conference.

global phenomenon, steps are already afoot to tackle the menace of domain name disputes, especially cyber-squatting, on an international level.

The application of trademark law to websites increases opportunities to carry out commercial activity in countries where the person carrying out the activity has no physical presence. This could be an attractive aspect of carrying out e-business as it may make it difficult for owners of foreign intellectual property rights to enforce those rights effectively. On the other hand, another feature of the Internet is that someone operating a website could be too easily accused of infringing a foreign intellectual property right. Clearly a balance has to be struck that results in reasonable certainty for persons operating websites and the effective enforcement of foreign intellectual property rights.

It appears that the courts in the United States and the United Kingdom have come some way towards achieving a reasonable approach to trademark infringement and that simply placing a sign identical to or similar to a foreign trademark on a web page will not necessarily infringe that trademark. It is a question of determining the existence and degree of commercial activity in the place where the trademark is registered. It is to be hoped that other countries follow suit. Nevertheless, any person operating a website that has any content that could possibly be seen as an infringement of a trademark would be best advised to include a disclaimer, particularly when engaged in a commercial activity. For example, if a trader advertises his goods on a web page for sale and delivery in the United Kingdom only, he should make that clear.

The United Kingdom has moved someway to taking a sensible approach but the jurisprudence has not yet developed to such an extent that a predictable and workable test yet exists. It is submitted that a test based on principles derived from the case law surrounding the grounds of revocation of trademarks on the basis of non-use or interrupted use for five or more years could provide that test. A real and effective use for a commercial purpose of the trademark in relation to appropriate goods or services must be present for infringement in a particular territory should be a precursor before a court in that territory and should accept
jurisdiction. Even where national laws provide for protection of trademarks for non-similar goods or services in cases of unfair advantage, detriment or dilution, a real and effective commercial use must be shown.

The difficulty of enforcement of foreign trademarks is still an important issue, especially in respect of trademarks registered outside Europe or the Commonwealth. There may be real problems in recognition of judgments in foreign countries outside Europe or not within the Commonwealth countries having reciprocal enforcement provisions. Enforcement will be an issue in respect of small and medium enterprises which have a presence in a European country only but which are carrying on commercial activities outside Europe by means of the Internet. Such companies or firms are unlikely to submit to the jurisdiction of a court outside Europe, which could make recognition and enforcement in Europe difficult. With large corporations the problem is less likely to exist, as they tend to have subsidiary companies or agents in numerous other countries.

One way to improve the situation is to develop more provisions for reciprocal enforcement. However, this could trigger other problems, particularly where there are national disparities in the registrability of trademarks and examination of applications for conformity with the domestic requirements for registration. Providing improved mechanisms on a wider international scale for the recognition and enforcement of trademarks rights must be balanced with such disparities and the further international harmonisation of domestic trademark laws beyond the European arena is most desirable and a timely response to the emerging global trading world we are all part of.

As the said issues have not yet been finally decided, much can be said on both the sides. It can be argued in favour of the cyber-squatters that the domain name registration system itself is flawed. When one is legitimately entitled to register a domain name, why should he be penalised if he seeks to trade in it? Making easy money in it is not a crime. From the legal angle, it can be contended that a cyber-squatter does not deal in any goods and hence, his activities are not likely to cause confusion in the minds of the public. Such being the case, it would be difficult to
place cyber-squatting within the realm of passing off, leave alone trademark infringement. The global experience has shown that even the US has tried to plug the legal lacuna by passing the Trademark Cyber Piracy Prevention Act.

Bringing cyber-squatting within the framework of the Trade Marks Act, 1999, would result in granting trademark holders more extensive protection than what the legislature originally intended. The development may not be healthy because, although the intention of the Court may oe to discourage cyber-squatting and curb a social evil, it may result in dangerous precedents, where even genuine registrants of domain names may be adversely affected.

Therefore, the imperative need of the hour is that the legislature catches up with the technical developments and passes a separate law prohibiting cyber-squatting or any other malafide registration of a domain name.

The NASSCOM has made a recommendation to the Ministry of Information and Technology to bring about some more regulations in the statutory Acts pertaining to Copyrights and Trademarks applicable to Internet to prevent cyber-squatting.

It is pertinent to mention that as the decisions of the WIPO do not have any precedent value and are further subject to the decision of a Court of a competent jurisdiction, the subject of domain name disputes is certainly going to be a contentious issue in bringing actions done over the net under the framework of the existing law.

It is evident that domain names and their misuse by private as well as public portals and firms have become rampant in the absence of a strong jurisdictional jurisprudence. The Internet is a global collection of computer networks and requires global solutions and regulation in a new millennium for a world committed to the digital technology and welfare of the netizens through it.

In the light of above discussion is submitted as follows:
The first come first served basis for registration of Domain name was responsible for the spurt in the growth of cybersquatting or the process of registering a domain name which legally belongs to an others. The existing TLDs have been a big target of cyber squatting. It is possible that with the introduction of the new TLDs, cyber squatting will increase. The Existing ‘UDNDRP’ policy is a very limited policy and allows only for limited grounds to get back domain names.

In the existing proposals for new top level domain (TLDs), there are no mechanisms to prevent cybersquatting. It is yet to be seen how ICANN proposes to prevent the recurrence of cybersquatting practices in the TLDs. Therefore, it is clear that the situation is at present not very clear and it is yet to be seen how ICANN proposes to meet the challenges of cybersquatting in the times to come.