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Domain name dispute resolution in India

In addition to a clear '.in' Domain Dispute Resolution Policy, the courts have laid down some consistent guidelines for the treatment of domain name disputes

The advent of the Internet and ever-evolving technologies and applications allow markets to be networked globally. Meanwhile, computers have released creation and production from the constraints of geography. As technologies evolve, the courts are presented with novel questions concerning the scope of IP rights in cyberspace. The easy availability of products, resulting in easy distribution, has further added a new dimension to business transactions.

Domain names and trademarks

Domain name selection is perhaps the first step by a company towards establishing a presence in cyberspace. Domain names are commonly understood as a humanly memorable name through which computers and networks identify ownership or control of a resource. Domain name selection and registration are becoming increasingly integral to a company's branding strategy. With more and more consumers using online search engines to locate companies, products and businesses, the selection of a brand name is closely linked to the availability of a domain name and vice versa.

In 2005, India opened up the '.in' country-code top-level domain, allowing unlimited second-level registrations under '.in.' and unlimited registrations under previously structured zones such as '.co.in' and '.org.in'. With India's gross domestic product growing at a rate of over 8%, and a growth spurt in the country's digitally savvy young population, there was a rush to acquire domain names in the '.in' domain. This opportunity was also exploited by cybersquatters.

Thus, as soon as the sunrise period giving preference to Indian trademark holders was over, a number of domain names that incorporated well-known marks were snapped up by third parties.

To address complaints from rights

holders, in 2005 the '.in' Registry formulated the '.in' Domain Dispute Resolution Policy (INDRP) along the lines of the Uniform Domain Name Dispute Resolution Policy. The grounds on which a complaint can be filed are as follows:

- The registrant's domain name is identical or confusingly similar to a name, trademark or service mark in which the complainant has rights;
- The registrant has no rights or legitimate interests in respect of the domain name; or
- The registrant's domain name has been registered or is being used in bad faith.

The first complaint under the INDRP was filed in 2006. Since then, over 300 complaints have been filed and expeditiously disposed of under the INDRP. It is not only foreign brand owners - such as Google, Dell and Disney - that have successfully acquired domain names from cybersquatters under the INDRP; Indian companies, such as Airtel and Pantaloons, have also used the policy to stop third parties from using offending domain names and to obtain their transfer.

Court decisions on domain names

The stage for the INDRP was possibly set by the courts' clear treatment of domain names as trademarks and establishment of principles for their protection. In *Acqua Minerals Ltd v Pramod Bose*, a case concerning the domain name 'bisleri', the Delhi High Court opined that: "with the advancement of internet communication, the domain name has attained as much legal sanity as a trade name. Since the services rendered in the internet are crucial for any business, the domain name needs to be preserved so as to protect such provider of services against anyone else trying to traffic

or usurp the domain name." The court further held that: "A domain name is more than an internet address and is entitled to equal protection as a trademark."

In another case concerning the domain name 'naukri.com' ('job.com'), the court observed: "With the advancement and progress in technology, the services rendered in the internet site have also come to be recognised and accepted and are being given protection so as to protect such provider of service from passing off the services rendered by others as his services."

Sophistication of internet users

In *Yahoo Inc v Akash Arora* the plaintiff's 'Yahoo' domain name and the defendant's 'Yahoo India' domain name were the subject of controversy. The court was asked to consider that internet users are sophisticated, and that only educated users can ascertain the website that they intend to visit. The court held that: "even if an individual is a sophisticated user of internet, he may be an unsophisticated consumer of information and such person may find his/her way to the defendant internet site as that of the plaintiff."

Territorial jurisdiction in domain name disputes

Casio India co Ltd v Ashita Tele Systems concerned the 'casioindia' domain name. The defendant contended that it was a Mumbai-based company with no business in Delhi, where the suit has been instituted. The court held that: "the objection with regard to the territorial jurisdiction needs to be considered in the overall context of advances and development in the field of information technology and not in the usual conventional manner. The access to the impugned domain name website could be had from anywhere else, the jurisdiction in

such matter cannot be confined to territorial limits of the residence of the defendant.”

Rights holders have used this argument to litigate in the forum of their choice. The argument has been extended to cases where the defendant’s website lists its products together with their price, based on which the plaintiff can argue that by listing its products online, the defendant is offering them for sale to every consumer who can access its website, notwithstanding where it is based. However, the law changed with a recent judgment of the division bench in *Banyan Tree Holding Pvt Ltd v Murali Krishna Reddy*.

The division bench examined the law as it has developed in other countries (eg, the United States, the United Kingdom, Canada and Australia), and also examined two earlier cases on the subject (ie, *Casio India* and *India TV*), which essentially took differing views.

In *Casio India*, the court had held that a mere web presence is sufficient to invoke the jurisdiction of a particular court. In this case the defendant was based in Mumbai and the case was filed in Delhi. However, the defendant had a website that was accessible in Delhi.

In *India TV*, the court categorically clarified that for a court to claim jurisdiction, the defendant’s website must be interactive, permitting browsers not only to access the site, but also to subscribe to the services provided by the owner or operator in the court’s jurisdiction.

After considering these cases, the court laid down the following guidelines:

- In a trademark infringement or passing-off action, where the defendant is sought to be sued on the basis that its website is accessible in the forum court, it must be shown that the defendant has engaged in commercial activity by targeting its website specifically at customers within the jurisdiction of that court. The court clarified that the mere posting of an advertisement by a defendant depicting its mark on a passive website that does not enable consumers to enter into a commercial transaction with the party cannot be the basis for invoking the jurisdiction of the court. It must be shown that the defendant’s use of the website was aimed at a commercial transaction with the website user.
- The court approved evidence procured through ‘trap orders’ and ‘trap transactions’. However, it clarified that the fairness of the transaction, the nature of the goods or services offered for purchase and whether customers are required to physically verify their quality will be relevant factors. Moreover, a lone



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trap transaction is insufficient. Evidence of trap transactions with supporting materials must be produced for the scrutiny of the court.

Descriptive words as domain names

Domain names that use common or descriptive words are invaluable, as they are much easier to find when looking through search engines for information. However, usually they do not qualify for much trademark protection, as seen in two cases involving commonly used descriptive words: *mutualfundindia.com v mutualfundindia.com* and *kabadibazar.com v Kabaribazar.com*.

The court concluded that these words were descriptive of the services offered. Further, the material placed on record fell short of indicating that the words had acquired secondary meaning, which is a precondition for granting protection to a descriptive name.

However, the court took a different view in *naukri.com v Naukari.com*. It held that this domain name was peculiar, as the plaintiff had used a Hindi word with English

script. Further, there was evidence on record to show that the domain name had acquired secondary meaning by virtue of extensive business activities.

Expansion of domain space

Since May 2008 the Internet Corporation for Assigned Names and Numbers has been working towards expanding the domain name space for hundreds, even thousands, of new generic top-level domains (gTLDs).

The new gTLDs include domains for:

- exclusively proprietary use by individual companies (eg, ‘.hsbc’, ‘.pfizer’, ‘.nike’, ‘.gucci’);
- companies in a specific sector of industry (eg, ‘.health’, ‘.hotel’, ‘.bank’);
- special interest groups (eg, ‘.sport’, ‘.eco’, ‘.golf’, ‘.food’, ‘.wine’);
- businesses or individuals in a specific geographical region (eg, ‘.london’, ‘.melbourne’, ‘.nyc’) or language communities (eg, ‘.scot’ (Scotland), ‘.gal’ (Galicia), ‘.bzh’ (Brittany)); and
- enterprises across all industrial sectors, organisations or private individuals (eg, ‘.web’, ‘.shop’, ‘.buy’).

The expansion will have a direct and indirect impact on all brand owners and industries. The implications of registering these new gTLDs are not just the costs of registration, but also the costs of running a registry. The expense of changing over ‘.com’ or other gTLDs to ‘.brand’ gTLDs must also be factored in. Indian companies have so far show little inclination to spend the \$1 million that it is estimated to cost to acquire and run a ‘.brand’.

One of the reasons may be that e-commerce is still in its infancy in India, with internet users constituting only 8.5% of the population (even though this equates to approximately 100 million users).

gTLDs offer unparalleled opportunities to protect, promote and grow brands. By establishing and adhering to strict policies and closely monitoring member activity, a category domain can establish a high level of trust and limit online abuse and fraud. This offers the potential to make the domain more desirable and more valuable, as it becomes further recognised as a trusted domain. The changes will no doubt revolutionise the internet landscape. [WTR](#)