

TRADEMARK VS DOMAIN NAME CONFLICT AND DISPUTES RESOLUTION POLICY

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INTRODUCTION

As new technologies develop, national intellectual property regimes designed to protect rights such as copyright and trade marks may struggle to fulfil their traditional roles. This may lead to reform of the scope of intellectual property rights, changes to the administrative processes for determining and defending such rights and, in the common law jurisdictions, new judicial interpretations of existing legislation and case law, to address usage in new environments or through new commercial practices.

Sometimes, however, the challenge to the existing regime may not be capable of being satisfactorily addressed by the law, in terms of practical application in particular dispute scenarios. Undertaking legal action via national courts to defend an intellectual property right can be costly, time-consuming, and difficult to enforce outside the jurisdiction in which the case is heard. These issues are compounded where the effort and cost of engaging in infringement is minimal for the infringer compared to the possible gains. The question then is whether there may be means, other than recourse to the courts, to protect the legitimate interests of intellectual property rights holders, whilst also ensuring that they do not in turn abuse those rights. This work considers how this conundrum has played out in the area of domain name disputes and trade mark law, which has seen traditional forms of legal redress both augmented, and supplanted, by privately supplied administrative frameworks and alternative dispute resolution mechanisms. And analyses the conflicts and the contribution of the law to resolve those conflicts.

TRADEMARKS

A trademark is a form of intellectual property, which appears in the form of some recognizable design, phrase, or expression that serves to identify products or services produced by one source,

over those produced by another. A trademark includes any words, symbol, configurations, device, shape of goods, packaging, combination of colours or any combination thereof which one adopts and use to identity and distinguish his goods from those of others. The distinctiveness of this mark is important as the main purpose of a trademark is to help the consumers in identifying the unique source of the product or services. In other words, a trademark portrays the authenticity of a business.

“A trade mark may, in particular, consist of words (including personal names), designs, letters, numerals or the shape of goods or their packaging¹.” A trademark is “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.²” A mark includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any such combinations³. trademark could be any kind of unique representation as long as it is capable of being distinctive. It may be a letter or combination of letters, a logo, a picture or a slogan, a sound or a shape.

Function of Trademark

The function of trademarks is to serve as an indicator of the origin of goods and service. This is considered to be the primary and most important function of trademarks it as a badge of origin. The European Court of Justice Observed⁴ “the essential function of a trade mark is to guarantee the identity of origin of the marked goods or services to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin”. For a trademark to fulfil its essential guarantee of origin function, it is important that the trademark must be distinctive This function has also been recognised by the court as an essential function of trademarks in conjunction with the guarantee of origin function. This can be seen in the case of *Hoffman La Roche & Co*, where the Court stated:

¹ Section 1(1) of the Trade Marks Act 1994

² Section 2(zb) of the Trademarks Act, 1999.

³ Section 2(m) of the Trademarks Act, 1999.

⁴ *Arsenal Football Club v Matthew Reed* [2003] RPC 39,

“The Essential function of the Trademark, which is to guarantee the identity of the origin of the Trademarked Product to the Consumer or ultimate user, by enabling him without any possibility of confusion to distinguish that product from products which have another origin⁵.”

In concluding way A trademark normally performs following functions:

- a. To identify goods or services of one trader and separate them from goods or services sold by others.
- b. To signify that all goods or services bearing the trademark come from a single source, albeit anonymous source.
- c. To signify that all goods tack the *trademark* are of an equal level of quality
As a prime instrument in selling and advertising the goods or services.
Renting by way of licensing of franchising. Trademarks serve two or more functions which are referred to as double function of the trademarks adding up to seven functions.
- d. Protecting the public against confusion and deception by identifying. The source of origin of particular products as distinguished from other similar products.
- e. Protecting the trademark owner’s trade and business as well as the goodwill which is attached to his trademark.

DOMAIN NAME

The Internet is a linked networks of computers. Every device connected to this network is given a unique electronic address, which is called Internet Protocol (IP) address. Each identifiable location in cyberspace has its own distinctive IP address. The IP addresses are numerical in nature as they are expressed by a lengthy sequence of digits. For ex: 0110.11.01.00. Since IP addresses are numerical in nature, they are not catchy and hence not easy to remember ultimately resulting in mistakes being made in typing an intended IP address. As the popularity of the Internet increased so too the difficulty to remember these numerical addresses became obvious. Thus, for the purpose of convenience, a word / alphabet based system called as Domain Name System (DNS) was

⁵ *Hoffmann La Roche & Co. AG v Centrafarm* 493 U.S. 165 (1989)

introduced⁶. In general, a domain name is the word / alphabet based substitute to the numeric IP addresses. These alternates to the string of numbers are human comprehensible and easy to remember. Originally, domain name provided an address for computers on the internet but now, as the internet has developed from a mere means of communication to a mode of carrying on commercial activity, the domain name, therefore not only serves as an address for internet communication but also identifies the specific internet site. as a domain name owner provides information/ services which are associated with such domain name, a domain name may pertain to provisions of services within the meaning of section 2(1) (z) of the Trade Marks Act 1999⁷.

Domain name is a combination of typographic characters used to describe the location of a specific location online. It is known as the Uniform Resource Locator or URL. It is considered the identity of a Web site. Technically speaking, because the Internet is based on IP addresses, every web server requires a Domain Name System (DNS) server to translate domain names into IP addresses. Each website has a domain name that serves as an address, which is used to access the website. The Bombay High Court in *People Interactive (India) Pvt. Ltd. vs. Vivek Pahwa & Ors*⁸ held, “it [domain name] is the Internet equivalent of a physical or terrestrial address. It directs a user to a particular part of the Web where a domain name registrant stores and displays his information, and offers his services.”

PARTS OF DOMAIN NAME

Domain name is distinct from website and Universal Resource Locator (URL). Domain name, being the substitute to IP address, forms only part of the other two. For example in <http://www.mayank.com>, [mayank.com](http://www.mayank.com) is the domain name, www.mayank.com is the website, and <http://www.un.org> is the URL. The domain name system consists of two sets of domains. The first level set of domains is called as top level domains (TLDs). They can be seen in the right most part of the domain names. The TLDs can be further divided into generic top level domains (gTLDs), and country code top level domains (ccTLDs). While the gTLDs are intended to provide information about the type or nature of the organizations address like the sequence **.ac** (short

⁶ Michael Fromkin, „ICANN’s “Uniform Dispute Resolution Policy” – Causes and (Partial) Cures”, *Brooklyn Law Review*, Vol. 67, No. 3, 2002, pp. 605 - 718 at p. 615.

⁷ V K Ahuja Law relating to intellectual property rights Lexis Nexis Publication edition first reprint fifth 2012. P. 229

⁸ 2016 (68) PTC 225, 509 [Bom]

for *academia*) is in use in many countries as a second-level domain for academic institutions such as universities, colleges, and research institutes. www.bhu.ac.in is a perfect example of this sequence. Traditionally, there were seven gTLDs, namely .com, .org, .net, .edu, .int, .gov and .mil⁹. ccTLDs generally give information about the location of organizations. For example, www.argos.co.uk implies that the company is based in the UK. Similarly www.bsnl.co.in implies that the company is based in India. This is called country code Top Level Domain(ccTLD). In mayank.com, suffix dot com is top level domain name (TLDs) and Mayank is second level domain name (SLDs). This is a sequence of characters which is unique within the set of .com domain names and therefore operates as a unique identifier. Sometimes more than one second level domain name can be used to identify particular

REGISTRATION

The domain name system is currently managed and administered by Internet Corporation for Assigned Names and Numbers (ICANN). Generally there is one organization which oversees registration in each country but there may be several organizations acting as registrar particularly in those countries where internet use is well established. In India, National Centre for Software Technology (NCST) is the body that regulates country level domain name registration. Upon the conclusion of the registration agreement, the domain name, is allocated to the registrant, whereby it becomes the legal owner of it

RELATION BETWEEN TRADEMARK AND DOMAIN NAME

Domain names are a result of the registration contract and their existence depends on it. There are rights and obligations for both parties which derive from that contract. But intellectual property rights are not a creation of contract. A trademark, no doubt, is principally, valid if it is but their use is not regulated by a contract. Intellectual property rights are territorial rights, protected within the boundaries of a country, while domain names are universal rights and immediately after a domain name is registered, no one, except the owner, can obtain any rights to it.

⁹ '.com' refers to commercial organizations, '.org' refers to non-profit organizations, '.net' refers to network service providers, '.edu' refers to educational institutions, '.int' refers to international organizations, '.gov' refers to government entities, and '.mil' refers to military and defence entities. Paul Sugden, 'Trademarks and Domain Names' in Jay Forder and Patrick Quirk (eds.), *Electronic Commerce and the Law*, (Australia: John Wiley & Sons, 2001) p 2

However, there are important intellectual property implications arising out of the use of a verbal expression (which a domain name ostensible is) in the course of trade. The top and second level domain elements for national registration in most of the countries and do not generate any form of allied intellectual property rights but the rest of domain name is user defined and may well spell out a trade mark or other sign used in trade leading to trademark infringement issues and possible passing off. Taking example of a Dutch case law- Where a company got a trademark registered as *thuisbezorgd.nl* in the year 2000. Another company engaged in the same business activity under the domain name *thuisbezorgen.nl*. The Trademark owner filed a suit against the domain name owner contending that it deceived the customers to think that the site was theirs and that the goodwill of the company was being used by the domain name owners to earn profit. On the contrary, the domain name owner contended that the trademark lacked distinctiveness. However, the Court ruled that since the trademark was registered before the domain name, the defendants were at fault. Thus, most of the times, the company grows such a reputation that the courts grant recognition of trademark as domain name.¹⁰

Another *Amazon.com Inc v. Royal responder Inc Civil Action CV'03 1634PHXDKD*¹¹ wherein defendants were charged for sending e-mails using Amazon's domain name *Amazon.com* and making the customers believe that the goods/services were of Amazon. The defendants were neither affiliates of Amazon nor were doing so with the prior permission of the company. Amazon has wide range of customers all over the world and is also famous for its services both online and offline. It became a fortune 500 company after commencing operations in 1995 on the World Wide Web. Hence, it can be concluded that the domain name of the company became valuable corporate asset. Court held the defendants liable.

Thus, through the above case studies, it can be concluded that whatever domain name and trademark both are different in nature and jurisdiction but still domain names and trademarks are interrelated in so many aspects and possess so many challenges in legal domain.

¹⁰ Stefan Kuipers, Faculty of law: Lund University, The Relationship between Domain Names and Trademarks/TradeNames *available* <http://lup.lub.lu.se/luur/download?func=downloadFile&recordOID=5470120&fileOID=547015>

¹¹ Eric Misterovich, Domain Names as Registered Trademarks, *available* at <https://revisionlegal.com/trademark-attorney/domain-names-as-registered-trademarks/>

DISPUTES OVER DOMAIN NAME

Disputes over domain name registration fall into one of two categories:

1. There are some domain names which so obviously refer to and identify a particular business or entity, that their registration by a third party amounts to illegitimate hijacking of the name.
2. There are far more domain names which could be legitimately registered and used by more than one person or business. A particular domain name is secured by the first to register and in the vast majority of cases all the others who might like that particular domain name cannot challenge the registration. An example of this type of case is *Pitman Training Ltd v Nominet UK*¹² where there were two independent businesses entitled to trade under the name Pitman. The registration of pitman.co.uk by one could not be disturbed by the other.

Both situations arise because, hitherto, the internet is governed by convention. It has taken some time to find ways to deal with the illegitimate hijacking of domain names, but in general terms there are three ways by which a dispute may be resolved:

- a. A claimant may bring proceedings for passing off and/or infringement of a registered trademark.
- b. Under dispute resolution policy of ICANN¹³
- c. By dispute resolution service operated by most domain name registrars.

DISPUTE RESOLUTION UNDER THE UNIFORM DOMAIN NAME DISPUTE RESOLUTION POLICY

A person may complain before administration-dispute-resolution service providers listed by ICANN under Rule 4(a) that:

- i. A domain name is “identical or confusingly similar to a trademark or service mark” in which the complainant has rights; and

¹² F.S.R. (1997) 797

¹³ The Uniform Domain Name Dispute Resolution Policy adopted by ICANN, August 26, 1999.

- ii. The domain name owner/registrar has no right or legitimate interest in respect of the domain name; and
- iii. A domain name has been registered and is being used in bad faith.

Rule 4(b) has listed by way of illustration the following four circumstances as evidence of registration and use of a domain name in bad faith:

- i. Circumstances indicating that the domain name owner/registrar has registered or the domain name owner/registrar has acquired the domain name primarily for the purpose of selling, renting or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of its documented out-of-pocket costs directly related to the domain name; or
- ii. The domain name owner/registrar has registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that it has engaged in a pattern of such conduct; or
- iii. The domain name owner/registrar has registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- iv. By using the domain name, the domain name owner/ registrar has intentionally attempted to attract, for commercial gain internet users, to its web site or other on-line location, by creating a likelihood of confusion with the complainants mark as to the source, sponsorship, affiliation, or endorsement of the domain name owner/registrar web site or location or of a product or service on its web site or location.

These rules indicate that the disputes may be broadly categorised as:

- a. disputes between trademark owners and domain name owners and
- b. between domain name owners inter se.

A prior registrant can protect its domain name against subsequent registrants. Confusing similarity in domain names may be a ground for complaint and similarity is to be decided on the

possibility of deception amongst potential customers. The defences¹⁴ available to a complaint are also substantially similar to those available to an action for passing off under trademark law. As far as India is concerned, there is no legislation, which explicitly refers to dispute resolution in connection with domain names. But although the operation of the Trade Marks Act, 1999 itself is not extra territorial and may not allow for adequate protection of domain names

APPLICABILITY OF THE TRADEMARKS ACT, 1999

In India, the Trademarks Act, 1999 (Act) provide protection to trademarks and service marks respectively. In *satyam Infoway Ltd. v Sifynet Solution*¹⁵ the Supreme Court, on the question of whether the principles of trademark law and in particular those relating to passing off apply to domain name, the court observed:

As far as India is concerned, there is no legislation which explicitly refers to disputes resolution in connection with domain names. But although the operation of the Trademark Act, 1999 itself is not extraterritorial and may not allow for adequate protection of domain names, its does not mean that domain names are not to be legally protected to the extent possible under the laws relating to passing off.

A closer perusal of the provisions of the Act and the judgments given by the Courts in India reveals that the protection available under the Act is stronger than internationally required and provided. Rule 2 of the UDNDP Policy requires the applicant to determine that the domain name, for which registration is sought, does not infringes or violates someone else's rights. Thus, if the domain name, proposed to be registered, is in violation of another person's "trademark rights", it will violate Rule 2 of the Policy. In such an eventuality, the Registrar is within his right to refuse to register the domain name. This shows that a domain name, though properly registered as per the requirements of ICANN, still it is subject to the Trademarks Act, 1999 if a person successfully proves that he has "rights" flowing out of the Act. This point is further strengthened if we read Rule 2 along with Rule 4(k), which provides the parties have a right to agitate before a court of competent jurisdiction, irrespective of the declaration or decision to the contrary by the ICANN.

¹⁴ Rule 4(c) of UDNDP

¹⁵ (2004)6SCC 145

Thus, a contrary decision of an Indian Court of competent jurisdiction will prevail over the decision of ICANN.

The Act covers the remedies peculiar to Indian legal system as well as the well-known common law principles of passing off. At the same time it is in conformity with the recognised international principles and norms. Thus, the protection provided under the Act is more reliable and secure.

CONCLUSION

The functional similarities between the domain names and the trademarks have brought them together in the cyber world. But this interrelation between the domain names and trademarks has also resulted in conflicts between them, especially with the growth of e-commerce. Resolution of such conflicts, to be certain, is a major challenge to law in the years to come, particularly in order to deal with a cross border conflict. The paper discussed the conflicts between trademarks and domain names, their causes, kinds and the attempts made to resolve the conflicts. In Indian context, The protection of domain name under the Indian legal system is standing on a higher footing as compared to a simple recognition of right under the UDNDR Policy. The ramification of the Trademarks Act, 1999 are much wider and capable of conferring the strongest protection to the domain names in the world. The need of the time is to harmoniously apply the principles of the trademark law and the provisions concerning the domain names.