

“Cybersquatting and Domain Name Dispute in the Law of Trademarks with special reference to USA and INDIA – A Comparative Study”

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ABSTRACT

In the realm of the internet, domain names are significant corporate assets and brands. As a result of the expansion of Internet commerce in the modern era of ubiquitous computing and wireless networking, Domain name conflicts have risen in India as a result of the country's fast development. Cyber-squatting, or the exploitation and mistreatment of domain names, has become more prevalent. The Indian courts have acknowledged domain names as online brands and business identities. But because there isn't a particular rule, the courts haven't always punished the litigants fairly or granted them justice. Therefore, India urgently needs complete cyber-squatting legislation that provides sufficient security for domain names. This research paper examines court rulings and the existing legal system as they relate to cybersquatting in India. Additionally, it provides a worldwide view of International organizations and laws governing cybersquatting. The report from the research also emphasizes the requirement for a specific domain name security legislation in India. This research paper seeks to identify the laws that presently safeguard domain names in India, the problems with them, the international framework with special regard to the USA, and the necessity of enacting a particular domain name protection legislation in India.

Keywords: Domain, India, cybersquatting, Trademark

DEFINITION OF CYBERSQUATTING

Internet domain name registration is a common activity known as "cybersquatting." It is the theft of someone else's or another's business's goods. Today's society considers it to be one of the most important acts.

DOMAIN NAME

A domain name is both the website's name and its address (or "URL") on the internet. Usually, characters or phrases are simple for the average person to recall makeup domain names. For Example- www.trademarkname.in

A trademark name is a name that a company or individual chooses for their website, and WWW means "World Wide Web.". These names are typically similar to their trademarks and frequently include the name of the company.in - Denotes the nation in which the business is headquartered. For instance, ".in" refers to a company with its headquarters in India, while ".ca" refers to a company with its headquarters in Canada.

CYBERSQUATTING HISTORY

According to Francis Gurry, the rise in instances of accused cybersquatting "demonstrates the growing premium that functioning in a connected society are both businesses and individuals place on domain names."

The danger of cybersquatting was raised in the latter part of the 1990s when internet use was just starting to expand more widely globally. The majority of companies at the time were unconcerned about the opportunities the internet offered for commerce and the economy. The domain names of well-known businesses were purchased by cybersquatters and then transferred to the intended organization. Hertz was among the initial companies to fall victim to cybersquatting, along with Panasonic, Fry's Electronics, and Avo.¹

STATE OF LAWS REGARDING CYBERSQUATTING IN THE USA

In ² Cybersquatting is described as "the authorization, illicit trade in, or use of a domain name that is identical to or resembles a mark, a business mark, or a different renowned mark at the point of the permission of the domain name," with no consideration for the products or services of the parties, with a fraudulent objective of profiting from the goodwill of another's mark, which includes the following:

- (a) deceit on consumers and mystification among consumers about the real origins of funding products and services;
- (b) limitation of e-commerce, which is crucial for intrastate trade and the US economy;
- (c) deprivation of significant revenues and consumer goodwill to legitimate trademark owners; and
- (d) irrational, unbearable, and overpowering stress on trademark owners in securing their valuable trademarks.

STATE OF LAWS REGARDING CYBERSQUATTING ON THE WORLD STAGE

Cybersquatting, according to the WIPO, is the unlawful purchase and utilization of a domain name that is the same as, or similarly unclear as close to a brand for which the applicant has a valid claim.

STATE OF LAWS REGARDING CYBERSQUATTING IN INDIA

The issue of cyber-squatting and other domain name disputes is not covered by any particular laws in India. The ³ is used, though, to safeguard trademarks contained in domain names. The Act has the drawback of not being extraterritorial, which prevents it from offering domain name security that is sufficient. Despite the lack of such legislation, The Indian legal system has been very busy in providing redress in instances involving cybersquatting.

¹ Khurrana and Khurrana IP Associates (<https://www.khuranaandkhurana.com/2022/02/04/the-web-of-cybersquatting-are-laws-needed-to-clean-up-the-web/>) (last visited on 25th March)

² Anti-Cybersquatting Consumer Protection Bill, 1999

³ The Trade Mark Act of 1999

Yahoo Inc. v. Akash Arora⁴ was the country of India's first cybersquatting incident. An American business named Yahoo Inc. filed a case requesting an order against the respondent Akash Arora after the latter registered a brand called "Yahoo.com" that was confusingly identical to Yahoo Inc.'s. The respondent was not allowed to use "Yahoo!" because doing so would have infringed Yahoo Inc.'s copyright, according to a restraining ruling granted in the plaintiff's favour by the Delhi High Court. Consumers might be deceived despite the defendant's warning and the addition of the term "India" due to the confusing similarity with the domain name of the claimant. The Rediff case is yet another important decision in the growth of Indian domain name law.

The Bombay High court declared in **Rediff Communication Ltd. v. Cyberbooth and Others**⁵ A domain name is more than just a website address; it merits the same level of protection as a brand. The plaintiff, in this case, requested an order against the defendant for registering a domain name in their image because it was confusingly similar to their own and the plaintiffs. There was a single focus of effort. The judge was convinced that there was an obvious intent to deceive and that the defendants' sole motivation in registering was to profit from the plaintiff's goodwill and reputation.

It is believed that the ruling in **Satyam Infoway Ltd v. Sifynet Solutions (P) Ltd**⁶, which was rendered in 2004, perfectly captured the situation involving Indian domain names. In this particular case, the Supreme Court of India decided that there is no legislation in India that specifies domain name conflict settlement in a specific way. This does not, however, indicate that domain names are not legally protected in India under⁷, despite the fact that the program itself is not extraterritorial and may not provide sufficient protection for domain names despite the fact that it does not permit appropriate domain name security. On this occasion, where the respondent bought domain names that were confusingly identical to the plaintiff's domain name, the plaintiff prevailed once more. Domain names have all the characteristics of a brand, according to the court, so they can be used in passing-off cases. There are numerous forms of cybersquatting-

- 1) Typosquatting- The terms "sting site," "URL hijacking," and "fake Address" is also used to describe it. Typecutters not only take advantage of spelling errors made by online users when entering a web URL into a computer, but they also take advantage of electronic, visual, and aural brand resemblances that could fool a user. Making a phony website with similar titles and colour palettes is another option. They consequently increase traffic to these websites and propagate adware by using them to convince users to buy their goods.
- 2) Identity theft- Usually, genuine proprietors unintentionally forget to renew their domains, which opens the door for a cybersquatter to purchase the lapsed domain

⁴ Yahoo Inc. v. Akash Arora 78 (1999) DLT 285

⁵ Rediff Communication Ltd. v. Cyberbooth and Others AIR 2000 Bombay 27

⁶ Satyam Infoway Ltd v. Sifynet Solutions (P) Ltd AIR 2004 SC 3540

⁷ Trades Names Act, 1999

name. They can monitor the expiry dates of particular domain names thanks to the tools they frequently employ. They can deceive people into believing they are the legitimate proprietors of outdated domain names by doing this.

- 3) Reverse Cybersquatting- Reverse cybersquatting is the process of attempting to obtain a domain name from its rightful proprietor. It involves threatening and coercing the legitimate proprietor into handing over control to a company or person whose registered brand is reflected in the domain name.

The three names stated above are examples of cybersquatting, which was previously addressed. The process of buying or acquiring a domain name that bears an uncanny resemblance to an additional well-known one that is already popular, successful, or established is known as cybersquatting. To get a sizable charge, these attackers target brand names, movie titles, goods, and copyrights.⁸

INTERNET CYBERSQUATTING PREVENTION

In the lack of a specific legal framework, disputes involving domain names of any kind are settled through the Uniform Dispute Resolution Mechanism. As it has been approved by the domain name owners. Through its arbitration and conciliation center, the World Intellectual Property Organization has backed this type of conflict resolution procedure. To stop cybersquatting, perform the following two actions:

- 1) The domain name should be the same as the business name rather than a generic, random name.
- 2) Multiple domain name registrations are prohibited in some nations.

In the United States, special legislation has been passed specifically to address and avoid this situation. The Anti-Cyber Theft Act also referred to as the⁹ the Act specifies domain name privileges.

There are no particular laws in India that define or address domain names or cybersquatting.

The Trade Marks Law of 1999 has been used by Indian judges in these situations. There are two remedies available for cybersquatting under the¹⁰, just like in many other comparable instances.

- 1) Remedy Of Infringement- The trademark must be a registered one to be eligible for the infringement action. A trademark is violated when it is similar to, confusingly similar to, or misleadingly similar to another property.
- 2) Remedy of Passing Off- In the case of Erven Warning v. Townend (also known as the "Advocaat" case), Lord Diplock outlined five elements that must be present to prove a legal cause of action for passing off as follows:

⁸ International Journal of Law, Management and Humanities (<https://www.ijlmh.com/cyber-squatting-a-study-of-legal-framework-in-india/>) (Last Visited on 25th March)

⁹ Anti-Cybersquatting Consumer Protection Act, 1999

¹⁰ The Trade Marks Act, 1999

- 1) a false statement
- 2) "provided by a trader in the course of trade;"
- 3) " to prospective customers of his or the ultimate receivers of the products or services he provides;"
- 4) "estimated to damage another trader's business or reputation" (in the sense that this result is reasonably foreseeable);
- 5) " which damages or is likely to hurt a trader's company or image ".¹¹

LEGAL SCENARIO IN THE USA

Cybersquatting was first observed in the United States in 1994, and since then, cases have grown all over the globe. In the US, cybersquatting was popularized and invented by an individual by the name of Dennis Toeppen. He had earlier purchased several domain names for well-known brands, but when trademark owners attacked him, he was eventually unsuccessful in defending those.

The cases of **Intermatic V. Toeppen**¹² and **Ponavision V Toeppen**¹³ are precedent-setting decisions where the court ruled in the plaintiff's favour and mentioned that Mr. Toeppen's actions caused trademark infringement because it was more challenging for Intermatic to differentiate between domain names because of the registration of intermatic.com its goods and services online. The respondent's website used the word Intermatic, which reduced the mark's real value, according to the court. The¹⁴ was developed in large part as a result of these two significant judgments. This move was essential in protecting brand proprietors. The new law took effect right away in 2000 after another well-known cybersquatter by the name of John Zuccarini lost two court battles and was told by federal judges to pay US\$500,000 in statutory fines and attorney's fees.

CURRENT INDIAN LEGAL SCENARIO

In the first case of cybersquatting ever observed, the World Wrestling Federation (WWF) sued a Californian for acquiring the domain name "wordwrestlingfederation.com" and making a high-priced bid to sell it to the WWF. The WWF trademark and the registered domain name were found to be confusingly similar by the WIPO. A recommendation to transfer the tenant's subscription to WWE was also made.

The Indian judiciary's aforementioned decisions serve as a precedent for the time being because there is no written law, and India also has a conflict settlement policy in the other compartment

¹¹ Rodney D. Ryder- "Guide to Cyber Laws (Information Technology Act. 2000. E-commerce. Data Protection & the Internet" p. 149 (2001, 1st Edition) and Dr.Daniel Dimov, Rasa Juzenaite, "Latest Trends in Cybersquatting", Posted In Data Theft & Financial Fraud On January 11, 2017. <https://resources.infosecinstitute.com/latesttrends-in-cybersquatting/#gref>.

¹² Intermatic V. Toeppen 947 F. Supp 1227, 1996

¹³ Ponavision V Toeppen 141 F.3e 1316 (1998)

¹⁴ Anti-Cybersquatting Consumer Protection Bill, 1999

RESOLUTION OF DISPUTES IN INDIA

To settle disagreements over the registration of internet domain names, the ¹⁵created ¹⁶. India must follow the UDRP process as well because it is a WIPO signatory. As a result, India developed the UDRP-compliant developed¹⁷. Many UDRP provisions are comparable to INDRP clauses. The following are the main traits of the same:

- Domain name conflicts should be resolved through the appointment of an arbitrator;
- Arbitration procedures should be conducted by the terms of the¹⁸.
- The judge in the case is required to determine a reasonable award and explain why within 60 days of the arbitration process beginning. The unci trial is one of the key holdings of the Arbitration and Conciliation Act, of 1996.

One prominent case that fell under the scope of the INDRP was **YouTube LLC v. Rohit Kohli**¹⁹, where the user registered "www.youtube.co.in" as a domain name. The company "YouTube" owns the rights to the domain name. The Panel decided that the domain name was theoretically and phonologically comparable to the applicant's brand, and therefore approved the transfer of the domain name to the registered trademark proprietor.

Bloomberg Finance L.P (BF) vs. Mr. Kanhan Vijay²⁰-Although the INDRP Arbitration Panel has taken into account other instances, this is the most crucial one. In this case, the company Bloomberg Finance L.P., which was also the authorized owner of the BLOOMBERG trademark in India and other countries, filed the disputed domain name with www.bloomberg.net.in. These rights date back to 1986, and they have established a strong reputation and goodwill. The complaint was the prior adopter, user, and registrar of www.bloomberg.net.in despite having no reason to adopt or register it as a domain name because it had already registered several domain names with "Bloomberg" in the name, even though it did not need to do so. The Panel found that the defendant had behaved in poor faith because they had not fully examined their claims or offered adequate evidence, and as a result, the name should be moved to the accuser.

In addition, certain provisions may be applicable if cybersquatting occurs in India. These are a few examples of such provisions-

- 1) Forgery under²¹: A person who is found to be forging to damage someone else's image or understand that the document they are fabricating will be used for that purpose will be penalized with either house arrest or a fee, which could last up to three years.

¹⁵ Internet Corporation for Assigned Names and Numbers, 1998

¹⁶ Uniform Domain Dispute Resolution Policy

¹⁷ Indian Domain Name Resolution Policy

¹⁸ Arbitration and Conciliation Act, 1996 No 26 of Indian Parliament, 1996

¹⁹ YouTube LLC v. Rohit Kohli (Case no. INDRP/42)

²⁰ Bloomberg Finance L.P (BF) vs. Mr. Kanhan Vijay; INDRP Dispute Case no: INDRP/110

²¹ Section 469 of the Indian Penal Code, 1860

- 2) Under²²: According to this clause, anyone found guilty of committing any of the unlawful or deceptive acts listed in section 43 faces up to three years in jail, a punishment of up to five lakh rupees, or both.
- 3) Under²³: Anyone who distributes "grossly offensive" or "menacing" content using a computer system or communication device faces penalties under this provision.

CONCLUSION

The infection of cybersquatting urgently needs an effective remedy in the form of effective law, or else it will encourage cybersquatters to attack susceptible Domain Name Holders, I would respectfully propose as my final point. Cybersquatting is considered an imminent threat given the present condition of the world. A lot more needs to be done in the Indian court system to fight cybersquatting, even though WIPO's effective and active participation has been crucial in resolving domain name disputes and creating clear rules in this area. The law interpretation used by the court must be one that most accurately captures the state's organic character.

²² Section 66 of the Information Technology Act, 2000

²³ Section 66A of the Information Technology Act, 2000