

“The Web of Cybersquatting: Do we need a Law to clean it?”

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Abstract

Trademarks act as identifiers and representative of the goodwill of a business. In recent years, there is much hue and cry over infringement of trademarks by various means; cybersquatting is one such way. Cybersquatting involves registration of a domain name containing reference to a well-established trademark, thereby giving fake impression that the domain name belongs to the owner of such trademark. Such deception can seriously impair the business prospects. However, there is no legislation governing cybersquatting in India and efforts towards this goal have mostly been piecemeal. Even though there exists an international framework against cybersquatting, it is inadequate to deal with the growing menace of cybersquatting. This paper lays down the base on which an Indian anti-cybersquatting legislation can be framed. In this pursuit, the author's objective is to:

- highlight the urgency of an Indian legislation to combat cybersquatting;
- analyze laws in other jurisdictions against cybersquatting;
- pinpoint limitations in the international framework regulating cybersquatting;
- provide suggestions and possible solutions towards prevention of cybersquatting.

The author has adopted doctrinal method of research and has used secondary materials such as books, online journals, databases, newspaper reports, statistical data etc. to arrive at conclusions.

Keywords: Domain Name, IP Address, Arbitration, Owner, Trademark

Trademarks and Cybersquatting

“The rising number of alleged cybersquatting cases shows the growing premium placed on domain names by companies and individuals operating in the wired environment.”

-Francis Gurry,

Director General of the World Intellectual Property Organization

Intellectual Property Rights are a set of rights in an intangible property such as rights of an author in his written work, rights of a pharmacist in a new drug formula etc.¹ Today, the Intellectual Property Law has grown by leaps and bounds with intellectual properties being accorded protection by grant of patents, copyrights, trademarks, geographical indications and

¹ Chandra Nath Saha & Sanjib Bhattacharya, Intellectual property rights: An overview and implications in pharmaceutical industry, 2(2) J Adv Pharm Technol Res. 2011.

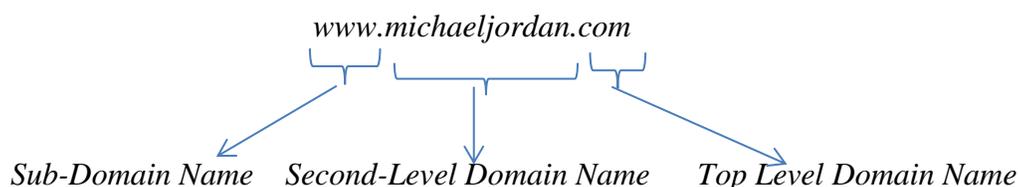
industrial designs.² In this paper, the author's area of research is limited to trademark infringement through the phenomenon of cybersquatting.

At the outset, it is important to note the definition of a trademark. A trademark is a distinctive sign that identifies certain goods or services produced or provided by an individual or a company.³ In India, the Trademarks Act, 1999⁴ defines trademark as a graphical representation having certain prominent features which help in distinguishing the goods bearing it from other goods. In 1990s, the increasing use of internet has popularized domain names.⁵ With the realization that internet is an effective way of marketing of goods/services, the practice of registering domain names containing references to an already registered trademark so as to prevent the owner of that trademark from buying the relevant domain name gained ground. This practice was named cybersquatting. In this paper, Section I lays down the contours of cybersquatting; Section II deals with the laws against cybersquatting around the world; Section III analyses the need for an Indian law to tackle cybersquatting and lastly, Section IV provides recommendation and suggestions to counter cybersquatting.

Cybersquatting: How it kicked in?

The menace of cybersquatting, also known as brand-jacking, first raised its head around 1990s when internet was a sensation on the world stage.⁶ Cybersquatting, as defined by Indian judiciary, *refers to an act of obtaining fraudulent registration of a domain name with intent to sell it to the lawful owner of the name at a premium.*⁷ Such a domain name is confusingly similar to or dilutive of an already registered offline trademark or personal name.⁸

A domain name is a combination of names on multiple levels⁹. This is represented below:



² Id.

³ What is Intellectual Property, WIPO, http://www.wipo.int/edocs/pubdocs/en/intproperty/450/wipo_pub_450.pdf (accessed on Feb. 7, 2018).

⁴ Sec. 2(1)(zb), Trade Marks Act, 1999 (Act No. 47 of 1999).

⁵ Glynn S. Lunney, Jr., Trademarks And The Internet: The United States' Experience, Official Journal of the International Trademark Association, 97 July-August, 2007, http://www.inta.org/TMR/Documents/Volume%2097/vol97_no4_a2.pdf.

⁶ Jonathan Anshell & John J Lucas, *What's in a Name: Dealing with Cybersquatting*, 21 Ent. & Sports Law 3 (2003).

⁷ Manish Vij v Indra Chugh, AIR 2002 Del 243.

⁸ Mastercard v Trehan, 629 F. Supp. 2d 824, 830 (N.D. III 2009).

⁹ Stefan Kuipers, *The relationship between Domain names and Trademarks/Trade Names*, Lund University (2015).

Top Level Domain (hereinafter ‘TLD’) names are, in turn, divided into two types: country code TLDs (ccTLDs) and generic Top Level Domain (hereinafter ‘gTLD’).¹⁰ ccTLDs are country-specific domain names¹¹ such as India has ‘.in’ and Australia has ‘.au’ (which may or may not be available for registration by a foreign national). gTLDs are common global domain names without any territorial limits.¹² Usually, second-Level Domain (SLD) names form the subject-matter of cybersquatting.¹³ With more and more businesses shifting online and venturing into e-commerce, cybersquatting has increased manifolds.¹⁴

Cybersquatters operate with a fiscal motive. Registration of a domain name is inexpensive; however, once it is registered revenues can be earned by publishing advertisements on the webpage such as pay-per-click advertisements.¹⁵ Cybersquatting is also used to divert traffic from the original trademark holder, thus, causing losses to the latter.¹⁶ Further, a registered domain name is sold at significantly high price to the owner of a trademark whose identity is reflected in the domain name. Such trademark owner is ready to shell out a handsome sum to buy the domain name as any disrepute or nuisance created by the latter may be attributed to the original trademark owner by virtue of their resemblance to each other.¹⁷

Cybersquatting is of various types,¹⁸ which are as under:

- i. *Domain Name squatting*: It refers to the practice of registering an already registered trademark as a domain name, in order to extort money from the original owner of the trademark.

¹⁰ Michael L. Katz et al., Economic Considerations in the Expansion of Generic Top-Level Domain Names, Phase II Report: Case Studies, ICANN (Dec. 2010).

¹¹ Internet Assigned Numbers Authority, Delegating or transferring a country-code top-level domain (ccTLD), <https://www.iana.org/help/cctld-delegation>.

¹² Daniel Fisher, Cybersquatters Rush To Claim Brands In The New GTLD Territories, Forbes (Feb, 2014), <https://www.forbes.com/sites/danielfisher/2014/02/27/cybersquatters-rush-to-claim-brands-in-the-new-gtld-territories/>.

¹³ Stefan Kuipers, The relationship between Domain names and Trademarks/Trade Names, Lund University (2015).

¹⁴ WIPO, *Cybersquatting Cases Reach New Record in 2017*, Geneva, (Mar. 14,2018), PR/2018/815, at http://www.wipo.int/pressroom/en/articles/2018/article_0001.html.

¹⁵ Jordan A. Arnot, Navigating Cybersquatting Enforcement in the Expanding Internet, 13 J. Marshall Rev. Intell. Prop. L. 321 (2014).

¹⁶ Dara B. Gilwit, The Latest Cybersquatting Trend: Typosquatters, Their Changing Tactics, and How to Prevent Public Deception and Trademark Infringement, 11 Wash. U. J. L. & Pol’y 267 (2003),

¹⁷ Rastogi Anirudh, Cyber Law, Law Of Information Technology And Internet, Lexis Nexis, P. 322.

¹⁸ Sankalp Jain, Cyber Squatting: Concept, Types and Legal Regimes in India & USA (Nov. 2015), SSRN: <https://ssrn.com/abstract=2786474> or <http://dx.doi.org/10.2139/ssrn.2786474>.

- ii. *Identity Theft*: Identity theft is committed by monitoring the expiry dates of famous domain names by online applications and then registering them in name of the monitors as soon as the previous registration expires. This is done to cheat the visitors of previous website who visit them under the impression that it still belongs to the previous owner.¹⁹
- iii. *Typosquatting*: It involves registration of a domain name similar to a popular trademark, though intentionally misspelling the original trademark. These cybersquatters bet on the chances that users will misspell the original trademark and will be directed to their webpage.²⁰
- iv. *Name-jacking*: This is the act of registering a name having goodwill of its own or which is reflective of endorsement by the person whose name is included in the domain name. These cybersquatters take advantage of the diversion of traffic from the target person (whose name is used) to themselves.

Prevention of Cybersquatting around the World

Statistics from the World Intellectual Property Organization (WIPO) demonstrate that in 2017, the number of domain name disputes have shown a growth of 1.3 percent since the preceding year.²¹ In 2018, the maximum disputes were from the United States amounting to a total of 920.²² Some countries like the Philippines²³ and United States²⁴ have stringent laws against cybersquatting beyond the normal rules of trademark law, while other countries like China²⁵ have lenient laws for protecting intellectual property online, providing a fertile ground for cybersquatting. Chinese squatters are infamous for registering domain names resembling American brands. One of the recent examples was a law suit filed by Pinterest, a photo sharing website, against a Chinese man alleging that he had registered the domain name “pintersts.com” in bad faith.²⁶ The company also accused the man of using the signature ‘red-coloured’ logo of Pinterest on his website which was meant only for dumping advertisements. The Chinese cybersquatter was fined USD 7.2 million in damages inclusive of legal fees.²⁷

¹⁹ Neil L. Martin, *Cybersquatting: Identity Theft in Disguise*, 35 *Suffolk U. L. Rev.* 277 (2001).

²⁰ Jude A. Thomas, *Fifteen Years Of Fame: The Declining Relevance Of Domain Names In The Enduring Conflict Between Trademark And Free Speech Rights*, 11 *J. Marshall Rev. Intell. Prop. L.* 1 (2011).

²¹ *Supra* 14.

²² *Id.*

²³ Philippines: *Analysis of the Cybercrime Prevention Act of 2012*, Centre for Law and Democracy, (Nov. 2012), p. 14.

²⁴ *Anticybersquatting Consumer Protection Act (ACPA)*, 15 U.S.C. § 1125(d).

²⁵ Wu R, *New Rules for Resolving Chinese Domain Name Disputes - A Comparative Analysis*, 2001 (1) *JILT*, <http://elj.warwick.ac.uk/jilt/01-1/wu.html>.

²⁶ Ilana Bergstrom, *Pinterest Files Suit Against Chinese Cybersquatter*, (Sep. 2012), <https://lawblog.justia.com/2012/09/11/pinterest-files-suit-against-chinese-cybersquatter/>.

²⁷ Dara Kerr, *Pinterest wins \$7.2M in legal battle with cybersquatter*, (Sep. 2013), <https://www.cnet.com/news/pinterest-wins-7-2m-in-legal-battle-with-cybersquatter/>.

In keeping with the objectives of this research paper, what follows is a discussion of municipal laws against cybersquatting around various jurisdictions, namely Australia, the United States followed by the international dispute settlement mechanism at the international level.

A. AUSTRALIA

In Australia, there is no specific legislation giving a cause of action against cybersquatting. However, there is recourse available against the cybersquatter by way of civil suit for trademark infringement under the Trade Marks Act 1995²⁸; passing off action under common law or suit for misappropriation under the consumer law, that is, Competition and Consumer Act 2010.²⁹

Apart from the civil law remedies enumerated above, the parties are free to arbitrate the dispute under the .au Dispute Resolution Policy (auDRP)³⁰ formulated by the .au Domain Administration Ltd (auDA). auDA is the policy authority created to develop and enforce policies concerning the registration of .au domain names along with the operation of the Australian domain industry.³¹ It was established in 1999, as a not-for-profit company limited by guarantee. It operates under an industry self-regulatory model with its Board of Directors comprising members from both the supply class and the demand class.³² Its mandate is delineated by the Letters of Endorsements issued by the Ministry of Communications in Australia.

The (auDRP) lays down procedure for independent arbitration of disputes between the objecting party (at times, a trademark holder) and the registrant. auDA does not directly arbitrate auDRP complaints; rather complaints lodged with it are transferred to an auDA-approved auDRP Provider who in turn designates an arbitrator to scrutinize the complaint.³³ WIPO is one such auDRP provider.³⁴ auDA may place a registry server lock on the domain name pending resolution of the dispute either *suo motu* or at the request of the parties. After the dispute is successfully arbitrated, a Deed of Settlement is prepared evidencing the final resolution of dispute.

One of the major limitations of auDA is that it does not provide dispute settlement mechanism for disputes related to Second Level Domain names based on gTLDs. Further, it only concerns itself with disputes involving a breach or possible breach of an auDA Published Policy. To make

²⁸ Trade Marks Act 1995, No. 119, 1995, Compilation No. 36.

²⁹ Competition and Consumer Act 2010, No. 51, 1974, Compilation No. 111.

³⁰ .au Dispute Resolution Policy (auDRP), Policy No: 2016-01 (Apr. 15, 2016), <https://www.auda.org.au/assets/pdf/auda-2016-01.pdf>

³¹ About auDA, The .au Domain Administration Ltd., <https://www.auda.org.au/about-auda/>.

³² Review of the .au Domain Administration, Australian Government, Department of Communication and the Arts (April 2018)

³³ Domain Registration Services Australia, Domain Name Registrar, Information Centre, at <https://www.domainregistration.com.au/infocentre/info-domain-cybersquatting.php>

³⁴ Id.

the matters worse, AuDRP lays down a definition of ‘Domain Complaints’. Although this definition is inclusive, by application of the principle of *ejusdem generis*, it only covers certain types of cybersquatting as domain name squatting or typosquatting while name-jacking and identity theft are beyond its scope.

B. THE UNITED STATES OF AMERICA

The United States has to its credit the record of enacting the first statute dealing comprehensively with cybersquatting. Passed in 1999 by the Congress, the Anticybersquatting Consumer Protection Act³⁵ (ACPA) allows the trademark owners to file a civil suit against cybersquatters who register domain names containing trademarks in order to profit from the marks. There are two types of actions allowed under the ACPA: one under the ‘Trademark’ provision, and another under ‘*in rem*’ provision.³⁶ The trademark provision³⁷ of the ACPA can be invoked when cybersquatters can be located and falls within the jurisdiction of United States Courts. To succeed under this provision, the plaintiff must prove that:

- i. the impugned mark is distinctive or famous;
- ii. the domain name is identical or confusingly similar to a distinctive or famous mark or is dilutive of a famous mark; and
- iii. the registrant registered, used, or trafficked in the domain name with a bad faith intent to profit from plaintiffs mark.³⁸

To prevent any innocent registrants from harassment, the ACPA allows them a defense of good faith and other defenses provided to the defendants under the Federal Trademarks Act of 1946 (also called ‘Lanham Act’).³⁹ The Courts have been empowered to award injunction, cancellation and transfer, or damages⁴⁰ against the cybersquatter, apart from the attorney fees to the prevailing plaintiff.⁴¹

The *in rem* provision⁴² has been implanted in the Act to bring to justice those defendants who cannot be traced or are beyond the Court’s personal jurisdiction. This provision places the burden of proof on the plaintiff to show that:

³⁵ Supra 24, 15 U.S.C. § 1125.

³⁶ Jason W. Callen, Asserting In Personam Jurisdiction over Foreign Cybersquatters, 69 U. Chi. L. Rev. 1837 (2002).

³⁷ Supra 24, § 1125 (d)(1).

³⁸ Supra 24, § 1125(d)(1)(A).

³⁹ J. Thomas McCarthy, On Trademarks And Unfair Competition, 25-268 (4th Ed. 2000).

⁴⁰ Supra 24, § 1117(d).

⁴¹ Supra 24, § 11 17(a).

⁴² Supra 24, § 1125(d)(2). “In rem” is a “technical term used to designate proceedings or actions instituted against the thing, unlike personal actions, which are said to be in personam.”, Black’s Law Dictionary 797 (7th ed. 1999).

- i. the trademark is registered with the United States Patent and Trademark Office ("USPTO") or is protected under Section 43(a) or (c) of the Lanham Act, and
- ii. the plaintiff was unable to establish personal jurisdiction over the registrant or was unable to locate the registrant after the exercise of due diligence.

Under the *in rem* provision, Court's powers are limited to directing forfeiture, cancellation, or transfer of the domain name to the mark owner.⁴³ No provision for award of damages have been made, which is one of the serious drawbacks of the ACPA. Further, in the US, .us ccTLD is administered by Department of Commerce in collaboration with NeuStar, a private entity.⁴⁴ Due to the absence of any one authority governing the domain name space, there is no uniform Dispute Resolution Policy for .us domain names. There is fragmentation in domain names policy, for example, the usDRP⁴⁵ is used to request cancellation or transfer of .us domain names that infringe the complainant's trademarks while the usNDP⁴⁶ ensures that all registration of .us domain name have a close connection to the United States. There does not exist any independent authority like in the case of Australia, providing a fast-track procedure for settlement of disputes apart from litigation.

C. INTERNATIONAL FRAMEWORK ON CYBERSQUATTING

Till now, we have explored the municipal laws concerning domain name disputes. However, in light of the fact that domain names are international in nature, disputes regarding them are perhaps best settled at the global level. In this sphere, **Internet Corporation for Assigned Names and Numbers** (ICANN) is a prominent stakeholder. Established by the United States government in 1998, the ICANN is now an independent body, acting as the administrator of Domain Name System around the world, coordinating domain names, IP addresses and autonomous system numbers.⁴⁷ Most notably, the ICANN implemented a **Uniform Dispute Resolution Policy** (UDRP)⁴⁸ ICANN on 24th October, 1999 which has proved to be a model law in resolution of e-commerce disputes. The UDRP is aimed at providing a framework for settlement of disputes between the domain name holders or registrants and third parties claiming an existing interest in the domain name.⁴⁹ *Inter alia*, this policy has proved to an efficient and

⁴³ Supra 24, § 43, (d)(1)(C).

⁴⁴ Working Party on Telecommunication and Information Services Policies, Evolution In The Management Of Country Code Top-Level Domain Names (ccTLDs), Organisation for Economic Co-operation and Development, DSTI/ICCP/TISP(2006)6/FINAL (Nov. 2006).

⁴⁵ .us Dispute Resolution Policy, at <http://www.neustar.us/policies/docs/usdrp.pdf>.

⁴⁶ Nexus Dispute Policy, at http://www.neustar.us/policies/docs/nexus_dispute_policy.pdf.

⁴⁷ M. Froomkin, ICANN'S Uniform Dispute Resolution Policy – Causes and (Partial) Curses, 67(3) Brooklyn Law Review 605 (2002).

⁴⁸ Uniform Domain Name Dispute Resolution Policy, ICANN, at <http://www.icann.org/udrp/udrp-policy-24oct99.htm>.

⁴⁹ Second WIPO Internet Domain Name Process, World Intellectual Property Organization, at <http://wipo2.wipo.int/process2> (on file with the Duke Law Journal).

cheap method of combatting cyber squatters. It has dealt with 7000 cases since its adoption. To bind the registrant to the UDRP, all the Registrars are mandated to insert a dispute settlement clause in the registration agreement contractually requiring the registrant to submit to the UDRP in case any disputes arise with respect to registration.⁵⁰ UDRP is implemented by the bodies approved by ICANN. WIPO is the largest provider of UDRP services and besides gTLDs, WIPO also handles UDRP for 76 ccTLDs.⁵¹

A Critique of the UDRP

In more than one spheres, the UDRP has failed its purpose. It would be pertinent to lay down the drawbacks in the UDRP before proceeding towards setting up a skeleton of Indian laws against cybersquatting. Enumerated thus:

- i. The decisions rendered by the arbitral bodies under UDRP are not final, that is, they do not effectuate *res judicata* and the parties are free to litigate further before any competent court. This has resulted in defeating the very purpose of institution of UDRP which was to provide time-bound dispute settlement.
- ii. A second major obstacle to the achievement of a uniform international dispute resolution system is the UDRP's limited applicability. Disputes concerning ccTLDs and those arising under newly evolving alternative providers such as New.net are beyond the scope of UDRP.⁵²
- iii. UDRP also lacks specificity and is subject to varied interpretations. One such illustration are the cases *Wal-mart Stores v Walsucks*⁵³ when the use of 'sucks' in 'walmartcanadasucks.com' was considered as confusingly to the trademark 'Walmart' while in another case *Wal-Mart Stores v Wallmartcanadasucks.com*⁵⁴, it was held that use of 'sucks' along with the tradename cannot create confusion in the minds of the consumers with respect to the original trademark.
- iv. The complainant is required to prove bad faith of the registrant in registering the domain name, while registrant is required to show 'legitimate interest' in the domain name.⁵⁵ While the policy lists the factors constitution 'bad faith' and 'legitimate interest', these lists are open-ended. This provides too much discretion to a panel to interpret the terms as per their good sense. However, good sense cannot always

⁵⁰ Vaibhavi Pandey, ICANN's UDRP As A Domain Name Dispute Redressal Mechanism (11 December 2013), <http://www.mondaq.com/india/x/279078/IT+internet/ICANNs+UDRP+As+A+Domain+Name+Dispute+Redressal+Mechanism>.

⁵¹ World Intellectual Property Organisation, Domain Name Dispute Resolution Service for Generic Top-Level Domains, <http://www.wipo.int/amc/en/domains/gtld/>.

⁵² Lisa M. Sharrock, The Future Of Domain Name Dispute Resolution: Crafting Practical International Legal Solutions From Within The UDRP Framework, 51 Duke Law Journal 817 (2001).

⁵³ D2000-0477 (WIPO July 20, 2000).

⁵⁴ D2000-1104(WIPO Nov 23, 2000).

⁵⁵ SK Lubricants Americas v. Andrea Sabatini, Webservice Limited, WIPO Case No. D2015-1566.

- prevail and as a consequence, there exist widely disparate decisions under UDRP on the same issue.
- v. Additionally, since the UDRP is not enacted as a law in many countries, its dispute settlement mechanism merely holds recommendatory value. Thus, the doctrine of *stare decisis* does not bind the arbitrators to previous decisions, further leading to uncertainty in decision-making.
 - vi. Lastly, the UDRP does not provide for any deterrent measures such as award of exemplary damages to the party whose trademark has been infringed by the cyber squatter. The only remedies available to the aggrieved party are either cancellation of the domain name registration in the name of the cyber squatter or transfer of the same to the complainant.⁵⁶

Indian Response to Cybersquatting

Cybersquatting is a menace which has no boundaries, and is similar to terrorism.⁵⁷ In spite of the realization of the dangers of cybersquatting, India has still not enacted any legislation specifically prohibiting cybersquatting. Cybersquatting in itself raises two fundamental questions:

- Can domain names be registered as trademark?
- If domain names cannot be registered as trademark, which law should govern cybersquatting?

Can domain names be registered as trademark?

By its very nature, domain name is an address similar to any residential address, say ‘10 Janpath, New Delhi’. Nonetheless, a domain name is unique, such that no two persons can own the same domain name. Further, a domain name may even have a person’s name or any descriptive term as the SLD, which is against the basic premises of the trademark law.⁵⁸ Thus, it appears that domain names cannot be equated to trademarks. However, domain names, in the world of e-commerce, act as identifiers of the brand of goods or indicative of a certain standard of services.⁵⁹ Perhaps, this has prompted the judiciary in India to apply principles of trademark law

⁵⁶ PSA, India: Tackling Domain Name Disputes - A Simpler Way (Aug. 2013), <http://www.mondaq.com/india/x/257384/Trademark/Tackling+Domain+Name+Disputes+A+Simpler+Way>.

⁵⁷ Ashwin Madhavan, Domain Names and Cybersquatting, Indian Law Journal, http://www.indialawjournal.org/archives/volume1/issue_2/article_by_ashwin.html.

⁵⁸ *Surgicenters of America, Inc. v Medical Dental Surgeries Co.*, 601 F.2d 1011, 1014 (9th Cir. 1979) citing *Abercrombie & Fitch Co. v Hunting World, Inc.*, 537 F.2d 4, 9-10 (2d Cir. 1976).

⁵⁹ Anish Dayal, Law and Liability on the Internet, in Kamlesh N. Agarwala & Murali D. Tiwari (eds.), *IT and Indian Legal System*, (New Delhi: MacMillan, 2002), p. 56.

to domain name disputes, so that there is no infringement of offline trademark rights arising from cybersquatting.

In India, cybersquatting was first brought to judiciary's attention in *Yahoo Inc. v Aakash Arora & Anr.*⁶⁰ In this case, the defendant started a website with a domain name YahooIndia.com providing services similar to the Plaintiff. On a suit filed by the Plaintiff, the court ruled in favour of Yahoo. Inc (the Plaintiff) and observed, "it was an effort to trade on the fame of yahoo's trademark. A domain name registrant does not obtain any legal right to use that particular domain name simply because he has registered the domain name, he could still be liable for trademark infringement."

This High Court decision was taken to its culmination and perhaps a step forward by the Supreme Court of India in *Satyam Infoway Ltd. v Sifynet Solutions.*⁶¹ In this case, the Respondent registered two domain names, www.siffynet.com and www.siffynet.net, deceptively similar to the Plaintiff's domain name 'www.sifynet.com'. 'Sify' was first used by the plaintiff as an acronym of its trade name Satyam Infoway. This name had immense goodwill in the market. On a plea by the Plaintiff, the Supreme Court, in an oft-quoted statement, held "Domain names are business identifiers, serving to identify and distinguish the business itself or its goods and services and to specify its corresponding online location." This case is a landmark one because the recognized that domain harbours all the features of a trademark and allowed the Plaintiff's claim in on basis of the principle of passing off.

If domain names cannot be registered as trademark, which law should govern cybersquatting?

As per the present state of laws in India, cybersquatting can be challenged by way of litigation in courts, by launching an arbitration proceeding before ICANN-approved panels or by personally sending cease-and-desist notices to the alleged cybersquatter.⁶² Further, the dispute can be filed with the .in registry administered by the National Internet Exchange of India (NIXI) who ensures fast track dispute resolution process with the disputes being transferred for arbitration within 30 of the registering of the complaint.⁶³ However, these methods are inadequate in more than one ways as has been discussed in the previous section. The Information Technology Act, 2000,⁶⁴ which is the primary legislation penalizing cybercrimes, is silent on the matter of cybersquatting.

⁶⁰ 78 (1999) DLT 285.

⁶¹ 2004 (6) SCC 145.

⁶² Divya Srinivasan, India: DNS The Menace: Cybersquatting (Sep. 2015), <http://www.mondaq.com/india/x/425096/Trademark/DNS+the+Menace+Cybersquatting>.

⁶³ Charms, And Dangers Of Harry Potter's World, (Text of speech delivered by Justice Yatindra Singh, Judge Allahabad High Court, Allahabad] (May 2008), http://www.allahabadhighcourt.in/event/IPR_on_the_Internet_4-5-2008.pdf

⁶⁴ No. 21 OF 2000.

India does not have a law for prohibition of cybersquatting. Legislature seems to have passed the ball in the Judiciary's court, quite literally, as in the absence of effective laws it is the judiciary who has come forward to prevent cybersquatting. Therefore, courts apply the principle of passing off in the sphere of domain names. For instance, in *Dr. Reddy's Laboratories Ltd. v Manu Kosuri*,⁶⁵ the defendants were restrained from using the domain name in question, 'drreddyslab.com', which was identical to the plaintiff's trade name, as it created an impression in the customers' mind that the products offered by the defendant were connected to the Plaintiff, thereby, enabling the defendant to benefit by passing off its products in Plaintiff's popular brand. A permanent injunction was granted in favour of the plaintiff and the defendant was restricted from using the trademark.

Can India do better? – Recommendations and Suggestions

Effective redressal of cybersquatting requires work in two directions: *firstly*, towards the recognition of domain names as subject-matter of trademark and *secondly*, towards the prohibition of cybersquatting and penalization of the same. One may ask that mere registration of domain name by an entity with the relevant Registry is sufficient protection to a domain name, as it is impossible for any other entity to register the same (due to uniqueness of the IP address associated with a domain name). *What is then the need to protect domain names as trademarks?* The answer is simple: with the e-commerce expanding its roots, a business may have only online presence; online presence will definitely require a domain name, which will act as the identifier of the business. If another entity tries to falsify and profit its goods under this domain name, for example, by inserting a comma or an underscore in the SLD and registering it (in other words, typosquatting), what will be the remedy available to the owner of the earlier domain name? If recognized as a trademark, the owner of the domain name will have legal recourse to cancel the deceptively similar or confusing domain name. In this light, it is highly recommended that statutory provisions dealing with cybersquatting is enacted as soon as possible, preferably by suitably amending the Information Technology Act, 2000 and the Trade Marks Act, 1999.

A. TOWARDS RECOGNITION OF DOMAIN NAMES AS A TRADEMARK

Following amendments are suggested to the Trademarks Act 1999:

1. The definition of mark under Section 2(m) should be amended to provide for express inclusion of domain names in its sphere.
2. Existence of an identical or confusingly similar trademark in the same class of goods or services in the offline market should be made a relative ground for the refusal of registration of a particular domain name as a trademark.

⁶⁵ [2001 PTC 859 (Del)]

3. Scope of Section 103 should be expanded to provide for imposition of penalty on any person who “provides online access to goods or services or publishes any information about such goods or services on a webpage with a domain name similar to an already existing trade mark”.
4. There should be a specific provision empowering the Court to award minimum damages in civil suits against trademark infringement by registering of deceptively similar domain names.
5. In cases where the application for a trademark is pending or the title of the trademark is disputed in litigation, the law must prevent registration of a domain name identical to/ confusingly similar to the one embroiled in litigation. This is because cybersquatters often take advantage of the uncertainty over the registration of a trademark to grab profitable domain names.
6. One of the major problems in domain names disputes is that of establishment of jurisdiction. The Courts cannot usually exercise jurisdiction under national laws when the cybersquatter is situated in another country. Additionally, it is not always possible to locate the cybersquatter in person. In such cases, India can consider adopting the ‘*in rem*’ provision as laid down in the American Anti-cybersquatting Consumer Protection Act.
7. A new chapter could be inserted in the Trademarks Act 1999 containing general prohibition on cybersquatting which results in trademark infringements. Cybersquatting, for this purpose, should be broadly defined to include:
 - registration of domain names based on pure speculation,
 - registration of a deceptively similar domain name to bank on the goodwill of a specific business,
 - registration for purposes of making money etc.

Disputes involving trademark infringements by domain name registrants must be first submitted to Alternative Dispute Settlement mechanism, considering the huge success achieved by the Arbitration and Mediation Centre of WIPO and other arbitral tribunals under the ICANN. This dispute settlement provision should provide express recognition to the arbitration conducted by ICANN-registered arbitrators. At the same time, there must be a mechanism for the legal recognition and enforcement of such arbitral decisions by the national courts. This will make the decision of international arbitration binding on the parties, thereby curing the enforcement defects under the UDRP. Thereafter, a civil action may be instituted by the owner of the trademark under this proposed Chapter.

8. To prevent frivolous claims and harassment by the trademark owners, bad faith must be proved by the trademark owner to claim cancellation of the registration of domain name by the alleged cybersquatter. In countries such as the United States, the anti-cybersquatting legislation lays down factors which should be taken into consideration to determine bad faith and these include the defendant’s offer to sell or transfer domain name, the efforts to

divert the traffic from the plaintiff's own website, or misuse of goodwill of the plaintiff's trademark. However, many critics point out that the Courts have been given too wide a discretion leading to various interpretation of bad faith. The Trademarks Act already provides for appeal against the registration of a trademark (which is territorial in nature) to the Intellectual Property Appellate Board, however, in case of disputes over domain names which are international in nature, an expert body is required which can coordinate with the ICANN and carry out an extensive research to determine whether a domain name can be properly registered, without violating any existing rights. As pointed out earlier, .in Registry in India deals with registration of SLDs only under .in TLD. On similar lines, a statutory authority should be established or the scope of powers of .in Registry should be widened to deal with registration of other generic TLDs. Those seeking to register a domain name should mandatorily be required to route their application to ICANN through this statutory body.

B. TOWARDS PENALIZATION OF CYBERSQUATTING

Another major issue which can be seen as a species of the cybersquatting genus is the misuse of 'names of celebrities' by registering these as domain names. Although names are not registrable as trademarks, when the names are popular and reflect goodwill, they are prone to misuse through passing off. Such incidents are very common in India, however, there are no legal provisions to deal with such cases effectively. Even when such cases crop up, the police due to lack of proper law, can at the most, register an FIR under Section 66 of the Information Technology Act 2000 and Section 469 of the Indian Penal Code. The former penalizes hacking of computer systems or unauthorized extraction of data from computer systems while the latter penalizes forging of electronic records to harm the reputation of others. Evidently, these provisions are only remotely related to the cases of cybersquatting. To deal with such cases effectively, a new provision must be inserted in the IT Act criminalizing the 'fraudulent and dishonest registration of a popular and distinct name as domain name' to take advantage of the goodwill associated with it. However, implementation of such provision can be challenging in light of the chilling effect it may create, further, it can be objected to on the ground that a common person may share name with a celebrity. Does this take away the former's right to have a domain names in his/her own name? This is where the element of 'dishonesty and fraud' comes into the picture. While judicial discretion must be granted for interpretation of these terms, the researcher suggests that the amendments to IT Act should also insert a provision listing the factors that should guide determination of the intention of the registrant. Cues can also be taken from the UDRP judgments on determination of 'bad faith'.

Conclusion

It is 2019 and it is undoubtedly an age of internet. While internet undeniably benefited businesses significantly, it also led to surge in instances of cybersquatting. Cybersquatting is perpetrated by using deceptively similar domain names. If trademarks are to actually benefit the original owner, this menace must be countered at the earliest. The most effective combat mechanism is not to be found in soft law instruments such as policies or regulations, the need of the hour is the amendment of existing relevant laws to give statutory effect to the offence of cybersquatting. It is also suggested that discussions be held at international level at regular intervals to monitor and review the functioning of ICANN. In the Indian context, before enacting a law, all the stakeholders should be taken into confidence to ensure that there are no gaps in the law, requiring for further modifications which will ultimately be wastage of time for the legislature. India can cherry-pick useful provisions from various jurisdictions as has been pointed out by the author in recommendations. Once an effective cybersquatting mechanism is in place, India will take its place amongst the few privileged countries which have such legislation in place.

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