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Critical Study on Trademark Infringement related to Domain Names and Cybersquatting

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Domain Names are significant corporate assets and a trademark in the online world due to the expansion of commercial activities on the Internet in the current era of information and communications technology. Domain name conflicts have increased as a result of the rapid expansion. India's population has grown. There has been an increase in domain name abuse and misuse. Cyber-squatting is a type of cyber-squatting. Indian courts have upheld domain names as internet property, trademarks, and company identifiers. However, because of the lack of formal regulation, the Courts have not been consistent in imposing penalties and granting litigants relief. As a result, a comprehensive cyber-squatting law that provides proper protection is required. In India, domain names are in high demand. This article focuses on judicial rulings and the present legal framework in India regarding cybersquatting and domain names. This article sheds light on how trademark infringement takes place in cyberspace and how domain names are infringed as well. Simultaneously, the study report emphasizes the necessity for a special Domain Name Protection Law in India. This article seeks to determine what laws are already in existence in India to protect domain names, and significantly it also examines the third-Party Rights and Claims based on Trademark Infringement under CISG.

Keywords: *trademark infringement, cybersquatting, domain names.*

INTRODUCTION

A trademark's role is to provide evidence here to the buyer or potential final consumer as to the manufacture or condition of the services, as well as to provide evidence to his eye of the exchange supplier wherein the commodities are sourced, or the exchange hands whereby they transmit on about their direction to the industry. It informs the purchaser that what he is receiving is maybe what he has previously known under a similar title as coming from a source with which he is familiar, or everything he has heard mentioned about as originating from that very same source. It provides the consumer with an acceptable guarantee of the manufacture and quality of the object he is purchasing, despite the fact that the specific quality is not visible to the naked eye¹. The customer makes his purchase on the assumption that the mark is authentic and represents a quality that is compared to what he has previously discovered a similar mark to signify². A trademark could be used to indicate that not only the products are made by a certain company, but also that they are to be of a certain type or quality. As a consequence, a seller may use one trademark to communicate his excellent notch, another to express his secondary effectiveness, and so on.³

In today's commercial world, a trademark serves three purposes.

1. It identifies the product as well as its place of origin.
2. It ensures that the quality remains constant.
3. It promotes the product.

In modern business, the function of a trademark is as follows:

1. To identify and differentiate one seller's products from things supplied to others.
2. To indicate that all items carrying the trademark are produced or managed by a single, but anonymous, source.
3. To imply that all things wearing the brand are of comparable quality.

¹ *Sumat Parasad Jain v Sheojannan Parasad (Dead)* (1972), AIR 2488

² Lewis Boyd Sebastian, *Law of Trademarks* (5th edition, Nicholas Appln. 1931) 2

³ *Andrew v Kuehnrich* [1913] 30 [RPC] 677

4. As a primary tool for advertising and selling items.
5. A sign that represents the company's reputation where it is utilised. It recognises goodwill.
6. It lends a picture to the company in which it is employed.⁴

Trademarks encourage competitiveness as well as the preservation of product quality. They allow the customer to choose between two competing products by allowing him to identify one from the other. The purpose of trademark protection is to safeguard people from deception and to encourage competitive balance. An online domain name or a website address is a combination of typographical letters used to represent the area of a certain location on the internet. It is referred to this as the Uniform Resource Locator or URL. It is regarded as a website's personality or identity. The Internet domain name is important for private firms who want to establish their brand on the internet. The domain names of the two associations or organisations cannot be the same. For instance:

www.google.com, www.yahoo.com, and so on. 'WWW' denotes that the website is linked to the World Wide Web. 'google' is the name you choose for your site, and it should be immediately familiar with your organisation name or centre company. '.com' is a top-level domain name that indicates your association name or centre company. When '.in' is used instead of '.com,' it means that the company is registered in India (for example, eBay.in, olx.in, airtel.in, and so on.)

In the present era, a domain name is considered an internet trademark. It also represents the firm's, organization's, or company's competence, reputation, and goodwill. Domain names perform the same role online as trademarks do offline in many types of transactions. A trademark adds a unique characteristic to an object or product, whereas domain names serve as Internet source locators. A domain may also be defined as an institution or corporation's web address, which over many years of use becomes the identity of their many product lines or service lines. When applying for a domain name that integrates and includes a trademark, an organisation or corporation must consider a number of factors and considerations There is a

⁴ J. Thomas McCarthy, *Trademarks and Unfair Competition* (4th edition, Thomson West 2020) Chap. 2

likelihood that a domain name may be considered a trademark, and most of the time it will be considered a trademark. When hoaxers attempt to mislead clients, they will sometimes employ well-known brands as domain names. Trademark law covers both cybersquatting and domain name disputes. Because of the prevalence of abusive domain registration and infringement of trademarks under trademark law on the internet, trademark law has grown to embrace web addresses as well. Since there are no particular rules in place, the bulk of domain name conflicts and cybersquatting cases are resolved utilising the passing off concept.

DOMAIN NAMES AS TRADEMARKS

The internet caused a huge shift in the nineteenth century that may be compared to industrialization. The internet was created to facilitate different means of communication, but within a few years, it had evolved into one of the most significant instruments for business transactions, political policy, and social engagement. It has created possibilities for millions of individuals while also introducing liabilities in the fields of IP rights, data privacy, and so on. After meeting all of the requirements for trademark registration, Trademarks can be registered for web addresses and domain names. As a consequence, any domain name that is distinctive, capable of distinguishing its products and services from that of the others, and acts as a legitimate source identification of related products and services on the web could well be registered as a trademark.

Domain names are gaining popularity in India in the twenty-first century as a consequence of advancements in the electronic Business Concept. Consequently, individuals are promoting their companies and products with the aid of Domain names, which allow them to market and sell their items. In our present-day, domain names serve as trademarks because most transactions and communication take place on the internet to purchase and sell products and services. Domain names aid in both domestic and international transactions, and so have vital importance in representing enterprises. There are numerous items and activities indicated on the internet in India that have a global market.

A question had emerged in the case of the Supreme Court in *Satyam Info way Ltd. v Siffynet Solutions*,⁵ Concerning whether web addresses are considered IPR, such as trademarks, the court decided that the primary function of a web domain was, without a doubt, to offer a position or address to computers connected to the internet. Nonetheless, the internet has progressed from a simple medium of interaction to a way of conducting financial transactions. A domain name is increasingly utilised as a company identification due to the expansion of business on the internet. As a consequence, the domain name not only acts as a location for online communication, but it also recognises the unique internet website, as well as explicit businesses or administrations of several companies. As a result, a domain name must be unique and one-of-a-kind as an address. Domain names have become more significant as a growing number of company ventures exchange or advertise their quality on the internet, and the possibility for disagreement is great.

In the latest judgement of the case *Rajat Agarwal v Spartan Online*,⁶ the Calcutta High Court ruled that A web address is selected as a business tool not only to make it simpler for customers to search the Internet for sites they want, but also to recognize and distinguish the firm directly, or its offerings, and to show its Online presence. The Judge went on to add that a website address must essentially be distinctive and exceptional to the firm in order to keep an exclusive identification. Notwithstanding, except in the Satyam case, the judge did not limit the accused' use of spartanpoker.com, analysing that the Plaintiffs licenced the domain name but didn't even spend any time building the web page, trademarks, or developing of the mark, nor did they impose any extra related costs for its registration.

The High Court of Bombay issued an intriguing statement in the matter of *Rediff Communication v Cyber Booth & Anr.*,⁷ saying that a domain name is as precious and vital as a company's assets.

The Hon'ble High Court of Delhi determined in the landmark case of *Yahoo Inc v Akash Arora & Anr.*⁸ of Cyber Squatting that a website address serves the same function as a

⁵ *Satyam Info way Ltd. v Siffynet Solutions* (2004) (3) AWC 2366 SC

⁶ *Rajat Agarwal v Spartan Online* AIR 2017, (NOC 846) 287

⁷ *Rediff Communication v Cyber Booth & Anr.* (1999) (4) CR (278) BOM

trademark and therefore deserved the same protections and benefits. The Hon'ble High Court of Delhi passed a judgement in favour of the plaintiff in the case of *Acquah minerals Ltd. v Pramod Borse and Anr.*⁹, where the court granted an order enabling the complainant to register the domain names 'Bisleri.Com' and 'Bisleri' infringed by the respondents on its own by contacting the registration officials. The High Court granted against defendants an injunction, banning them from using the plaintiff's registered brand as a domain name.

PROTECTION OF DOMAIN NAMES AND SETTLEMENT OF DISPUTES IN INDIA

Domain Names can be enlisted and shielded as brand names or trademarks or service marks on a global scale, primarily through ICANN (Internet Corporate entity for Assigned Names and Numbers), which provides domestic and international safeguards both directly under concerned governmental trademark rights as well as through internationally Recognized Trademark Treaties around the world. Web addresses in India are safeguarded by the Trademark Act, 1999 if they fulfill all of the requirements for trademark registration under the Trademark Act, 1999. If web addresses are registered under the Trademarks Act of 1999, the registered owners of domain names will have all of the rights and duties available to registered trademark or service mark owners in India. This provides the ability to sue or bring legal action for infringement or passing off.

In case of Infringement - If somebody breaches a domain or name that has been registered under the Trademarks Act of 1999, that person would be held accountable for trademark infringement, as per Section 29 of the Trademarks act,1999. In the scenario of passing off, an entrepreneur of a trademark who hasn't even registered his trademark is also eligible for trademark protection if he is the earlier or prior user, his mark has procured uniqueness, and there is a misrepresentation of his products by any other individual that is liable to deceive the public.

In the case *People Interactive (India) Pvt. Ltd. v Vivek Pahwa & Ors.*,¹⁰The Bombay High Court heard a case involving the transfer of a domain name between shaadi.com and second-

⁸ *Yahoo Inc. v Akash Arora & Anr.* (1999), IAD Delhi 229

⁹ *Acquah Minerals Ltd. v PramodBorse and Anr.* AIR 2001, Delhi 463

¹⁰ *People Interactive (India) Pvt. Ltd. v Vivek Pahwa & Ors.* (2016) NOM No. 1687/2015

shaadi.com. The Hon'ble court found in favour of the defendants, stating that "Shaadi" is a non-exclusive term that's also widely used to explain or describe anything. The judge ruled that establishing a slightly different connotation would show that the word had surpassed its initial meaning and so now referred exclusively to the particular holder of the mark in public perception, signaling that the primary meaning had been destroyed. According to the court, this was not the case in this case because the main essential significance was the purpose of the internet.

In the latest judgement of the case *Big tree Entertainment v Brain Seed Sportainment*,¹¹ the Delhi High Court denied the Plaintiffs' (the owners and operators of the domain bookmyshow.com) request for an interlocutory injunction against the Defendants who have used the domain name bookmysports.com. The court basically determined that Plaintiff's trademark BOOKMYSHOW's prefix BOOKMY was normally informative and non-exclusive, rather than a contrived word combination. Plaintiff failed to establish the distinctiveness and secondary meaning of BOOKMY, resulting in the rejection of the plaintiff's claim for an interim injunction against the defendants.

Disputes regarding trademark infringement related to domain names can be settled or solved in the following ways –

1. By alternative Dispute Resolution mechanism which includes arbitration, mediation, etc.
2. By way of litigation
3. By way of contract between the parties if there is a mutual conclusion for some consideration between the parties.
4. By adhering to the conflict management strategy outlined in the domain registration agreement signed between both the registrar and the registrant.

¹¹ *Bigtree Entertainment Pvt. Ltd. v Brain Seed Sportainment Pvt. Ltd.* (2017) CS (COMM) No. 327/2016

In the landmark judgement *Yahoo! Inc v Akash Arora and Anr.*,¹² the plaintiff was the registered owner of the trademark Yahoo!, as well as the domain name yahoo.com. The plaintiff registered its domain names in several countries, such as yahoo.ca for Canada, and so on. In this instance, the defendant was delivering internet-related services using the domain name yahooindia.com. Defendant also requested the registration of its domain name, which was accepted quickly. Plaintiff sued the defendants, claiming that the defendant's actions amounted to passing off, and requesting a permanent injunction to prevent the defendant from using that domain name in the future. The Court ruled in favour of the plaintiff, finding that Yahoo has gained uniqueness, is exclusive, and is linked with the plaintiff's company. The court issued a permanent injunction prohibiting the defendant from using the domain name yahooindia.com in the future.

In another notable case *Rediff Communication Ltd v Cyberbooth and Anr.*,¹³ according to the Bombay High Court Domain names are much more than an internet protocol address, and they are protected in the same way that trademarks are. This case was also about deceptive likeness, with the plaintiff arguing that the defendant's website address, radiff.com, is highly comparable to the plaintiff's web address, Rediff.com. The court interpreted this as an intention to defraud and an infringing of the plaintiff's trademark, determining that defendant was acting in bad faith in utilising the domain name in question.

In the case, of *YouTube LLC v Rohit Kohli*,¹⁴ the defendant registered the domain name www.youtube.in, which is identical to a well-known brand owned by the plaintiff, YouTube LLC. The complainant produced documentation proving that he had applied for the trademark in several countries, including India. The Domain Name was phonetically and conceptually similar to that of the complaint, thus the board ordered that the domain name be transferred upon payment of the requisite registration fees.

¹² Yahoo Inc. (n 8)

¹³ Rediff Communication (n 7)

¹⁴ *YouTube LLC v Rohit Kohli* (2007) Case No. INDRP/422

MEANING OF CYBERSQUATTING

Domain name disputes include cybersquatting as well which is a practice where people purchase domain names mirroring the names of current organizations or companies, with the sole aim to sell the names back to that organization or company to achieve benefits or profits when they need to set up their own site. For example, once, a Canadian teenager acquired the name Applemac with the intent of selling it directly to Apple; numerous other online correspondents paid \$900 to reclaim web addresses that had been established by cyber squatters as domain sites. There are several types of cybersquatting. The most common method is typosquatting, in which cyber intruders acquire web addresses that incorporate variations of well-known brands. Typo squatters acknowledge that online networks would make typographical errors when inputting domain names into their browsers.

Some basic instances of error crouching incorporate:

- a. The oversight of the “.” in the domain name: wwwexample.com;
- b. A typical incorrect spelling of the expected site: exemple.com
- c. A diversely expressed domain name: examples.com
- d. An alternate high-level domain: example.org

TRADEMARK INFRINGEMENT IN CYBERSPACE

Infringement of trademark occurs whenever one organisation or company, for the most part, uses the brand name of some other organisation or a brand name similar to that of another organisation during the commercial transactions intended to deceive customers and gain advantage and financial gains by utilising the positive reputation of yet another organisation. Well with the growth of the internet, the process of trademark infringement has become much simpler. Opponent organisations or corporations create websites and register domain names in order to mislead customers. Concerns concerning trademark infringement have existed since the period of common law. This is consistent with evidence that throughout customary law periods, the Judiciary established several standards to determine trademark infringement,

such as the sleek craft criterion¹⁵. The elements to be considered underneath the Sleekcraft analysis to ensure whether or not the trademark has been violated are as follows. Plaintiff's mark is well-known. The more well-known the mark, the greater the likelihood of infringement

Respondent's use of the plaintiff's trademark. If the respondent uses the mark for identical items under the same jurisdiction as the plaintiff, it will be easier to deceive the buyers. The defendant's goal. If the responder does so without the prior approval of the trademark holder and gains an advantage from the organization's generosity, this will be considered trademark infringement. The business strategy is chosen by the accused. For instance, the respondent provides retail carrying the complainant's trademark at a comparable store, or the respondent publicises the products through the internet by registering a domain name that resembles or is identical to the complainant's trademark.

The most crucial thing to examine when determining how well a mark has been violated or not is to determine under which jurisdiction the complainant's trademark has been exploited. In the matter of *Euromarkets, Designs Incorporated v Peters and another*, the plaintiff's lawsuit was rejected in which the plaintiff argued that the defendant's internet addresses "crateandbarrel-ie.com" and "crateandbarrel.ie" infringed on their trademark. The court relied on the reasoning that the plaintiff's trademark was registered in the United States but was not well-known elsewhere. As a result, the defendant's use of the identical brand in Dublin had no effect on any of the plaintiff's clients who visited the plaintiff's website. There was no trademark violation in this manner. The situation was not the same as in the Amazon case, where the business, despite being based in the United States, had a global presence, reputation, and goodwill.¹⁶

THIRD-PARTY RIGHTS AND CLAIMS BASED ON TRADEMARK INFRINGEMENT UNDER CISG

The CISG addresses intellectual property rights as a whole, including trademark infringement. The CISG governs the rights and responsibilities of the customer and seller under the

¹⁵ Manual of Model Civil Jury Instructions, 2017

¹⁶ *Manish Vij And Ors. v Indra Chugh And Ors.* AIR 2002, Delhi 243

agreement and requires the seller to provide the items in a certain quality, quantity, or depiction. As a result, the vendor must also deliver the items free of any third-party rights and claims. The CISG is divided into two parts and acknowledges third-party intellectual property (hereinafter IIP).

Article 41, which requires the seller to supply the items free of any third-party rights and claims, defines broad requirements that identify with third-party rights and claims; and references to Article 42 for third-party rights and claims that rely on IIP. While Article 42 is the primary focus of this inquiry, it is important to emphasise that any assessment of Article 42 must take into account the extent and relevance of Article 41.

Article 42 CISG sets up the seller's obligation for the two rights and claims dependent on intellectual property. Two outcomes follow: Firstly, it is adequate if a third party holds a privilege dependent on intellectual property which influences the goods, without the third party attesting it's appropriate for Article 42 CISG to be important. On the off chance that the third party chooses not to implement its IP right, this may be of importance for the cures open to the buyer, which I will address at a later point in time. The buyer doesn't have to risk exchanging or utilizing infringing goods or need to sit beautifully until the IP holder chooses to implement its rights. Besides, the seller is in principle likewise liable for reclaiming the buyer on account of an unwarranted third-party guarantee. Compared to Article 41 CISG, the overall arrangement with respect to deformities of title, and the motivation behind this standard is to 'ensure the typical desire for a buyer that he isn't buying a claim'.

Article 42 CISG demands the vendor to transport the items emancipated from any third party right or guarantee, which presumably implies that the conclusive picture of assessment is the hour of conveyance. However, owing to the territorial character of IPRs based on intellectual property, they will only come into reality when the items cross the border to the intended market, which would be affected after delivery (Article 31 CISG). Furthermore, any contested third-party guarantee will very certainly be raised only after the customer has taken possession of the products. The range of the seller's guarantee should thus include rights or claims that arise after the sale, provided that a particular premise to one side or guarantee was present at the time of delivery. With regard to goods conveyed before they arrive at the

objective market, the definitive factor is the presence of a privilege or guarantee by then under the speculation that the delivery had occurred in the market of the mulled overuse. Concerning challenged third party guarantees, the third party's statement that the IP rights existed at the hour of delivery is adequate.

There is no motivation behind why the seller ought to need to warrant uncertain nonattendance of the party's intellectual property rights. In any case, if the premise of the acumen property was available at the hour of delivery, explicitly if the third party had just applied for an enrolled right and it wouldn't have been long before the intellectual property went into reality, the motivation behind Article 42 CISG to shield the buyer from the hindering impacts of litigation requires the seller's liability. Since the rights given to an intellectual property application fluctuate from state to express, this translation has the advantage of prompting a uniform use of Article 42 CISG. As a rule, the seller's liability will in any case come up short since it couldn't have known about the application at the hour of the finish of the agreement.

CONCLUSION

With the advent of the internet and the proliferation of companies and their presence on it, it is critical to preserve and maintain an online business's a trademark/brand name. Domain Name Disputes, like trademark infringement, have revolutionised the internet. Because Domain Names may be accessible from anywhere in the world, it is now easier for brand owners to discover online trademark infringement rather than on-ground infringements, thanks to the advent of artificial intelligence and numerous technologies. It has been observed that legal precedents favour the owner of the trademark or the prior usage of the brand, therefore filing a Domain Name Dispute Complaint in the event of a claimed infringement is a viable approach.

Cybersquatting is a rapidly growing danger with no geographical boundaries. Cybersquatters have had a negative impact on the success of businesses all over the world. Cybersquatting and related activities have prompted governments throughout the world to take a closer look at the issue. In this field, WIPO has been essential in settling conflicts and defining clear

standards. Developed nations, such as the United States, have enacted tough anti-cyber squatting legislation, such as the Anti-Cybersquatting Consumer Protection Act (ACPA). Indian companies and trademark owners have been vulnerable to cybersquatting since the arrival of the internet on the subcontinent. Many cases involving cybersquatting have been decided by Indian courts, with restitution sought under the Trade Mark Act and the law of passing off. The legislature must enact a domain name protection law that tackles cybersquatting and provides appropriate remedies to trademark owners. The first appearance of. The government's IN Dispute Resolution Policy (INDRP) is a start in the right way.