

## CYBERSQUATTING AND TRADEMARK ISSUES - UNIFORM DOMAIN RESOLUTION POLICY

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### ABSTRACT

The paper discusses the concept of trademark, domain name, and cybersquatting with the legal scenario of cybersquatting and domain name in India and also at the international level. The paper explains the dimension of trademark law into various fields of intellectual property. The paper also sheds light on how the judiciary presently deals with the issues of cybersquatting and trademark infringement. It also focuses on a fundamental uniform policy that would enable safe spaces for domain names and trademarks for enterprises. It provides an overview of the problem and factors associated with it along with the case laws.

**Keywords:** Banks, Large Industrial Houses, Corporates, RBI

### INTRODUCTION

The internet is a vast network of computers linked by a global network of cables. Each computer on the network may communicate with other computers to identify them. Each computer is given an IP address, which is a string of numbers that uniquely identifies that system. Every resource on the internet, such as a web page or file information, has its URL (uniform resource regulator), which includes a domain name. A domain name is the name of a website as well as the address through which internet users can visit that website. On the internet, a domain name is used to locate and identify computers. A domain name is made up of characters and digits that can be combined with different domain extensions. Because the series of numbers in every domain name is unique and the domain name does not change if the computer or services change, it is necessary to register a domain name before using it.

Domain names are created by the domain name system's regulations and procedures (DNS). A domain name is any name that is registered in the DNS. Subdomains of the DNS root domains, which are nameless, are used to organize domain names. The top-level domains (TLDs), which include the generic top-level domains (gTLDs), such as the well-known domains com, info,

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net, Edu, org, and the country code top-level domains, are The first-level set of domain names (ccTLDs). For example, the domain name of microsoft.com represents about a dozen IP addresses. Domain names are used in URLs to find particular Web pages. i.e., in the URL <http://www.pcwebopedia.com/index.html>, the domain name is pcwebopedia.com.

The term cybersquatting has also known as cyber pirates in which the term 'squatting' means occupying an occupied space that the squatter does not own or otherwise have permission to use. The registration of domain names is done on a first come first serve basis, the main problem lies in the fact that two owners cannot have the same domain names, as domain names can be registered by any person of their choice regardless of whether that name holds any trademark or represents any kind of organization. The definition of cybersquatting can be best summarised in the case of Manish Vij and Ors. vs Indra Chugh and Ors<sup>1</sup>. The court held that "an act of obtaining fraudulent registration with an intent to sell the domain name to the lawful owner of the name at the premium". Many multinational companies like Tata, Bennett & Coleman, Mc Donald's, etc were among the first victims of cybersquatting.

## LEGAL SCENARIO OF CYBERSQUATTING

Due to the lack of a domain name protection law in India, obtaining domain name protection is a time-consuming and difficult operation. The trademark legislation of 1999 governs all situations of cybersquatting. In Satyam Info way Ltd versus Sifynet Solutions Pvt Ltd<sup>2</sup>, the Hon'ble Supreme Court stated that the "Distinction lies in the manner in which the two operate. A trademark is protected by the laws of a country where such a trademark may be registered. Consequently, a trademark may have multiple registrations in many countries throughout the world. On the other hand, since the internet allows for access without any geographical limitation, a domain name is potentially accessible irrespective of the geographical location of the consumers. The outcome of this potential for universal connectivity is not only that a domain name would require worldwide exclusivity but also that national laws might be inadequate to effectively protect a domain name".

Even though Indian courts have identified the gap, in the lack of specific legislation, courts use the Trade Marks Act to such disputes. In addition, the Court in Case (Supra) stated:

<sup>1</sup>Manish Vij and Ors. vs Indra Chugh and Ors, (2002) 1 DLT 97.

<sup>2</sup>Satyam Infoway Ltd. Vs Sifynet Solutions Pvt. Ltd. (2004) Supp (2) SCR 465.

"As far as India is concerned, there is no law which refers to dispute resolution in connection with domain names. But even though the operation of the Trade Marks Act, 1999 itself is not extraterritorial and may not allow for enough protection of domain names, this doesn't mean that the domain names don't seem to be lawfully protected to the extent possible under the laws relating to passing off".

The rapid economic growth in the United States in the nineteenth century, particularly after World War 2, necessitated the necessity for manufacturing to establish a trade identity and greater protection against infringement. In 1870, Congress passed the first federal trademark legislation. Thereafter, the federal trademark law was amended numerous times, with the most recent substantial revisions occurring in 1905 and 1946. The devolution legislation of 1996 was the only significant change to the Lanham Act. This went a step further to protect corporate interests, implying that trademark infringements that are similar to those of businesses and may be construed as a strategy to deceive consumers are illegal. Another modification, the cybersquatting consumer protection act, was enacted in 1999. This act regulates trademark infringement on the internet via domain names. The introduction of this act was primarily intended for those who own a trademark as well as the accompanying domain name. This protects the company's trademark from being misrepresented. Domain name disputes are normally settled utilizing the uniform domain name resolution policy (UDRP) mechanism developed by the internet corporation for allocated names and numbers, in addition to the anti-cyber squatting consumer protection act (ICANN)

## **STATEMENT OF PROBLEM**

This research paper tries to analyze the effectiveness of a uniform domain resolution policy in furtherance of cases related to cybersquatting and trademark issues. Domain name infringement causes various technical faults in the smooth functioning of trademark legislation.

- What denotes cybersquatting?
- How does cybersquatting affect trademark being an intellectual property?
- What are the various dimensions of trademark law?
- What are the views for and against a uniform domain resolution policy?
- What are the effect and consequences of the implementation of such a resolution?

- How the judiciary should deal with issues of cybersquatting and trademark infringement?
- Whether there is a need for a change in the present legal system to deal with cybersquatting effectively?

## RESEARCH QUESTION

How a universal domain name resolution policy can enable a smooth functioning in the e-commerce trend and how it would require an effective legal outlook?

## HYPOTHESIS

1. There is an urgent need for awareness on cybersquatting and trademark issues since it is a serious cybercrime.
2. A regulatory measure in the form of the legal statute is the need of the hour for effective control on trademark infringement and that will serve as a tool for retribution to the offenders.
3. A uniform domain name resolution policy can help in restraining cybersquatting and other domain name issues.

## OBJECTIVE

The aim of undertaking this study is to assess the need of a Uniform domain name resolution policy. Some major concerns in this respect need to be addressed are:

1. What constitutes Cybersquatting?
2. Whether the existing laws regarding trademark issues need changes.
3. Whether the judiciary in India needs competent legislation regarding cybersquatting.
4. Whether a uniform resolution policy would bring about the impact required to control the haphazard trademark issues.

## FUNDAMENTAL OF DOMAIN NAMES

A trademark is a sign capable of distinguishing the goods or services of one enterprise. (WIPO World Intellectual Property Organisation) Trademarks are protected by intellectual property rights. A trademark is a unique identity, which makes your product and services stand out from the rest. A logo, photograph, slogan, word, smell, color, combination, or graphics are the

unique expression or identity. Most businesses usually look for registration of names and logos only. Once you come up with a unique idea or logo, the only way to protect your unique identity or logo is to register it as a trademark. Because a registered trademark is your business intellectual property or intangible asset. It acts as a protective cover of the company's investment made in the unique design, names, or logo. The enhancement of information technology has brought a new platform for trade and business, which has increased the significance of online markets as trademarks help to attract consumers. Because of that trademark plays a vital role in cyberspace and hence increasing the need for protection.

### WHAT ARE DOMAIN NAMES?

However, you may have searched any website and must have encountered the domain name, and you must have been thinking what is the relation between the domain name and the website. So, it's simple that domain name helps you to search the website on the internet. There is certain naming with the help of which we can identify the website on the internet. Every website is connected with some IP (internet protocol address) which is a numerical address that tells the browser. Therefore, a domain name is a basic easy-to-remember name of IP address, and with which the help of a domain name we can find more IP addresses.

An internet domain name is a string of typographic characters used to describe the location of a specific location on the internet. Formerly known as URI (uniform resource locator), it is often considered to be the address of a certain website. Obtaining an internet domain name is a vital step for small businesses hoping to establish a presence on the internet<sup>3</sup>. A domain name is a string of letters and numbers that is used to identify and locate computers on the internet. It is the name of a website as well as the location through which internet users can reach that website. There are no duplicate domain names; each domain name is unique, and it must be registered before it can be used by another individual.

Domain names are more than just addresses, as the court propounded in -

Card service int'l. v/s McGee<sup>4</sup>. "a customer who is unsure about the company's domain name will often guess that the domain name is also the company's name".

<sup>3</sup> Hillstrom, Northern Lights, Internet Domain Names Law and Legal Definition, USLEGAL (1999), <https://definitions.uslegal.com/i/internet-domain-names/>

<sup>4</sup>Card service int'l. v/s McGee, 950 F.Supp. 737 (1997).

MTV networks INC vs curry<sup>5</sup>. “a domain name minoring a corporate name may be a valuable corporate asset, as it facilitates communication with customer case”.

## TYPES OF DOMAINS

**The most common type of domain name includes:**

TLD: Top Level Domains

A top-level domain is exactly what it sounds like: a domain name at the very top of the internet's domain name system. There are over a thousand TLDs to choose from, but the most popular are .com, .org, .net, and .edu.

The Internet Assigned Numbers Authority (IANA) maintains the official list of TLDs, which includes ccTLDs and gTLDs, according to IANA.

ccTLD: Country Code Top Level Domains

ccTLDs, or country-code top-level domains, consists of only two letters and are based on international country codes, such as .us for the United States and .jp for Japan. They're frequently utilized by companies creating dedicated sites for specific regions, and they might be a fantastic method to let consumers know they've arrived at the appropriate spot.

gTLD: Generic Top-Level Domain

A generic top-level domain (gTLD) is a top-level domain that does not require a country code. Several generic top-level domains (gTLDs) are being studied for specific uses, such as Edu, which is directed at educational institutions. However, because you don't have to meet certain requirements to register a gTLD, a .com domain may or may not be used for commercial reasons.

Other gTLDs include .mil (military), .gov (government), .org (for non-profits and organizations), and .net, which was meant for internet service providers (ISPs) but is now extensively used<sup>6</sup>.

<sup>5</sup> MTV networks INC vs curry, 867 F. Supp. 202 (1994).

<sup>6</sup> Domantas G, what is domain name, hostinger (may. 12, 2020), <https://www.hostinger.in/tutorials/what-is-a-domain-name>.

## **CYBERSQUATTING AND DOMAIN NAMES UNDER THE LAWS OF TRADEMARK**

As stated earlier there are no provisions or legislation of disputes regarding domain names or cybersquatting, therefore the trademark act plays an important role in the decision of the court. According to WIPO in recent times cybersquatting has significantly increased hand which shows the importance of domain names in this connected world. Indian companies have also faced the impact of cybersquatting in recent times securing the protection of domain names is too slow and irritating as India has no domain name protection law as well as cybersquatting law. All the cases of cybersquatting are dealt with under the trademark law,1999. There are two types of actions taken if your domain name is infringed, one is on the ground that your trademark and intellectual property are violated and the second on the ground of passing off.

The first case that came before the Indian courts was *Yahoo! Inc. v. Akash Arora and others*<sup>7</sup>, in which an attempt was made to use the domain name for Internet-related services as opposed to the domain name i.e., The Court observed that in an action for passing off, the degree of resemblance of the marks is usually vitally important and remarkable, because there is every possibility and the likelihood of confusion and deception being caused in such a case. When both domain names are considered, it is clear that the two names are nearly identical or similar. As a result, there is a good chance that an Internet user will be confused and misled into believing that the two domain names belong to the same source and connection, even though they belong to two separate concerns.

In *Tata Sons Limited and Anr Vs fashion ID Limited*<sup>8</sup>. the Hon'ble High Court of Delhi Court held that "The use of the same or similar domain name might cause a deviation of users that might result from such users coincidentally accessing one domain name rather than another. This might occur in e-commerce with its fast progress and instant (and the erotically limitless) accessibility to users and potential customers and particularly so in areas of specific overlap. Standard consumers/users seeking to discover the functions available under one domain name may be confused if they accidentally appear at a different but alike website that offers no such services. Such users might well presume that the first domain name owner had misrepresented its goods and services through its promotional activities and also the first domain owner would

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<sup>7</sup> *Yahoo! Inc. v. Akash Arora and others*, (1999)78 DLT 285.

<sup>8</sup> *Tata Sons Limited and Anr Vs fashion ID Limited*, (2005) 30 PTC 182.



thereby lose their customer. It is apparent that a domain name may have all the characteristics of a trademark and could find an action for passing off"

The Hon'ble High Court of Delhi has held in *Aqua Minerals Limited Vs Mr. Pramod Borse & Anr*<sup>9</sup> that unless and until a person has a credible explanation as to why he chose a particular name for registration as a domain name or for that purpose as a trading name that was already in long and prior existence and had established its fame and goodwill, there is no other reasoning to be drawn than that the said person wanted to trade in the name of the trade name he had chosen. *Domain Active Property Ltd against Sbicards.com*<sup>10</sup> In this case, the WORLD INTELLECTUAL PROPERTY ORGANIZATION ordered the Australian entity (Defendant) to transfer Sbicards.com to the Indian company, after the Administrative Panel determined that Defendant had hijacked the domain name with the intent of selling it for a large sum to a State Bank of India subsidiary later.

### **ICANN DISPUTE RESOLUTION POLICY AND WIPO**

A trademark is protected under the laws of the nation in which it is registered. Furthermore, a trademark may be registered in several countries around the world. Because the internet allows us to access information from anywhere in the world, a domain name can be accessed regardless of the consumer's location. This will be advantageous because of the universal connectivity, which would offer domain names worldwide exclusivity, and because national rules may not always be sufficient to properly defend a domain name. WIPO and ICANN both had an impact on international regulation. India is one of the 171 countries that make up the World Intellectual Property Organization (WIPO). WIPO provides its member nations with services such as providing a venue for the creation and implementation of international intellectual property policies through treaties and other policy instruments.<sup>11</sup>

The unified domain resolution policy has been established by ICANN (UDRP). The UDRP is policies that apply to disputes arising from the registration and usage of domain names between registrants and third parties. Disputes arising under these policies can be lodged with one of the policy's approved dispute-resolution service providers<sup>12</sup>. The UDRP was established to

<sup>9</sup> *Aqua Minerals Limited Vs Mr Pramod Borse & Anr*, (2001) 93 DLT 203.

<sup>10</sup> *SBI Cards and Payment Services Private Limited v. Domain Active Pty. Ltd.* Case no. D2005-0271;

<sup>11</sup> *Supra* 2.

<sup>12</sup> UDRP, ICANNWIKI (Feb. 23, 2017, 6:19 pm)



protect well-known companies and trademarks from abusive registrations by third-party registrants who register confusingly similar domain names in bad faith for financial gain. It's vital to keep in mind that the UDRP covers all gTLDs and ccTLDs that have voluntarily adopted the policy<sup>13</sup>.

During the development of the UDRP Policy and Rules, the WIPO Arbitration and Mediation Centre (WIPO Centre) served as technical advisors to the ICANN drafting committee. To supplement the UDRP Policy and Rules, the WIPO Supplementary Rules were adopted. Individual TLDs may be subject to additional dispute resolution policies in certain instances.<sup>14</sup> The World Intellectual Property Organization, which is accredited by ICANN, is the primary domain name dispute resolution service provider under the UDRP. WIPO supplied qualified panelists, efficient and detailed administrative procedures, as well as overall impartiality and integrity. A domain name case filed with WIPO is usually resolved in two months utilizing online procedures and for a small price. Only the most unusual cases are heard in person.<sup>15</sup>

## CONCLUSION

Taking into account the current global scenario. Cybersquatting has risen dramatically over time, with the World Intellectual Property Organization recently announcing that the number of incidents of cybersquatting has reached an all-time high. In 2010 trademark holders filed 2696 cybersquatting cases involving 4370 domain names, up from 16 percent in 2008 and 28 percent in 2009. To combat cybersquatting, there is a need for a law that will act as a weapon for preserving trademark holders' intellectual property in the virtual world, as well as solutions for trademark owners against defendants so that it will be easy for the plaintiff to obtain stats.

<sup>13</sup> Domain Name Dispute Resolution Policies, ICANN, <https://www.icann.org/resources/pages/dndr-2012-02-25-en#udrp>

<sup>14</sup> WIPO Guide to the Uniform Domain Name Dispute Resolution Policy (UDRP), WIPO, <https://www.wipo.int/amc/en/domains/guide/index.html>

<sup>15</sup> Ibid.