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DOMAIN NAMES PROTECTION IN PAKISTAN

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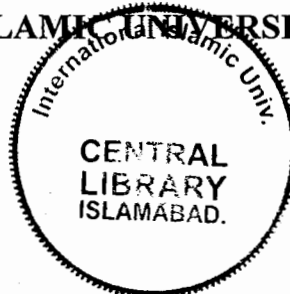
THESIS SUBMITTED FOR THE DEGREE OF  
LLM (CORPORATE LAW)

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**DOMAIN NAMES PROTECTION IN PAKISTAN**

**By**

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**Reg. No. 101-FSL/LLMCL/F05**

**A thesis submitted in partial fulfillment  
of the requirements for the degree of  
MASTERS OF LAW  
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International Islamic University, Islamabad.**

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## **Dedication**

**To the only one, who is the  
cherisher & sustainer of the worlds,  
and who taught man that which he knew not.**

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At the end I want to thank people in Trade Marks Registry for their precious time and information provided to me for my studies.

## **List of Abbreviations**

ACPA Anticybersquatting Consumer Protection Act, 1999

ADR Alternate Dispute Resolution

ALAC At Large Advisory Committee

ASO Address Supporting Organization

ccTLD country code Top Level Domain

ccNSO country code Names Supporting Organization

CTM Community Trade Mark

DN Domain Name

DNS Domain Name server

DNDRC Domain Name Dispute Resolution Centre

DOC Department of Commerce

ECJ European Court of Justice

GAC Governmental Advisory Committee

GATT General Agreement on Tarrif and Trade

GNSO Generic Names Supporting Organization

gTLD generic Top Level Domain

IANA Internet Assigned Numbers Authority

ICANN Internet Corporation for assigned Names and Numbers

IETF Internet Engineering Task Force

IFWP International Forum on White Paper

IP Intellectual Property

IP Internet Protocol

IPO Intellectual Property Organization

IPRs Intellectual Property Rights

NAF National Arbitration Forum

NDRP National Dispute Resolution Policy  
NOC No Objection Certificate  
NSF National Science Foundation  
OIHM Office of Harmonization of the Internal Market  
PKNIC Pakistan Network Information Centre  
PTA Pakistan Telecommunication Authority  
SLD Second Level Domain  
SSAC Security and Stability Advisory Committee  
TLD Top Level Domain  
TLG Technical Liaison Group  
TM Trade Mark  
TRIPS Trade Related Aspects of Intellectual Property Rights  
UDRP Uniform Dispute Resolution Policy  
WIPO World Intellectual Property Organization  
WSIS World Summit on Information Society  
WTO World Trade Organization  
WWW World Wide Web

## List of Cases

Harrods Ltd v UK Network Services Ltd, [1997] EIPR D-106  
Panavision v Toeppen 945 F. Supp. 1296 (C.D. Cal., 1996)  
Marks & Spencer plc v One in a Million Ltd [1998] FSR 265  
British Telecom plc v One in a Million Ltd [1999] FSR 1  
Glaxo plc v Glaxowellcome Ltd [1996] FSR 388  
Compagnie Generale des Eaux v Compagnie Generale des Eaux Sdn Bhd [1997] FSR  
610.  
World Wrestling Federation Entertainment, Inc. v. Michael Bosman  
Backstreet Production, Inc. v. John Zuccarini  
Nokia Corporation v. Marlon Sorken  
Madonna Ciccone popularly known as Madonna v. Dan Parisi and Madonna.com  
Acer Inc. vs. Acer Computers 2004 CLD 1131  
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AT&T Corp. v. Amjad Kausar  
Match.com, L.P., v. Amjad Kausar  
Merck KGaA v. Taha Chhipa  
Standard Textile Co., Inc. v. Standard Textiles c/o Lubna Jamil Horani  
Regent Hospitality Worldwide, Inc. c/o Carlson Companies, Inc v. Regent Plaza Hotel  
Bank of America Corporation v. Azra Khan  
John Tziviskos v. PKNIC  
Standard Chartered PLC v. Hosting Campus Domain  
Telenor v. Mohammad Tahir

## **Abstract**

The research was conducted to study the protection of domain names. Domain Name is a name which identifies a computer on internet. With the commercialization of internet, domain names have become business identifiers and considered as most valuable business assets by companies using their existing trade marks as their domain names. As businesses, their products and activities are identified through domain names on the internet, they come in contact and conflict with traditional identifiers. In the digital world mostly disputes exist in domain names and trade marks.

As on internet, domain names serve as source identifier which is traditionally a job of trade mark so the concepts relating to trade marks are discussed in very beginning of my thesis. All important principles of English version of trade mark law are discussed. Then it described how domain names were created. The internet became the source of connecting people all over the world and the whole world is now considered as a global village.

In this global environment of internet trade is carried out on internet. Any business enterprises having a trade name want its name to be included in their domain name because internet is global and domain names have a singular quality. This importance of domain names in electronic commerce resulted in bulk registration of different business names as domain names by the persons not having any legal connection with those businesses. This practice of cybersquatting created a controversy in the business

environment. The protection is available to the trade mark holders in the form of national legislations for the protection of trade marks. Only United States has specific legislation dealing with cybersquatting. The Anticybersquatting Consumer Protection Act, 1999 (ACPA) passed by the US congress is briefly discussed and how it attempts to protect trade mark owners from cybersquattors and what remedies are provided in case of trade mark infringement by the cybersquattors. A brief overview of common law dealing with cybersquatting is included in the thesis.

The study was conducted to evaluate the working of ICANN as a global regulator of internet and its role in the protection of domain names. The role of WIPO in drafting of Uniform Domain Name Dispute Resolution Policy (UDRP) is also looked into and how the policy is being used to resolve disputes of trade mark holders and domain name registrants. Land mark cases decided by WIPO under UDRP are discussed in order to have a clear idea of how this administrative procedure works and decision is implemented. The grounds on which UDRP is heavily criticized are examined. Then the provisions of TRIPS agreement dealing with trade marks are fully examined and clarified in what circumstances provisions of TRIPS can be applied to domain names.

In Pakistan, Trade mark law incorporated domain name provisions. A domain name can be registered as a trade mark under Trade Marks Ordinance, 2001. The whole registration procedure prescribed by the Ordinance is discussed particularly with reference to the domain names. The approach of Pakistani judiciary dealing with domain name disputes is given the special importance and a few Pakistani domain name cases decided by a local dispute resolution center in addition to WIPO and NAF are also discussed.

## Chapter I

### Introduction to Trade Marks

#### 1.1 Definition of Trade Mark

Trade marks are familiar features of industrial and commercial markets. The term trade mark is frequently used to describe different types of devices that label, identify and distinguish products in the market place<sup>1</sup> or a trade mark is a visual symbol in the form of a word, a device, or a label applied to articles of commerce with a view to indicate to the purchasing person that these goods are manufactured or dealt in by a specific person as distinguished from the goods of similar nature manufactured or dealt in by other person<sup>2</sup>.

Black's Law Dictionary defines trade mark as "*a word, phrase, logo, or other graphic symbol used by a manufacturer or seller to distinguish its product or products from those of others*"<sup>3</sup>.

Pakistani law defines trade mark as "*any mark capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings*"<sup>4</sup>. This definition is similar to the English law definition of trade mark.

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<sup>1</sup> [http://www.nationalbusiness.org/NBAWEB/General/How\\_To\\_Trademarks.htm](http://www.nationalbusiness.org/NBAWEB/General/How_To_Trademarks.htm) (last visited on August 3, 2009).

<sup>2</sup> [http://trustman.org/trademarklaw\\_india.htm](http://trustman.org/trademarklaw_india.htm) (last visited on August 3, 2009).

<sup>3</sup> Black's Law Dictionary, 8<sup>th</sup> edition, page 1530.

<sup>4</sup> Trade Marks Ordinance, 2001, Section 2(xlvii).



The English law defines trade mark as, “any sign capable of being represented graphically which distinguishes the goods or services of one business from those of another”<sup>5</sup>. A trade mark can consist of words (which may include personal names), designs, letters, numerals or the shape of goods or their packaging<sup>6</sup>.

Anything which can convey information is a sign. The only qualification assigned in this direction is that “*it should be capable of being represented graphically*”<sup>7</sup> so the possible signs can be:

- Brand name;
- Logo;
- Shape of product / packaging;
- Coloring of product / packaging;
- A “jingle” or other sound;
- The scent or smell or taste of product / packaging.

The trade mark is a type of intellectual property and its basic function is to exclusively identify the commercial source or origin of product or services<sup>8</sup>. A trade mark differentiates one businessman’s goods from goods of another and allows the customer to distinguish between similar goods. In a competition oriented market a trade mark is a short hand description of the product and a consumer once satisfied with the product will again purchase the product on the basis of trade mark without going into the detail of ingredients of the product. Similarly if the customer has a bad experience with a product

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<sup>5</sup> UK’s Trade Marks Act, 1994, section 1.

<sup>6</sup> <http://www.ukpats.org.uk/tm/legal/tmact94.pdf> (last visited on August 3, 2009).

<sup>7</sup> [http://www.brianwalker.ie/update/data/upimages/DOT.COM\\_DISPUTES.doc](http://www.brianwalker.ie/update/data/upimages/DOT.COM_DISPUTES.doc) (last visited on August 3, 2009).

<sup>8</sup> <http://www.circuitdating.com/Trademark/encyclopedia.htm> (last visited on August 3, 2009).

The manufacturers and traders have been using trade marks for long to identify their goods and for the benefit of illiterate clerks. The goods had also been marked with the intention that in case goods are lost in transit, they can be identified and reclaimed by the owner. At that time mark was that of merchant's rather than that of producer's. The pottery during the ancient Roman times was used to be embossed or impressed with a mark and some samples can be seen in British Museum even today. During the thirteenth century, in business transactions merchant marks were used to identify goods. It was the common practice of shopkeepers to erect signs illustrating their trade by the end of sixteenth century.

The industrial revolution of the 19<sup>th</sup> century introduced an increase in the manufacturing of various types of goods. The increase in the distribution of goods was facilitated by the cheaper means of transportation i-e railways and construction of canals and the concept of advertising. This caused the tremendous growth in the use of names and marks in advertising and the modern trade mark was born<sup>14</sup>. In the words of Cornish, "the demand for general legal protection against unfair imitation of marks and names is a product of the commercial revolution that followed upon factory production and the growth of canals and railways. That demand has swelled immensely with the development of modern advertising and large scale retailing. Most advertising reached the consumer to buy by product mark or house name and it keeps reiterating its message in the hope of stopping buyers from defecting to rivals. Trade marks and names have become nothing more or less than the fundament of most market-place competition<sup>15</sup>".

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<sup>14</sup> David Bainbridge, "Intellectual Property" published by Pearson Education, 5<sup>th</sup> edition, page 531.

<sup>15</sup> Cornish, "Intellectual Property: Patents, Copyright, Trade marks and Allied Rights" (1999) page 599.

### **1.3 Difference between Trade Marks and Other Forms of Intellectual Property**

Trade mark is a form of intellectual property. The term intellectual property cannot be specifically defined because its subject matter is continuously evolving due to the advancement of Information Technology and globalization of trade. Broadly intellectual property is considered as a creation of human mind. It is related to items of information or knowledge. This information and knowledge can be incorporated in tangible objects in unlimited number of copies in the world at the same time. The property is not in those copies but in the information and knowledge reflected in them<sup>16</sup>.

Intellectual Property Rights are those rights which protect the interests of creators by granting them property rights with respect of their creations. The term intellectual property is not defined by the Convention Establishing the World Intellectual Property Organization (1967). It only lists the subject matter which is protected under Intellectual Property law or with respect of which intellectual property rights are granted. Article 2 of the said Convention<sup>17</sup> states that “*intellectual property includes rights relating to:*

- *Literary, artistic and scientific works;*
- *Performances of performing artists, phonograms and broadcasts;*
- *Inventions in all fields of human endeavor;*
- *Scientific discoveries;*
- *Industrial designs;*
- *Trade marks, service marks, and commercial names and designations;*

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<sup>16</sup> [http://www.wipo.int/freepublications/en/intproperty/909/wipo\\_pub\\_909.html](http://www.wipo.int/freepublications/en/intproperty/909/wipo_pub_909.html) (last visited on August 3, 2009).

<sup>17</sup> The Convention Establishing the World Intellectual Property Organization signed at Stockholm on July 14, 1967.

- *Protection against unfair competition; and*
- *All other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields*<sup>18</sup>.

It is important to note how trade marks are different from other types of intellectual property. A brief distinction between trade marks and other forms of intellectual property is drawn in following sub-headings.

### **1.3.1 Trade Marks and Patents**

A patent is a property right granted to the inventor for an invention to make, use and sell to others the invention he or she has made whereas trade mark is used in business/trade with goods to indicate or trace the source of the goods and it is used to distinguish them from goods of others<sup>19</sup>. Inventions are generally defined as new solutions to the technical problems. Discovering something which is already existent in nature is not an invention but there should be a human intervention.

Trade mark owner can prevent other persons from using a similar mark which can confuse public but can not prevent others from making or selling same goods or services under a different mark<sup>20</sup> but patent is a right which excludes anyone else from making, using, offering for sale, or selling (commercially exploiting) the invention<sup>21</sup>.

Term of protection for a patent is 20 years whereas if a trade mark is duly renewed it affords protection forever.

A patent holder can give permission, or grant a license to other parties for use of his invention on agreed terms and he has the right to sell his right to the invention to

<sup>18</sup> <http://www.ipcr.gov.au/IPAustralia.pdf> (last visited on August 3, 2009).

<sup>19</sup> <http://news.kde.org/994157765/994162041/994166514/994174844/> (last visited on August 3, 2009).

<sup>20</sup> <http://vacavillechamber.com/NewsItem.aspx?hArticle=314> (last visited on August 3, 2009).

<sup>21</sup> <http://www.csun.edu/~mm433475/index%20page.html> (last visited on August 3, 2009).

someone else, who will then become the new owner of the Patent<sup>22</sup> and same is the case with trade marks.

### 1.3.2 Trade Marks and Copyrights

Copyright is “*the sole right to reproduce original works of art, music, drama, literature, photographs, manuscripts and computer programs*”<sup>23</sup> while trade mark is a word, name, symbol or device which is used in trade with goods to indicate the source of the goods and to distinguish them from goods of others<sup>24</sup>.

Copyright protection is limited by the notion of fair dealing whereas trade mark right is an exclusive right. International Copyright Law (which differs on country to country basis) usually protects the work for the life of author and 70 years thereafter whereas a trade mark can give protection for unlimited time as it does not expire.

To maintain trade mark rights in respect of that mark, its use is essential. If a trade mark is not used continuously then its registration can be cancelled or revoked<sup>25</sup> but copyrights cannot be abandoned.

### 1.3.3 Trade Marks and Industrial Designs

An industrial design “*consists of the creation of a shape, configuration or composition of pattern or color, or combination of pattern and color in three dimensional forms containing aesthetic value*”<sup>26</sup>. Industrial design in legal sense is a right granted to protect the original, ornamental and non-functional features of a product that result from design activity while trade mark is a word, name, symbol or device which is used in trade with

<sup>22</sup> [http://www.dinarstandard.com/current/wipo\\_pub\\_450.pdf](http://www.dinarstandard.com/current/wipo_pub_450.pdf) (last visited on August 3, 2009).

<sup>23</sup> <http://www.carters.ca/pub/article/charity/2004/tc0416app.pdf> (last visited on August 3, 2009).

<sup>24</sup> <http://answers.yahoo.com/question/index?qid=20060909201616AA7MMuj> (last visited on August 3, 2009).

<sup>25</sup> <http://www.answers.com/topic/trademark?cat=biz-fin> (last visited on August 3, 2009).

<sup>26</sup> <http://www.absoluteastronomy.com/topics/Design> (last visited on August 3, 2009).

goods to indicate the source of the goods and to distinguish them from goods of others<sup>27</sup>.

Industrial design rights are those IPRs which protect the visual design of objects which are not purely utilitarian.

The term for an industrial design right varies from country to country.

### **1.3.4 Trade Marks and Trade Secrets**

A trade secret is defined as “*a formula, practice, process, design, instrument, pattern or compilation of information a business uses to have an advantage over its competitors or customers*”<sup>28</sup> while trade mark is a word, name, symbol or device which is used in trade with goods to indicate the source of the goods and to distinguish them from goods of others<sup>29</sup>. A trade mark is something that is publicly recognized and known as being officially associated with a particular company whereas a trade secret has a much more broad definition and by its very name is not made public and is done by the person or company itself. The most famous examples of trade secrets are PEPSI and Coca Cola which are continued to have protection as a trade secret because these companies have taken certain steps to ensure that their formulas are always kept secret.

### **1.3.5 Trade Marks and Geographical Indications (GIs)**

A Geographical Indication is an indication which identifies agricultural, natural or manufactured goods originating from a definite geographical territory having a special quality or reputation or other characteristics<sup>30</sup>. Geographical indications (GIs) are protected under the trade mark law in many countries.

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<sup>27</sup> <http://news.kde.org/994157765/994162041/994166514/994174844/> (last visited on August 3, 2009).

<sup>28</sup> <http://expertwitness.com/srch/Conferences.htm> (last visited on August 3, 2009).

<sup>29</sup> <http://vacavillechamber.com/NewsItem.aspx?hArticle=314> (last visited on August 3, 2009).

<sup>30</sup> <http://www.lexorbis.com/gir.asp> (last visited on August 3, 2009).

Both the GIs and trade marks are source identifiers but the difference between two is that trade mark identifies the products with the manufacturer while the GI identifies products with the place of production or origin. Another important difference between the two is that the GIs are the community rights whereas the trade mark is individual right. As regards the use, the trade mark can be assigned as well as licensed, but a Geographical indication cannot be assigned, transmitted or licensed.

#### **1.4 Basic principles of Trade mark law**

Trade mark Law, whether statutory or common law, is based upon three broad concepts;

1. Distinctiveness or distinctive character,
2. Deceptive similarity or similarity or near resemblance of marks,
3. Same description or similarity of goods.

The protection of goods and services through registration and the prevention of use of fraudulent marks is the basic purpose of trade mark law. To fulfill this object, following principles are considered fundamental to the trade mark law:

- Since registration confers on the proprietor a kind of monopoly right over the use of mark, which may consist of a word or symbol legitimately required by other traders for bona fide trading or business purposes, certain restrictions are necessary on the class of words or symbols over which such monopoly right may be granted<sup>31</sup>.
- Registration of a trade mark should not interfere with bona fide use of names or words in ordinary usage by other persons.

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<sup>31</sup> In Smith Kline's Appln. [1976] RPC 511 at 538 Lord Diplock observed that on grounds of public policy a trader ought not to be allowed to obtain by registration under the Trade Marks Act a monopoly in what other traders may legitimately desire to use.

- Property rights in a trade mark acquired by use are superior to property rights in trade marks acquired through registration under the statute.
- When a trade mark is presented for registration, two interests are to be taken into consideration. The first is the public interest and the second is the interests of existing traders<sup>32</sup>.
- If a trader honestly use a trade mark for a number of years although an identical or similar mark has been registered or used by another. If the trader is deprived of the benefits of registration, it would definitely cause hardship for him therefore such registration is subject to certain conditions and limitations<sup>33</sup>.
- A trade mark is meaningless unless is used in relation to some goods i-e trade mark's life depends upon its use and continued non use may result in its eventual death<sup>34</sup>.
- A trade mark is recognized as a form of property and therefore should be assignable and transmissible like other forms of property. However taking into consideration the peculiar nature of this property the Trade Mark Law has imposed various restrictions on the assignment or transmission of property rights in a trade mark, whether registered or unregistered<sup>35</sup>.
- Granting the benefits of registration under the statute is not only a matter of interest to the applicant but the public is also interested in it. Therefore it is necessary to permit any member of public to object to the registration

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<sup>32</sup> Bass v Nicholson (1932)49 RPC 88 at 111 (HL).

<sup>33</sup> Ibid.

<sup>34</sup> P. Narayanan, "Law of Trade Marks & Passing off" 6<sup>th</sup> edition, page 8.

<sup>35</sup> Ibid.



if he wants to do so. The Trade Mark Law provides for advertisement of the application and opposition thereto by any interested party<sup>36</sup>.

These are the universally accepted principles of Trade Mark Law and followed in all countries which administer this law. Lord Atkin has observed that “it is of the highest importance that in such an important branch of commercial law as that relating to trade marks there should be uniformity as far as possible in all countries administering the same system of law<sup>37</sup>”.

## 1.5 Types of Trade Marks

Following are important types of trade marks:

- Service Marks
- Certification Marks
- Collective Marks
- Chartered Marks
- Trade Dress.

### 1.5.1 Service Marks

Service mark is “*any word, name, symbol, device, or any combination used or intended to be used in commerce to identify and distinguish the services of one provider from the services provided by others and to indicate the source of the services*”<sup>38</sup>. When a business uses its name to market its goods or services in the yellow pages, on signs, or in advertising copy, the name qualifies as a service mark<sup>39</sup>.

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<sup>36</sup> James v Razor (1932)49 RPC 597 at 600 (CA).

<sup>37</sup> Lord Atkin in Shredded Wheat (1940)57 RPC 137 at 149.

<sup>38</sup> [http://www.invention-protection.com/newsletters/architecture\\_copyright.pdf](http://www.invention-protection.com/newsletters/architecture_copyright.pdf) (last visited on August 3, 2009).

<sup>39</sup> <http://www.inc.com/articles/legal/ip/trademarks/19875.html> (last visited on August 3, 2009).

### **1.5.2 Certification Marks**

The purpose of certification marks is to indicate goods or services with certain objective standard i-e with respect to the material, quality or safety. Section 50 of the Trade Marks Act 1994 defines certification mark as “a mark indicating that the goods and services in connection with which it is used are certified by the proprietor of the goods in respect of origin, material, mode of manufacture of goods or performance of services, quality, accuracy or other characteristic<sup>40</sup>”.

The basic feature of the certification mark is that it is used by the authorized user of proprietor and it guarantees to the public that goods or services are of a particular characteristic. The proprietor’s mark certifies the presence of characteristic and will authorize the use of the mark to anyone who can demonstrate that the goods and services for which it will be used have that characteristic<sup>41</sup>.

### **1.5.3 Collective Marks**

The collective marks are introduced in Trade Mark Law of UK by the 1994 Act. Section 49 defines collective mark as, “A collective mark is a mark distinguishing the goods or services of members of the association which is the proprietor of the mark from those of other undertakings<sup>42</sup>”.

The collective trade mark is used as an indication to the relevant public that goods or services originate from a member of a particular association so it can be deemed to be the sign of membership<sup>43</sup>.

### **Difference between Certification and Collective Marks**

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<sup>40</sup> UK’s Trade Marks Act, 1994, section 50(1).

<sup>41</sup> <http://www.ipo.gov.uk/tmmanual-chap4-certcoll.pdf> (last visited on August 3, 2009).

<sup>42</sup> UK’s Trade Marks Act 1994, Section 49(1).

<sup>43</sup> <http://www.ipo.gov.uk/tmmanual-chap4-certcoll.pdf> (last visited on August 3, 2009).

1. The main difference between these marks is that the certification mark is merely the evidence of follow up agreements manufacturers and nationally accredited testing and certification organizations while collective marks are used by particular members of the organization which owns them.
2. For different technical reasons certification marks are difficult to register than collective marks.
3. Certification marks can be owned by any company which is completely unrelated to the ownership of company offering goods or rendering services under the particular Certification mark<sup>44</sup>.

#### **1.5.4 Chartered Marks**

A Chartered mark is a trade mark or a service mark which is given special statutory protection separate from the usual registration of the trade mark or service mark. This type of trade mark is present in USA and in this type, an organization is given a trade mark or a service mark by express grant of legislature. When an organization is granted a chartered trade mark no one can use that mark for any purpose<sup>45</sup> but possible exceptions can be organizations using similar marks before it was chartered.

#### **1.5.5 Trade Dress**

A product can be identified, known or recognized by its distinctive packaging i-e the yellow packaging of Kodak film. This identifying feature is termed as trade dress. It often

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<sup>44</sup> <http://en.wikipedia.org> (visited on August 3, 2009).

<sup>45</sup> <http://en.wikipedia.org> (visited on August 3, 2009).

serves the purpose of trade mark which is identification of goods and services in market, trade dress in some cases can be registered as a trade mark<sup>46</sup>.

## **1.6 Registration of Trade Marks**

Registration of a Trade Mark gives the owner of that mark an exclusive right to use the same. So the registration of a trade mark

- Warns the people against using it without the permission of the owner,
- Allows the owner to take legal action against one who is responsible for the unauthenticated use of his trade mark,
- Allows to register a criminal case against counterfeiters of registered trade mark,
- Makes the trade mark property of the owner i-e he can sell it, let others to have a license to use it.

Conditions for registration of Trade Marks: Trade Marks Act 1994 establishes two basic conditions for registerability of a trade mark. It provides that a mark must be

1. capable of being represented graphically; and
2. capable of distinguishing one trader's product from those of other<sup>47</sup>.

### **1.6.1 Graphic representation**

The object of graphical representation is that parties interested in the product should be able to judge the given monopoly. Presently it has been made clear through decided cases that the representation of trade mark must fit into an 8 cm by 8 cm box on the application

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<sup>46</sup> [http://www.how-to.com/Operations/How\\_to\\_understand\\_different\\_types\\_of\\_trademarks.htm](http://www.how-to.com/Operations/How_to_understand_different_types_of_trademarks.htm) (last visited on August 3, 2009).

<sup>47</sup> Tina Hart and Linda Fazzani, 'Intellectual Property Law', 2<sup>nd</sup> edition, page 84.

form<sup>48</sup>. The guidelines adopted by the registrars regarding the graphic representation of a sign are as follow:

- that a sign is defined with sufficient precision so that infringement rights can be determined;
- that the graphical representation can stand in place of trade mark, without the need for supporting samples, etc;
- that it is reasonably practicable for persons inspecting the register, or reading the Trade Marks Journal, to understand from the graphical representation what the trade mark is<sup>49</sup>.

### **1.6.2 Capable of distinguishing**

The sign must be able to differentiate the goods of one business entity from those of others i-e it must serve as a guarantee of trade origin. If a mark is unable to serve as a guarantee of trade origin it can not be registered. The European Court of Justice (ECJ) asserted this in these words: “the essential function of the trade mark is to guarantee the identity of the origin of the marked product to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others that have another origin<sup>50</sup>”.

### **1.6.3 Grounds for refusal to register**

Section 3 of the Trade Marks Act 1994 describes the grounds on which an application for registration of Trade mark can be refused. These grounds can be summarized in this way: a trade mark can not be registered if it can not be represented graphically or it is unable to

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<sup>48</sup> Ibid, page 85.

<sup>49</sup> <http://www.patent.gov.uk/tm/legal/decisions/appeal1999/o11399.pdf> (last visited on August 3, 2009).

<sup>50</sup> Canon Kabushiki Kaisha v Metro Goldwyn Mayer Inc. [1999] FSR 332 at Para 28.

faith<sup>54</sup> then it will be refused. The term bad faith can be construed in narrow as well as in broad sense. A narrower meaning of it can be dishonesty and a wider meaning can include a lack of genuine intention or purpose<sup>55</sup>.

In addition to the express grounds for refusal of trade mark there are certain relative grounds on the basis of which application for registration can be refused. These relative grounds can be summarized in such a way, if a mark is identical with an earlier trade mark and goods or services for which trade mark is applied are also identical with the goods or services for which the earlier trade mark is protected, the new shall be refused registration<sup>56</sup>. Similarly if a mark is similar to an already protected trade mark and a person wants to register it in respect of goods similar to those for which earlier trade mark is protected and there is a likelihood of confusion on the part of public, the new mark shall not be registered<sup>57</sup>. Factors like the type of the products and likely target consumers are relevant while taking into consideration the likelihood of confusion.

Under section 5(3) of the UK's Trade Marks Act 1994 an identical or similar mark is not registrable, if the earlier mark has gained a reputation, even in respect of different goods, if it would lead to taking unfair advantage of the earlier mark or would cause damage to the distinctive character of the earlier mark. Finally, section 5(4) provides that a mark will not be registered if its use can be prevented by passing off or enforcement of some other earlier right, unless consent of the proprietor is obtained and there exists no likelihood of confusion<sup>58</sup>.

#### **1.6.4 Procedure of registration**

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<sup>54</sup> Ibid, section 3(6).

<sup>55</sup> David Bainbridge, "Intellectual Property" published by Pearson Education, 5<sup>th</sup> edition page 566.

<sup>56</sup> <http://www.ukpats.org.uk/tm/legal/tmact94.pdf> (last visited on August 3, 2009).

<sup>57</sup> UK's Trade Marks Act 1994, section 5(2).

<sup>58</sup> Tina Hart and Linda Fazzani, "Intellectual Property Law" 2<sup>nd</sup> edition, page 91.

When the application for registration of a trade mark is presented to the Registrar, he examines the application to ensure that all requirements of law are fulfilled and if requirements are fully met, he shall accept application and cause it to be published in the Trade Mark Journal. Within three months of publication, any person having objection to such registration can give a notice of opposition stating the grounds of opposing it. If the proceeding is decided in applicant's favor or where there is no opposition if the application is accepted by the Registrar, the mark shall be registered and the date of filing shall be considered as date of registration. The registration shall be published and a certificate shall be issued to the applicant.

### **1.6.5 Trade Mark as a property**

Registered trade mark is considered as a personal property of the owner. Under the law trade marks are easily alienable. Trade marks can be assigned, or pass by testamentary disposition or by operation of law in the same way as other personal property and with or without the goodwill of the business<sup>59</sup>. The remedies in case of infringement of a registered trade mark are damages, injunction, accounts or otherwise, as are available in respect of infringement of any other property right<sup>60</sup>.

### **1.7 Functions of Trade Marks**

A trade mark tells the purchaser of the goods regarding the manufacturer or the quality of the goods or gives an indication about the trade source of the goods. Trade mark tells a person that what is presented to him is either what he has known before under the similar

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<sup>59</sup> UK's Trade Marks Act 1994, section 24.

<sup>60</sup> Ibid, section 14(2).

name as coming from a source with which he is acquainted or it is what he has heard of before as coming from the similar source<sup>61</sup>.

Trade mark is a symbol which represents the goodwill of business. In the modern business environment a trade mark performs following important functions:

- it identifies the product and its origin;
- it guarantees the unchanged quality of the product<sup>62</sup>;
- it advertises the product<sup>63</sup>;
- It promotes competition and maintenance of product quality<sup>64</sup>.

### **1.8 International Registration of Trade Marks**

Trade marks can be registered in other countries by filing an application for registration in the Trade Mark office of the country where the protection is desired but the problems can be faced by the trade mark owners due to the disparity in national legislations of different countries. The Paris Convention for the protection of Industrial Property was the first attempt towards harmonization of trade marks laws of different states. Paris Convention provides that the national of one state party to the Paris Convention should receive same treatment with respect to IP throughout the Union. Article 4 of the Paris Convention provides that a trade mark application filed in one member state will receive the same priority date if it is filed within six months in another member state of the Paris Union.

Trade marks can be internationally registered by virtue of two systems:

- The Community Trade Mark System

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<sup>61</sup> <http://ficpi.org/library/montecarlo99/tminternet2.html> (last visited on August 3, 2009).

<sup>62</sup> [http://trustman.org/trademarklaw\\_india.htm](http://trustman.org/trademarklaw_india.htm) (last visited on August 3, 2009).

<sup>63</sup> Industrial Property (WIPO) September 1978, page 219.

<sup>64</sup> P. Narayanan, "Law of Trade Marks & Passing off" 6<sup>th</sup> edition, page 18.



- The Madrid System

### **1.8.1 The Community Trade Mark System (CTM)**

The Community Trade Mark system came into effect as a result of Council Regulation (EC) 40/94 of December 20, 1993 on Community Trade Mark<sup>65</sup> and the Community Trade Mark system commenced on January 01, 1996 through acceptance of applications for registration. CTM provides for single registration of trade mark in the Office of Harmonization of the Internal Market (OHIM) and registered trade mark will have effect throughout the European Union. The CTM system created a system in Europe by which one registration provides protection in all member states of EU<sup>66</sup>.

The CTM system is administered by the OHIM which is situated in Alicante, Spain.

Following natural or legal persons can be proprietors of Community trade marks:

- The Member States;
- Other States which are parties to the Paris Convention for the protection of industrial property;
- Nationals of States which are not parties to the Paris Convention who are domiciled or have their seat within the territory of the Community or of a State which is party to the Paris Convention;
- Nationals of any other State which accords to nationals of all the Member States the same protection for trade marks as it accords to its own nationals<sup>67</sup>.

A Community trade mark confers exclusive rights on its proprietor to prevent all third parties from using in the course of trade the same or similar signs for identical or related

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<sup>65</sup> OJ L 011, 14.1.94, p 1.

<sup>66</sup> [http://www.studycrime.com/Trademark-Law/Community\\_Trade\\_Mark.php](http://www.studycrime.com/Trademark-Law/Community_Trade_Mark.php) (last visited on August 3, 2009).

<sup>67</sup> <http://ukipo.com/applyctm.pdf> (last visited on August 3, 2009).

goods or services without his consent. Under CTM system, a trade mark is registered for ten years and it can be renewed every 10 years like Trade Mark Law of UK. After registration, the proprietor must put the CTM into genuine use in the Community within five years in connection with the goods and services for which it is registered<sup>68</sup>.

### **1.8.2 The Madrid System**

The Madrid System for the International Registration of Marks commonly known as the Madrid System is the primary international system for the registration of trade marks in multiple jurisdictions throughout the world. The Madrid System comprises of The Madrid Agreement, dating from 1891 and The Madrid Protocol adopted in 1989 and came into force on April 01, 1996. Before the adoption of this system, there was no possibility to obtain an international trade mark, where one trade mark would apply around the world automatically. Under the Madrid system only one application can be made in one language for International registration which is effective in one or more contracting States. The Madrid System is administered by WIPO. After five years, International registration becomes independent of the basic registration or application in the country of origin which is the main reason of popularity of Madrid System of International Registration<sup>69</sup>.

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<sup>68</sup>Managerial Auditing Journal, Volume 15, Issue 5.

<sup>69</sup>David Bainbridge, "Intellectual Property" published by Pearson Education, 5<sup>th</sup> edition, page 639.

## **Chapter II**

### **Domain Names**

#### **2.1 Introduction and History of Domain Names**

Domain is a most known and famous term on the internet. Domain Name is a name which identifies a computer on internet. It is the address of a web site which can be easily remembered. Domain names help in connecting people and computers on the internet.

Domain names exist to simplify access to resources on the internet. When internet was created as an instrument to fulfill United States research objectives, its naming system was a flat name space and every location in the net work was listed in a file (host.txt) which had to be updated with every new entry. It was impractical to use numerical addresses for browsing the internet or sending e-mail because of two basic reasons:

- Firstly, the numeric addresses are unstable because the reconfigurations of computer systems and shifts in business practices frequently lead to changes in the physical computer and the numeric address used to support a particular website or e-mail system;
- Secondly, the numerics are hard for humans to remember.

In 80's when network hosts increased by thousands, the need for a logical system to name them was felt and the Domain Name System was created<sup>1</sup>. The domain name system solved these problems. A domain name can remain the same and its associated numbers can be changed from time to time, just the way as name of a person remains same even though his telephone number changes from time to time<sup>2</sup>. The first TLD was registered in 1985 but it required some technical expertise therefore people were not very much interested in it. At that time Government sponsored research institutions were allowed onto the net. Hobby and personal sites were not supposed to be the part of the network. Foreign countries wanted name space that could be controlled on country basis without US dominance hence ccTLDs were created.

When in 1989 the US Government liberalized the rules to allow the commercial non-research activity, the commercialization of internet actually started. The general public's first experience with domain names was when the commercial online services started facilitating them by interconnecting their e-mail systems so that user's mail can be sent to subscribers of other online systems along with that of their own system. The World Wide Web (WWW) appeared on the scene in 1990 and when media took its notice and after its coverage the demand for commercial internet providers increased tremendously.

## **2.2 Types of Domain Names**

Following are different types of Domain names:

- Top level domain
- Second-level domain

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<sup>1</sup> [www.domains.dans.info](http://www.domains.dans.info) (last visited on August 3, 2009).

<sup>2</sup> Peter B Maggs, "The .us Internet Domain" published in The American Journal of Comparative Law, Vol. 50, Supplement: American Law in The Time of Global Interdependence: U.S National Reports to The 16<sup>th</sup> International Congress of Comparative Law, (Autumn 2002), page 297.

- Third level domain

### **2.2.1 Top level Domain**

A domain name extension is called as Top Level Domain (TLD). The top-level domain is often viewed as a suffix, and the same suffix or ending can be shared by a number of domain addresses<sup>3</sup>. There are three different categories of Top Level Domains (TLDs) i-e generic Top Level Domains (gTLDs), country code Top Level Domains (ccTLDs) and infrastructure Top Level Domains. All the three categories of Top level domains can be explained as under:

- Generic top level domains (gTLDs) are used by a particular class of organizations and are three or more letters long. Most gTLDs are available for use worldwide and are controlled and managed by an authority named Internet Corporation for Assigned Names and Numbers (ICANN). The old gTLDs are eight in number. These are .com is used for commercial organizations like google.com, .org is used for non commercial organizations, .net is used for network infrastructure providers, .edu for educational institutions, .gov for governmental entities, .mil for military entities, .int for international treaty organizations and .arpa for addressing and routing parameters. In addition to these old gTLDs some new gTLDs were implemented in 2001. these include .info for information based services, .biz for businesses, .name for individuals, .museum for museums, .coop for co-operative business organizations, .aero for travel industry, .pro for professionals. In 2002 second round of new TLDs was announced by the president of ICANN and applications were filed by the interested parties. Preliminary approval was granted

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<sup>3</sup> <http://www.ladas.com/Internet/DomainNamesCybersquatting.html> (last visited on August 3, 2009).

to some TLDs like .post for post offices and postal systems, .travel for travel related entities, .mobi for mobile phone enabled sites, .jobs for job related sites, .cat for sites related to the Catalan language and culture and .xxx for adult entertainment sites.

- Country code Top Level Domains (ccTLDs) are the two level domains for different countries of the world. Some of them limit registration to the residents of particular country while some are open Worldwide<sup>4</sup>. ccTLDs are controlled by the laws of respective countries. Some important ccTLDs are .us for United States of America, .cn for Canada, .uk for United Kingdom and .pk for Pakistan.

### **2.2.2 Second-level domain**

The second level domain (SLD) names are the names directly to the left of .com, .net, and the other top-level domains<sup>5</sup>. The second-level domain is selected by the Internet user and assigned as an address in conjunction with the top-level domain by the domain name registrar for that top-level domain<sup>6</sup>. Traditionally, the second level domain is the company's name or the name used on the internet for example in [www.icann.org](http://www.icann.org) icann is the second level domain.

### **2.2.3 Third level domain**

Third level domains are immediately to the left of a second-level domain and are commonly used to designate a particular host server for example in [www.icann.org](http://www.icann.org) www is third level domain. The third-level domain is a sub domain used and selected by the

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<sup>4</sup> [www.domains.dans.info](http://www.domains.dans.info) (last visited on August 3, 2009).

<sup>5</sup> [http://en.wikipedia.org/wiki/Internet\\_domain](http://en.wikipedia.org/wiki/Internet_domain) (last visited on August 3, 2009).

<sup>6</sup> <http://www.ladas.com/Internet/DomainNamesCybersquatting.html> (last visited on August 3, 2009).

host computer, albeit according to certain conventions<sup>7</sup>. The third-level domain of a gTLD is not part of the domain name registry or dispute management systems<sup>8</sup>.

### **2.3 Registration of Domain Names**

Registration of Domain Name with a registry is mandatory for its use. Time period for which a domain name is registered ranges from one year to ten years but it can be renewed from time to time. While registering a domain name, certain technical and administrative information is to be given which is to be kept in record and is available to public in “Whois” database, a public database mandated by ICANN.

There is no agreement in existence within the internet community by virtue of which registrars of domain names can pre-screen the filing of problematic names. Domain names are registered on first come first served basis.

In Pakistan for maintenance and technical administration of the internet domain names space for .pk Top Level Domains (TLDs), there is a private organization named as Pakistan Network Information Centre (PKNIC). Certain other companies and individuals also exercise policy making and registry functions which are delegated to them by PKNIC. PKNIC reserves the right to cancel or transfer the domain name if it infringes the Intellectual Property Right of anyone else. There are no requirements as to the physical presence in Pakistan to register a domain name in .pk TLD.

### **2.4 WHOIS Database**

The WHOIS database, mandated by Internet Corporation for Assigned Names and Numbers (ICANN), contains information regarding ownership and administrative and technical contacts of domain name holders. For transparency and administrative

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<sup>7</sup> Ibid.

<sup>8</sup> Ibid.

convenience these data bases were declared to be publicly accessible from the beginning of their existence. In addition to personal identity of the registrant, Whois contain extensive contact information such as street address, telephone number, e-mail address and fax number. This information is available to anyone on the internet who knows the domain name.

The original purpose of Whois protocol was to provide technologists running an experimental data communications network with the off-network information they need to notify each other when breakdowns and problems occurred<sup>9</sup>. But later on trade mark owners used it to serve processes or to issue legal challenges to cybersquatters. Today's internet is large, impersonal and populated by the individuals with different motives so the public availability of these databases is considered as an invasion to the privacy with possibility of certain unacceptable consequences<sup>10</sup>.

## **2.5 Transfer of Domain Names**

Transfer of Domain Name is required when registration of it is transferred from one person to another. Transfer of Domain Name is also necessary when owner's status is changed in any way i-e if a domain name belongs to a partnership but afterwards partnership becomes a registered company, the domain name has to be transferred in the name of company although there is no change in ownership of business only the status of owners is changed.

As far as ccTLDs are concerned every country has its own transfer procedure because country code Top Level Domains are governed by respective countries. The transfer of

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<sup>9</sup> Milton Mueller, Jhon Mathiason & Lee McKnight, "Making Sense of Internet Governance: Identifying Public Policy Issues" Internet Governance Project, Syracuse University, The Convergence Centre.

<sup>10</sup> George Sadowsky, Raul Zambrano & Pierre Dandjinou, "Internet Governance: A Discussion Document" prepared for United Nations ICT Task Force.



domain name can be from one ICANN accredited registrar to another. To provide a standard procedure for such transfers, ICANN developed the Inter-Registrar Transfer Policy which was adopted by ICANN on July 20, 2004 and came into effect on November 12, 2004. This policy is compulsory for all ICANN accredited registrars. For transferring a domain name the current owner has to contact the current registrar. Every domain name registrar must have an e-mail address solely used for transfer of domain name issues. There are certain conditions upon which a registrar may deny the transfer of domain name. These are<sup>11</sup>:

- If application of transfer is made within 60 days of registration
- If application is made within 60 days of a domain name having been transferred
- Where the ownership of a domain name is in dispute
- Where the registration fee is not being paid by the owner.

## **2.6 Domain Name Server (DNS) System**

Domain name servers translate domain names to IP addresses. DNS system is very important but hidden part of internet. It is one of the largest databases of the world. Internet can not properly work without DNS system. Following facts make its task a difficult one<sup>12</sup>:

- There are billions of IP addresses currently in use, and most machines have a human-readable name as well;

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<sup>11</sup> [www.icann.org](http://www.icann.org) (last visited on August 3, 2009).

<sup>12</sup> Marshall Brain, "How Domain Name Servers Work" available at <http://computer.howstuffworks.com/dns.htm/printable> (last visited on August 3, 2009).

- There are many billions of DNS requests made every day. A single person can easily make a hundred or more DNS requests a day, and there are hundreds of millions of people and machines using the Internet daily;
- Domain names and IP addresses change daily;
- New domain names get created daily; and
- Millions of people do the work to change and add domain names and IP addresses every day<sup>13</sup>.

## 2.7 Significance of Domain Names in Electronic Commerce

21<sup>st</sup> century is the century of information technology. The internet which was created as an instrument to fulfill United States research objectives has become a source of connection among 20% of the world population and is considered as the most important piece of economic, social and cultural foundation of present age. The internet is a global environment. It has become an established medium for carrying on business. Services and goods are advertised and sold over the internet. All issues of intellectual property which are common to traditional forms of business also arise in internet business environment. Internet has given business a new form which was non existent previously. Domain names derive their value from the combination of the worldwide reach of the Internet and the singular quality of each domain name. Since the Internet is global, Internet users can access a website from anywhere in the world. Thus, by operating a website on the Internet, a company can basically reach anyone who has access to the Internet.

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<sup>13</sup> <http://computer.howstuffworks.com/dns.htm/printable> (last visited on August 3, 2009).

Furthermore, only one party may hold a domain name registration, making each domain name unique<sup>14</sup>.

Domain names have become business identifiers on the internet and are considered as most valuable business assets by the companies using their existing trade marks as their domain names. So domain names perform the function of trade marks on internet. It is natural for an organization with an existing trading name to wish their domain name to incorporate all or any part of its heading name which is likely, therefore, to be a trade mark<sup>15</sup>. Domain names have become modern day business cards. Business cards have their limitations but websites are able to access countless customers and in this way proved to be very helpful in promotion of business. Today the business has become highly competitive and a right domain name can enhance the business prospects of a company in numerous ways.

As domain names are registered on first come first served basis and no inquiry is to be made to see if the applicant or anyone else is entitled to any right in the name. So it may happen that a party or person register as their domain name the name of an organization with which they are not legally connected. In number of cases coming to the courts this first come first served principle is criticized and held to be unsatisfactory.

The first case in UK on domain names was regarding the registration of 'harrods.com'. The name was registered by a person having no connection with the famous Knightsbridge store. Registration services were provided by the Network Solutions Inc. (an American organization). Harrods complained to Network Solutions which suspended the domain name pending the outcome of its dispute resolution process. In the meantime,

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<sup>14</sup> <http://www.ladas.com/Internet/DomainNamesCybersquatting.html> (last visited on August 3, 2009).

<sup>15</sup> Tina Hart & Linda Fazzani, "Intellectual Property Law" 2<sup>nd</sup> edition, page 232.

Harrods Ltd initiated proceedings for trade mark infringement and passing off<sup>16</sup>. The defendants were ordered by the court to release the domain name 'harrods.com'<sup>17</sup>.

The relationship between domain names and trade marks created considerable controversy in the business environment. The business community asserted that for a stable commercial environment extensive trade mark protection is needed. As domain names guide customers to a desired location on internet, the companies doing business on internet always want to register a domain name which is related to their product or trade mark. It is normal practice of customer who does not know company's domain name to search it on internet either by typing its name or its trade mark and adding .com to it.

### **2.7.1 Practice of Cybersquatting**

Due to the procedure applicable to the registration of a domain name i-e first come first served, the practice of cybersquatting has increased tremendously. The cybersquatting is the deliberate, bad faith registration of a domain name which violates trade mark right of another person<sup>18</sup>. Although cybersquatters are usually motivated by the high prices businesses are sometime willing to pay for a particular domain name, occasionally companies register a domain name similar to their competitor's business name or trade mark with a view to attack the product or owner of corresponding trade mark<sup>19</sup>. Trade mark owners are at great risk of having their rights infringed by those who register their trade mark or a word confusingly similar to their trade mark. The practice of cybersquatting is a serious global problem.

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<sup>16</sup> David Bainbridge, "Intellectual Property" 5<sup>th</sup> edition, page 676.

<sup>17</sup> Harrods Ltd v UK Network Services Ltd, [1997] EIPR D-106.

<sup>18</sup> <http://www.ip-rights.info/generic%20materials/General%20Report%20v1.pdf> (last visited on August 3, 2009).

<sup>19</sup> [http://www.harvardlawreview.org/issues/112/7\\_1657.htm](http://www.harvardlawreview.org/issues/112/7_1657.htm) (last visited on August 3, 2009).

A degree of protection is available to the trade mark owners in form of national trade mark legislations, the common law and in anti competition laws but national legislation dealing with internet remains in its infancy<sup>20</sup>. United States has a specific legislation dealing with practice of cybersquatting. US Congress has defined cybersquatters as those “*who:*

- *register well-known brand names as Internet domain names in order to extract payment from the rightful owners of the marks;*
- *register well-known marks as domain names and warehouse those marks with the hope of selling them to the highest bidder;*
- *register well-known marks to prey on consumer confusion by misusing the domain name to divert customers from the mark owner's site to the cybersquatter's own site;*
- *target distinctive marks to defraud consumers, including to engage in counterfeiting activities”<sup>21</sup>.*

Congress has passed Federal Trademark Dilution Act first and then Anticybersquatting Consumer Protection Act (ACPA) 1999. The ACPA was passed for protecting consumers and American businesses, to promote the growth of on line commerce, and to provide clarity in the law for trade mark owners by prohibiting the bad-faith and abusive registration of distinctive marks as Internet domain names with the intent to profit from the goodwill associated with such marks--a practice cybersquatting<sup>22</sup>.

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<sup>20</sup> Elisabeth Opie, “Domain Names and Intellectual Property: Current Policies and Protections” VJ (2002) 6 Supplement, page 23 on [http://www.vindobonajournal.com/vj\\_documents/vj\\_6\\_2\\_e\\_supplement\\_opie.pdf](http://www.vindobonajournal.com/vj_documents/vj_6_2_e_supplement_opie.pdf) (last visited on August 3, 2009).

<sup>21</sup> <http://www.lawreporters.com/feb05ilb.pdf> (last visited on August 3, 2009).

<sup>22</sup> <http://www.cybertelecom.org/dns/acpa.htm> (last visited on August 3, 2009).

The object of legislation is to protect trade mark owners whether registered or unregistered from domain names cybersquatters by providing them legal remedies which include cancellation of domain name, transfer of domain name and damages<sup>23</sup>. The trade mark owner has to prove that the name is being used in commerce in bad faith and cybersquatter will be held liable if he had registered the domain name which is identical to or confusingly similar to a trade mark in bad faith with the intension to get profit from the mark including a personal name which is protected as a mark.

### **2.7.2 Cybersquatting under Common Law**

Under common law an important American case involving cybersquatting is Panavision v Toeppen<sup>24</sup>, where defendant registered more than hundred domain names including Panavision which was the trade mark of the plaintiff who was a well known Hollywood camera and lens maker. When the defendant was asked by the plaintiff to return the domain name, he offered to sell it for US\$13,000<sup>25</sup>. The plaintiff refused to pay and sued him in a court of law. The court held that registration of domain name constitutes the use of trade mark by the defendant because it was part of his business to registering and selling the domain names.

Recently passing off has proved its utility as a method of preventing unfair competition. In UK the famous common law case is Marks & Spencer plc v One in a Million Ltd<sup>26</sup>, where the defendants registered many domain names which were comprised of trade marks and trade names of famous companies like BT, Sainsbury, Marks & Spencer, Nokia, and Burger King. The defendants intentionally advertised

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<sup>23</sup> 15 U.S.C. § 1117.

<sup>24</sup> Panavision v Toeppen 945 F. Supp. 1296 (C.D. Cal., 1996)

<sup>25</sup> <http://sandpit.law.uts.edu.au/~jwan/Masters/Cybersquatting,%20Trademark%20Law%20and%20infringement.pdf> (last visited on August 3, 2009).

<sup>26</sup> [1998] FSR 265.

themselves as dealers of domain names. The plaintiffs filed a suit and succeeded in obtaining an injunction against them because the threat of passing off and trade mark infringement was made out and defendants were ordered to take necessary steps to assign the domain names to the claimants. The defendants appealed unsuccessfully to the Court of Appeal in *British Telecom plc v One in a Million Ltd*<sup>27</sup>, Aldous LJ said that domain names which comprised of distinctive names were instruments of fraud. He said that court would interfere in cases where<sup>28</sup>:

- Passing off was established;
- The defendant was a joint tortfeasor with another in actual or threatened passing off;
- The defendant equipped himself or intended to equip another with an instrument of fraud.

The motive of the defendants was clearly influential. They offered domain names to the plaintiffs for large sums and an express or implied threat to sell them to third parties otherwise was also there. The purpose of registering these names was due to the value of the goodwill attached with these names. With respect to the instrument of fraud the court said that it depends upon the circumstances of every individual case. *“If a name due to the similarity with another name inherently lead to passing off is an instrument of fraud but if it would not inherently lead to passing off, it does not follow that it is not an instrument of fraud. The court should consider the similarity of the names, the intension of the defendant, the type of the trade and all the surrounding circumstances”*<sup>29</sup>.

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<sup>27</sup> [1999] FSR 1. Marks & Spencer plc was also a co-respondent along with others.

<sup>28</sup> David Bainbridge, “Intellectual Property” 5<sup>th</sup> edition, page 677.

<sup>29</sup> [1999] FSR 1, (Aldous LJ said at 18).

In an English case named *Glaxo plc v Glaxowellcome Ltd*<sup>30</sup>, injunction was granted to restrain threatened rather than actual trade mark infringement. In the case the defendant registered the name Glaxowellcome as a company name on realizing that there was likely to be a takeover bid by Glaxo plc for Wellcome plc and new company would be named as Glaxo-wellcome plc. When the claimant Glaxo discovered the fact it tried to persuade the defendant to change the name of the company or to sell it to the claimant at the standard price asked for by a company registration agent. The defendant responded with a demand for £100,000 the court granted an injunction on the basis of passing off<sup>31</sup>. There is a possibility that the look or feel of a website might amount to passing off. It is possible that domain name itself has no connection with the aggrieved party but the site accessed by the domain name may look deceptively similar to another<sup>32</sup>. The basic test of passing off applies to the internet:

- Has the claimant goodwill in his product or service;
- Has the defendant made a misrepresentation;
- Has there been or is there likely to be damage to the claimant's goodwill.

Law of passing off is applied in *Compagnie Generale des Eaux v Compagnie Generale des Eaux Sdn Bhd*<sup>33</sup>, with respect to the registration of a company name. The claimant was an internationally operating French based company. It had been established for 138 years and was providing training and technical services in Malaysia. It was earning and paying taxes in Malaysia. The defendant registered the company's name as his domain name and offered the company to negotiate. When claimant filed case against

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<sup>30</sup> [1996] FSR 388.

<sup>31</sup> David Bainbridge, "Intellectual Property" 5<sup>th</sup> edition, page 678.

<sup>32</sup> Ibid.

<sup>33</sup> [1997] FSR 610.



defendant in Malaysian High court, the court found that company has goodwill in Malaysia and there is likelihood of confusion. According to the court the claimant may suffer one of two types of damages. He would suffer either as a result of confusion or by virtue of being unable to register its own name as company name in Malaysia. The damage of second type is a very real form of damage otherwise people would not try to register the names of well known organizations.

## **Chapter III**

### **International Bodies Dealing with Regulation of Domain**

#### **Names**

##### **3.1 Internet Corporation for Assigned Names and Numbers (ICANN)**

The Internet Corporation for Assigned Names and Numbers (ICANN) is a private California based non-profit corporation that has taken responsibility for allocating domain names and IP addresses. It operates under contract with the U.S. Department of Commerce to manage and coordinate the Domain Name System to ensure that every Internet address is unique and that all Internet users can find all valid addresses. ICANN sets minimum standards for the performance of registration functions, recognizes persons or entities meeting those standards, and enters into accreditation agreements with qualified persons or entities.

##### **3.1.1 History of ICANN**

The Domain Name System (DNS) helps people find their way around the Internet. Basically, the DNS is a network of addresses that computers use to communicate with one another. Each Internet address is composed of two parts:

- a domain name, which is the string of alphanumeric text to the right of the “@” in an email address or immediately following the “http://” in a web address;
- an Internet Protocol (IP) number, which is a 32-bit number that specifies a network address on a Transmission Control Protocol ICANN is also responsible for accrediting domain name registrars<sup>1</sup>.

While using the internet if someone wants to exchange information with someone else, he types the domain name and the computer of that other user translates the domain name into its corresponding Internet Protocol number in order to exchange data. In the beginning of the Internet the DNS was managed by the National Science Foundation (NSF), the Internet Engineering Task Force (IETF), and various U.S. government contractors. Before the establishment of ICANN there was Internet Assigned Numbers Authority (IANA) which maintained a list of assigned internet “host” numbers and published technical parameters for use of internet. Every host has a unique Internet Protocol (IP) number and IANA coordinated this system by allocating blocks of numerical addresses to regional IP registries<sup>2</sup>. IANA announced an approach in mid 1980’s to associate human understandable names with IP addresses and as a result Domain Name System began. National Science Foundation in 1993 signed a five years agreement with Network Solutions, Inc (NSI) for providing domain name registration services in .com, .net and .org domains<sup>3</sup>. Network Solutions was the sole registrar authorized to register domain names in these Top Level Domain at that time.

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<sup>1</sup> <http://www.icann.org/faq/> (last visited on August 3, 2009).

<sup>2</sup> Micheal Froomkin, “Wrong Turn in Cyberspace: Using ICANN to Route Around the APA and the Constitution” Duke Law Journal 17(2000).

<sup>3</sup> Susan P. Crawford, “The ICANN Experiment” available at [www.scrawford.net/display/TheICANNEexperiment.doc](http://www.scrawford.net/display/TheICANNEexperiment.doc) (last visited on August 3, 2009).

The use of the internet increased tremendously all over the world and to manage the Domain Name System (DNS) became more difficult and much criticized. When Network Solutions' five year contract with NSF expired in 1997, the U.S. Department of Commerce, which had taken over for NSF, announced the Clinton Administration's desire to transition U.S. governmental management of the DNS to a private entity<sup>4</sup>. In June 1998, the U.S. Department of Commerce issued a non-binding statement of policy, commonly referred to as the "White Paper," which called for the creation of a private entity to manage the DNS according to the principles of stability; competition; private bottom-up coordination; and representation<sup>5</sup>:

1. *"Stability....during the transition and thereafter, stability of the internet should be the first priority of any DNS management system...;*
2. *Competition....where possible, market mechanisms that support competition and consumer choice should drive the management of internet because they will lower costs, promote innovation, encourage diversity and enhance user choice and satisfaction.*
3. *Private Sector, Bottom-up coordination....a private coordinating process is considered to be more flexible than Government and to move rapidly enough to meet the changing needs of the internet and the internet users. The private process should, as far as possible reflect the bottom-up governance that has characterized the development of internet to date.*

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<sup>4</sup> Jennifer Arnette-Mitchell, "State Action Debate Reborn Again: Why the Constitution Should Act as a Checking Mechanism for ICANN's Uniform Dispute Resolution Policy", available at, [http://web.hamline.edu/law/journals/law\\_policy/Old\\_Articles/spring06/Article\\_8\\_-\\_Mitchell.pdf](http://web.hamline.edu/law/journals/law_policy/Old_Articles/spring06/Article_8_-_Mitchell.pdf) (last visited on August 3, 2009).

<sup>5</sup> A Micheal Froomkin, "Wrong Turn in Cyberspace: Using ICANN to Route around the APA and the Constitution", Duke Law Journal, Vol. 50, No. 1, Thirtieth Annual Administrative Law Issue. (October 2000), page 67 available at <http://osaka.law.miami.edu/~froomkin/articles/icann.pdf> (last visited on August 3, 2009).

4. *Representation....management structures should be of such which reflect the functional and geographic diversity of the internet and its users. Mechanisms should be established to ensure international participation in decision making*<sup>6</sup>.

### **3.1.2 Establishment of ICANN**

In October 1998, ICANN was established by Jon Postel and others, and it was intended to be an efficient organization that reflected the global nature of the Internet by developing policies through a bottom-up consensus process. In November of that year the Department of Commerce entered into a Memorandum of Understanding. Operating under a Memorandum of Understanding with the U.S. Department of Commerce, ICANN sought to lessen the burdens of government and promote the global public interest in the operational stability of the Internet by coordinating the assignment of Internet technical parameters, managing the DNS, allocating IP address space, and managing the DNS root name server system<sup>7</sup>.

On September 29, 2006 ICANN signed a new agreement with the United States Department of Commerce (DOC) that is a step forward toward the full management of the Internet's system of centrally coordinated identifiers through the multi-stakeholder model of consultation that ICANN represents<sup>8</sup> and according to ICANN, it is intended to be the final version of Memorandum of Understanding which sets out a series of goals for ICANN that, when achieved, will result in a fully independent ICANN organization<sup>9</sup>.

Primarily the strength of ICANN lies in its ability to react promptly to a rapidly changing environment like the Internet. In contrast to an organization such as the United

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<sup>6</sup> Ibid.

<sup>7</sup> <http://www.icann.org/general/articles.htm> (last visited on August 3, 2009).

<sup>8</sup> [http://www.ntia.doc.gov/ntiahome/domainname/agreements/jpa/ICANNJPA\\_09292006.htm](http://www.ntia.doc.gov/ntiahome/domainname/agreements/jpa/ICANNJPA_09292006.htm) (last visited on August 3, 2009).

<sup>9</sup> *Fact Sheet*, available at, <http://www.icann.org/general/fact-sheet.html> (last visited on August 3, 2009).

Nations, which tends to be very slow moving and bureaucratic, ICANN allows for innovation and efficiency<sup>10</sup>. ICANN established competition in market in respect of generic domain name registration which as a result lowered the domain name costs. ICANN implemented a cost effective and efficient dispute resolution policy which is resolving number of disputes over domain name ownership all over the world.

### **3.1.3 Structure of ICANN**

ICANN is a non-profit corporation "for charitable and public purposes" under the California Nonprofit Public Benefit Corporation Law. It is governed by a Board of Directors consisting of representatives of the three Supporting Organizations i-e Generic Names Supporting Organization (GNSO), which deals with policy making of generic Top Level Domains (gTLDs); Country Code Names Supporting Organization (ccNSO), dealing with policy making with regard to country code Top Level Domains (ccTLDs); and Address Supporting Organization (ASO), which takes care of policy making on IP addresses.

A Nominating Committee in which all the constituencies of ICANN are represented select members of Board of Directors who are independent representatives of general public interest, and the president and CEO are appointed by the rest of the Board.

In order to protect the interests of and fulfill the needs of stakeholders, certain advisory committees are given much importance by ICANN. These committees include Governmental Advisory Committee (GAC), At Large Advisory Committee (ALAC),

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<sup>10</sup> Declan McCullagh, "*If ICANN Can't, Who Can?*" available at, [http://news.cnet.com/2100-1038\\_3-5167919.html](http://news.cnet.com/2100-1038_3-5167919.html) (last visited on August 3, 2009).

Root Server System Advisory Committee, Security and Stability Advisory Committee (SSAC), and Technical Liaison Group (TLG).<sup>11</sup>

### **3.1.4 Working of ICANN**

Periodic public meetings of ICANN take place in different continents rotationally to encourage the participation of the whole world. The minutes and reports of meetings of ICANN and resolutions of directors are published for public and people can see those on the web-site of ICANN.

### **3.1.5 Uniform Domain Name Dispute Resolution Policy (UDRP)**

In the beginning of the internet, domain name disputes were tried to be dealt with already existing legislation particularly trade mark legislation. Then with the passage of time legislation specifically dealing with domain name disputes such as Anticybersquatting Consumer Protection Act came into effect. But remedies under these laws have some serious limitations:

- Firstly, there exists a disparity among laws of different states and as a result the remedies under these legislations vary from state to state;
- Secondly, these judicial remedies involve traditional litigation, a dispute resolution mechanism that can be very expensive and burdensome for the parties involved and it prevented some legitimate owners to a claim<sup>12</sup>;
- Thirdly, the question of jurisdiction and which governing law applies is a difficult one in cross-border transactions.

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<sup>11</sup> <http://www.icann.org> (last visited on August 3, 2009).

<sup>12</sup> Lisa M. Sharrock, "The Future of Domain Name dispute Resolution: Crafting Practical International Legal Solutions From Within The UDRP Framework" Duke Law Journal, Vol. 51, No. 2. (Nov 2001), page 827.

Internet is an international medium and the domain name disputes with global dimension are resulted from it so strong need was felt for an internationally consistent set of rules which can meet the needs of internet community efficiently and impartially<sup>13</sup>. The United Nations in June 1998 presented a proposal for recommendations for a consistent international approach with respect to domain name disputes to the World Intellectual Property Organization (WIPO). After consultations with internet community WIPO prepared a report containing recommendations on domain name disputes. WIPO published its report which asserted on the creation of uniform administrative procedure for dispute resolution in generic Top Level Domains (gTLDs). ICANN implemented most recommendations of WIPO in its Uniform Domain Name Dispute Resolution Policy (UDRP). At its meeting on August 25 and 26, 1999 in Santiago, Chile, ICANN Board of Directors adopted Uniform Domain Name Dispute Resolution Policy (UDRP) which came into effect on Oct 24, 1999. A set of rules was adopted by ICANN Board for Uniform Domain Name Dispute Resolution Policy (the UDRP Rules) providing the procedure and other necessary requirements for dispute resolution procedure<sup>14</sup>. The UDRP is proved to be an exceptional experiment in globalization and privatization of IP protection. Due to the dispute resolution clause in registration agreement, UDRP applies to every gTLD i-e .aero, .biz, .com, .coop, .info, .museum, .name, .net, .org, and .pro etc.

Under UDRP, the registrant is bound to submit to mandatory arbitration if in future a third party claims that a domain name is identical or confusingly similar to his trade mark or service mark or the registrant has no right or lawful interest in domain name and

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<sup>13</sup> Ibid, Page 828.

<sup>14</sup> <http://www.wipo.int/amc/en/domains/guide/index.html> (last visited on August 3, 2009).



that the registrant has acted in bad faith<sup>15</sup>. According to par 4 (b) of UDRP following four circumstances are considered as “*evidence of registration and use of domain name in bad faith*”:

- *Trafficking in domain names;*
- *Registration of domain name in order to prevent the mark owner from using the domain name (pattern of conduct);*
- *Registration of domain name primarily for the purpose of disrupting the business of a competitor; or*
- *Use of domain name in an intentional effort to divert or draw traffic to the registrant’s website for the commercial gain.”<sup>16</sup>*

Par 4(c) of UDRP identifies following circumstances as “*evidence of registrant’s legitimate interest in domain name*”

- *The registrant’s use of a domain name or the mark identical to the domain name in connection with a bona fide offering of goods or services before receipt of notice of the dispute;*
- *The registrant has been commonly known by the domain name (i-e a nickname) even if the registrant has acquired no trade or service mark right; or*
- *The registrant is making a legitimate noncommercial or fair use of the domain name without the intent to misleadingly divert consumers or to tarnish the trade or service mark of the claimant”<sup>17</sup>.*

If a person files a complaint with any of the ICANN approved dispute resolution service providers on the ground that domain name meet above mentioned requirements,

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<sup>15</sup> Uniform Domain Name Dispute Resolution Policy. Paragraph 4(a)

<sup>16</sup> Ibid, Paragraph 4(b).

<sup>17</sup> Ibid, Paragraph 4(c).

the registrant has no other option than to submit to the mandatory arbitration proceedings and the matter will be resolved according to the provisions of UDRP.

There are four ICANN-approved dispute resolution service providers<sup>18</sup>:

1. The World Intellectual Property Organization (WIPO), It was established in July 1967 by an international convention. WIPO is a specialized agency of United Nations since 1974. WIPO established an Arbitration & Mediation Centre in Geneva, Switzerland in Oct 1994. It is a unit of International Bureau of the WIPO. Its reputation is strongly influenced by the reputation of its parent body. It gained ICANN's approval as a dispute resolution service provider on December 1, 1999. This centre is known for its independence and neutrality in hearing disputes.
2. The National Arbitration Forum (NAF), established in 1986 in Minneapolis, Minnesota. It is known for its impartiality and use of substantive law in arbitrating cases. It gained ICANN's approval as a dispute resolution service provider on December 23, 1999.
3. Asian Domain Name Dispute Resolution Centre (ADNDRC) which has three offices in Beijing, Hong Kong and Seoul. It started accepting complaints from February 28, 2002.
4. The Czech Arbitration Court (CAC) has been approved in January 2008 as a UDRP provider and it started accepting complaints in January 2009.

eResolution, is a Montreal based relatively new organization. It was established in 1999. The main purpose of its establishment was to arbitrate domain name disputes but it is pertinent to note that it itself submitted a dispute regarding its own domain name to

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<sup>18</sup> <http://www.icann.org/udrp/approved-providers.htm> (last visited on August 3, 2009).

WIPO. It gained approval as a dispute resolution service provider by ICANN on January 1, 2000 and it stopped accepting any proceedings from November 30, 2001.

The CPR Institute for Dispute Resolution, located in New York, the institute was established in 1979. It is an alliance of 500 general counsels of international corporations and major law firm partners whose object was to integrate ADR into the mainstream of law departments and firms<sup>19</sup>. CPR obtained ICANN accreditation on May 22, 2000. It arbitrated a few cases only perhaps due to its high fee it charges. It is not accepting complaints anymore.

Companies select appropriate forum while taking into consideration their interests and convenience. Mostly European companies prefer to go to the WIPO because majority of arbitrators are from Europe and North America and they are more familiar with International and European trade mark laws while on the other hand US based companies generally prefer National Arbitration Forum (NAF). NAF arbitrators are retired judges and attorneys practicing trade mark laws and have extensive awareness of US trade mark laws.

There are five stages of Uniform Domain Name Dispute Resolution Policy Administrative procedure which can be elaborated as under:

1. Filing of a complaint with anyone of the four ICANN accredited dispute resolution service providers by the complainant;
2. Filing of a response by the respondent (person or entity against whom complaint was made;

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<sup>19</sup> Christopher S. Lee, *The Development of Arbitration in the Resolution of Internet Domain Name Disputes*, 7 RICH. J.L. & TECH. 2 (Fall 2000), at <http://www.richmond.edu/jolt/v7i1/article2.html> (last visited on August 3, 2009).

3. Appointment of an administrative panel of one or three persons to decide the dispute;
4. Issuance of the Administrative panel's decision and notification to all relevant parties; and
5. Implementation of the decision by concerned registrar if there is decision of transfer or cancellation of the domain name in dispute<sup>20</sup>.

Although ICANN is exercising quasi-governmental role in the administration of internet, the UDRP is enforced through the private contract rather than regulation<sup>21</sup>. The UDRP does not bar the jurisdiction of National courts. It does not preclude the domain name registrant or a trade mark holder to initiate proceedings in court for independent resolution before, during or after the UDRP proceeding. The losing domain name registrant can challenge the administrative panel's decision in court of competent jurisdiction<sup>22</sup>. But in practice it is hardly done and UDRP has become the leading forum for domain name dispute resolution. Through these proceedings a domain name can be cancelled, transferred or sustained but there are no monetary damages, injunctive relief available.

The scope of UDRP is international as it provides a single mechanism for resolving a domain name dispute. The logistic issues like what is the location of the registrar, the registrant and trade mark owner does not matter under UDRP. The UDRP procedure is cost and time effective especially in international context as compared to court litigation. The mandatory implementation of the decision is an important advantage of UDRP

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<sup>20</sup> <http://www.wipo.int/amc/en/domains/guide/#b1> (last visited on August 3, 2009).

<sup>21</sup> *Parisi v Netcleaning, Inc*; 139 F. Supp. 2d 745, 747 (E.D. Va. 2001)

<sup>22</sup> Uniform Domain Name Dispute Resolution Policy, Paragraph 4(k)

procedure because ICANN registrars are under an obligation to take necessary measures to enforce UDRP decision.

The UDRP is proved to be very successful but it has few flaws as well. Arbitrator's ability to exercise virtually unchecked decision making power has lead to inconsistency in decisions on several key issues of domain name use due to which some critics consider many arbitrators as biased towards trade mark owners and corporate interests<sup>23</sup>.

### **3.1.6 Criticisms of ICANN**

Although ICANN is a private nonprofit organization but it is accused of having close ties with U.S Government. Its board members are appointed rather than elected. The board's early penchants for closed meetings intensified the air of secrecy surrounding ICANN, the internet community knew neither these people were nor how they were reaching their decisions<sup>24</sup>. ICANN's corporate structure has been criticized for clashing with its stated goal of reflecting the global nature of the internet by developing policies through a bottom-up consensus process. According to critics, ICANN's corporate form – a centralized, top-down authority structure – makes it difficult for the organization to remain committed to the ideals of openness and representation<sup>25</sup>.

ICANN is established as a regulatory agency to regulate the internet community. It is exercising the powers of regulatory agency through price setting, registration accreditation, new public offering and having enforcement powers<sup>26</sup>. For a regulatory

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<sup>23</sup> Lisa M. Sharrock, "The Future of Domain Name dispute Resolution: Crafting Practical International Legal Solutions from within The UDRP Framework" Duke Law Journal, Vol. 51, No. 2. (Nov. 2001), page 827.

<sup>24</sup> <http://faculty.law.wayne.edu/Weinberg/legitimacy.PDF> (last visited on August 3, 2009).

<sup>25</sup> [http://www.centerforinformationresearch.org/wiki/index.php?title=ICANN - Its Strengths and Its Weaknesses](http://www.centerforinformationresearch.org/wiki/index.php?title=ICANN_-_Its_Strengths_and_Its_Weaknesses) (last visited on August 3, 2009).

<sup>26</sup> Hans Klein, "ICANN Reform: Establishing the Rule of Law" a policy analysis prepared for The World Summit on the Information Society (WSIS), available at [www.IP3.gatech.edu](http://www.IP3.gatech.edu) (last visited on August 3, 2009).

agency the principle of good governance is well known. Most important element of good governance is the establishment of rule of law which is not been implemented in case of ICANN. More powerful States have more influences than less powerful governments and more powerful private interests have more influence than their less powerful counterparts.

ICANN is a global regulator but it is not created by a global legislature not even by a national legislature. Its political mandate came from the executive branch of U.S government i.e Department of Commerce therefore its critics call it as illegitimate. The bylaws of ICANN are fluid and unpredictable and have been frequently amended.

ICANN suffers from regulatory capture mostly to the benefit of US based corporations.

The main episodes listed by Hans Klein are as follows:

- Capture of International forum on White Paper (IFWP) 1998: the process by which the internet community was to design ICANN was captured by powerful industry and technical stakeholders. They boycotted public meetings and successfully proposed their own secretly written bylaws;
- Capture of ICANN Board (2002): the same industry and technical interests eliminated user representation on the board;
- Capture of the Internet Society (2002): in 2002 ISOC revised its bylaws to ensure that society would be governed by its largest corporate members. This has resulted in two derivative acts of capture:
  1. Capture of .ORG Registry,
  2. Capture of ICANN's At Large Advisory Committee (ALAC).

- Capture of .COM by Network Solutions: This U.S Corporation has extended its very profitable control of most popular domain name<sup>27</sup>.

ICANN is also criticized due to its Uniform Domain Name Dispute Resolution Policy. UDRP is considered to be controversial even from its birth. On one hand the trade mark owners originally objected that it was too weak and narrow and would not serve adequately their interests; while on the other hand opponents objected that the courts already adequately protected legitimate trade mark interests and UDRP gave trade mark holders de facto rights in excess of those provided by law<sup>28</sup>. Every domain name registrant in the gTLD is subject to the mandatory administrative procedure in which if certain requirements are fulfilled, the arbitrator can order the transfer of disputed domain name the trade mark owner/complainant<sup>29</sup>. The UDRP is implemented on basis of contract to which ICANN registrars have to agree with registrants while registering a domain name. ICANN allow the challenger to select the dispute resolution service provider which result in a biased decision. Through the analysis of decisions it is clear that WIPO and NAF are most claimant friendly service providers and eResolution is the most defendant friendly. WIPO and NAF interpret the UDRP in a way which favor trade mark holder to over other internet users while eResolution tends to adhere to the strict language of policy<sup>30</sup>.

### **3.2 The World Intellectual Property Organization (WIPO)**

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<sup>27</sup> <http://www.consortiuminfo.org/bulletins/nov05.php> (last visited on August 3, 2009).

<sup>28</sup> A Micheal Froomkin, ICANN's "Uniform Domain Name Dispute Resolution Policy"-Causes and (Partial) Cures, Brooklyn Law Review, Vol. 67, 2002.

<sup>29</sup> Jonathan Weingurg, "ICANN and The Problem of Legitimacy" Duke Law Journal, Vol. 50. No.I, Thirtieth Annual Administrative Law Issue. (Oct, 2000) page 216.

<sup>30</sup> Milton Mueller, "Rough Justice" available at <http://dcc.syr.edu/miscarticles/roughjustice.pdf> (last visited on August 3, 2009).

The World Intellectual Property Organization (WIPO) is UN's specialized agency since 1974. It was established in July 1967 by an international convention as a successor to the Bureaux Interationaux Reunis Pour la Protection de la Propriete Industriel (BIPRI) which was formed in 1883 to administer the Paris Convention for Protection of Industrial Property.

The mission of the WIPO is to promote the protection of Intellectual Property throughout the World primarily by administering multilateral treaties. The administrative cooperation among the intellectual property unions established under Paris convention, Bern convention and sub treaties concluded by members of the Paris Union is also one of the main objectives of WIPO. The Unions are administered through the "International Bureau" which is WIPO's secretariat. The international registration of patents, trade marks, industrial designs and appellation of origin are also administered by the International Bureau.

Strategic goals of WIPO include the promotion of IP culture, integration of IP into national development policies and programs, development of international IP laws and standards, delivery of quality services in global IP protection systems, and increasing the efficiency of WIPO's management and support processes.

### **3.2.1 Importance of Alternate Dispute Resolution**

The areas of intellectual property are rapidly growing and the nature of intellectual property, particularly in international context, demands the kind of specialized dispute resolution techniques uniquely provided by Alternate Dispute Resolution (ADR) and the legal communities in most countries are increasingly accepting ADR methods, providing



an environment in which ADR can flourish<sup>31</sup>. There are several advantages of ADR procedures i-e

- A dispute involving Intellectual Property can be resolved through ADR by single procedure and expenses and complexities of multi-jurisdictional litigation can be avoided;
- As ADR is private in nature, it gives parties great control i-e parties may select decision makers and may choose the applicable law, language and place of proceeding;
- Neutrality is the most important advantage of ADR;
- ADR proceedings are private in nature and parties can agree to keep all proceedings and their results confidential;
- Finality of the Award;
- Enforceability of the Award under the United Nations Convention for Recognition and Enforcement of Foreign Arbitral Awards of 1958 which facilitates the enforceability of awards across borders.

### **3.2.2 WIPO Arbitration and Mediation Centre**

Recognizing the growing need for Alternate Dispute Resolution services, WIPO established an Arbitration & Mediation Centre in Geneva, Switzerland in Oct 1994. It is a unit of International Bureau of the WIPO. The center acted as a technical adviser to the ICANN drafting committee whose task was to finalize the UDRP Policy and UDRP Rules. It has developed WIPO Supplemental Rules for UDRP Policy which supplements

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<sup>31</sup> Julia A. Martin, "Arbitrating in the Alps Rather Than Litigating in Los Angeles: The Advantages of International Intellectual Property-Specific Alternative Dispute Resolution" *Stanford Law Review*, Vol. 49, No. 4 (Apr., 1997), page 922.

the UDRP Policy and Rules. Its reputation is very much influenced by the reputation of its parent body. The centre is ICANN approved dispute resolution service provider. ICANN approved it in this capacity on December 1, 1999. The services provided under this centre are mainly mediation and arbitration. These terms can be defined as:

Mediation is “*a procedure in which neutral intermediary, the mediator, endeavors at the request of the parties to a dispute, to assist them in reaching a mutually satisfactory settlement*”<sup>32</sup>. Following are the important characteristics of mediation:

- Mediation is a non binding procedure controlled by the parties;
- In mediation the role of mediator is not of a decision maker but he assist parties in reaching settlement of the dispute;
- Mediation is a confidential procedure, under WIPO Mediation Rules the existence and outcome of the mediation are also confidential which allows free negotiations among parties without fear of publicity;
- Mediation is an interest based procedure, unlike arbitration and court litigation, in mediation parties can be guided by business interests.

Arbitration is “*a process in which a dispute is submitted by an agreement of the parties to the arbitrator or to a tribunal of several arbitrators that render a binding decision*”<sup>33</sup>. Following are the basic characteristics of arbitration:

- Arbitration is consensual, it can only take place if both parties have agreed to it;
- Parties to the dispute choose the arbitrator. Under the WIPO Arbitration Rules, parties can choose a sole arbitrator or if they wish to have three-members tribunal

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<sup>32</sup> Ibid, page 919.

<sup>33</sup> [http://www.brownwelsh.com/Archive/2002\\_WIPO\\_eissues\\_report.pdf](http://www.brownwelsh.com/Archive/2002_WIPO_eissues_report.pdf) (last visited on August 3, 2009).

then each party nominate one arbitrator and these two arbitrators agree on the presiding arbitrator;

- Arbitration is neutral;
- The procedure of arbitration is confidential;
- The decision of arbitral tribunal is final;
- The decision of arbitrator is easily enforceable under the United Nations Convention for Recognition and Enforcement of Foreign Arbitral Awards of 1958 also known as New York Convention and more than 140 states are party to the said convention.

### **3.2.3 WIPO and UDRP**

After the First Internet Domain Name Process WIPO published its report “The management of Internet Names and Addresses: Intellectual Property Issues” in April 1999 which specifically focused on the problems resulted from conflicts between trade marks and domain names. ICANN adopted most of these recommendations which resulted in the implementation of an administrative system for resolving domain name disputes involving trade marks, as well as a system of best practices for domain name registration authorities, designed to avoid such conflicts<sup>34</sup>.

The final report of WIPO recommended the adoption of a uniform dispute resolution policy providing a consistent administrative procedure for resolving domain name disputes in all generic Top Level Domains (gTLDs) the scope of which be limited to cases of bad faith and abusive registration of domain names which violate trade mark rights so that the procedure should be quick, efficient, cost effective and conducted on

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<sup>34</sup> [www.wipo.int](http://www.wipo.int) (last visited on August 3, 2009).

line most of the time. The proposal limited the scope of remedies under that administrative procedure to the order of cancellation or transfer of domain name in dispute and allocation of the costs of procedure against the losing party and the decision should be enforced by the registration authorities<sup>35</sup>.

ICANN adopted UDRP on August 26, 1999 which is based on recommendations WIPO made in its Report on the First WIPO Internet Domain Name Process. Any trade mark owner who considers his trade mark right being infringed by the registration of domain name by third person can initiate a proceeding under UDRP. The registrant is bound to submit to these dispute resolution proceedings under the standard dispute clause of the Terms and Conditions for the registration of a gTLD domain name.

### **3.2.4 Advantages of UDRP**

UDRP might have some limitations but when compared to the traditional litigation its advantages are clearly marked. Following are the important advantages of dispute resolution under UDRP:

1. UDRP consists of a single procedure while on the other hand in traditional proceedings courts of different countries have different procedures;
2. UDRP procedure is an expedient one, it normally takes less than two months for a decision to come from the date of complaint under UDRP;
3. UDRP procedure is less expensive than traditional court proceedings and it has been said that before UDRP 'illegitimate cybersquatting was so inexpensive to initiate and so expensive to litigate that much of it went unchallenged<sup>36</sup>;

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<sup>35</sup> <http://www.wipo.int/export/sites/www/amc/en/docs/report-final1.doc> (last visited on August 3, 2009).

<sup>36</sup> Milton Mueller, "Rough Justice" available at <http://dcc.syr.edu/miscarticles/roughjustice.pdf> (last visited on August 3, 2009).

4. UDRP is global in effect, whereas foreign decisions are subject to multilateral treaties as well as public policy, but in case of an arbitration tribunal, decisions under UDRP are enforced as decision of the country in which enforcement is sought<sup>37</sup>;
5. UDRP co-exist with normal legal system and if the party is not satisfied with the panel's decision, it can institute a normal law suit to review the decision given by the administrative panel;
6. UDRP cases are heard and decided by the experts in the field whereas in traditional litigation judges dealing with domain name disputes have very little knowledge of domain name system and its importance in the electronic commerce;
7. Under UDRP, there is more or less uniformity in the decisions.

### **3.2.5 Landmark Cases Decided by WIPO under UDRP**

**World Wrestling Federation Entertainment, Inc. v. Michael Bosman**<sup>38</sup>, (popularly known as WWF case)

This was the first case conducted under UDRP. The facts of the case were that the complainant was the owner of a service mark 'WORLD WRESTLING FEDERATION' and a trade mark 'WORLD WRESTLING FEDERATION' registered with United States Patents and Trademark Office. The respondent registered the domain name <worldwrestlingfederation.com> and within three days of registration, he offered the domain name for sale. The claimant contended that respondent has registered as domain

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<sup>37</sup> Hasan A. Daveci, "Domain Names: Has Trade Mark Law Strayed from its path?" International Journal of Law and Information Technology, Vol. 11, No. 3, Oxford

<sup>38</sup> Case No. D99-0001, text of complete decision available at <http://arbiter.wipo.int/cgi-bin/domains/search/legalindex?lang=eng> (last visited on August 3, 2009).

name a mark which is identical to his service mark and trade mark, that respondent has no rights or legal interests in the disputed domain name, and that he has registered and is using this domain name in bad faith. The respondent did not contest the case.

It was found that because the respondent offered the domain name for sale to the service/trade mark holder for valuable consideration in excess of any out of pocket costs directly related to the domain name which is the evidence of use of the domain name in bad faith as required under paragraph 4(b) of the UDRP. Therefore the panel required that the registration of the domain name be transferred to the complainant.

**Backstreet Production, Inc. v. John Zuccarini**<sup>39</sup>, (popularly known as Backstreetboys.com case)

The Backstreet Boys are well-known pop singers. They have licensed a wide range of products bearing their trade mark including posters, watches, backpacks, musical products, live concert photos, etc, which resulted in huge revenue. They operate a website at “www.backstreetboys.com”. The respondent established websites with domain names backsreetboys.com, backsteetboys.com, backstreeboys.com, backstreetboyspics.com, backstreetboyspictures.com, backstreetboyz.com, backstreetsboys.com, backstretboys.com, backtreetboys.com, bacstreetboys.com, and bakstreetboys.com. The respondent has never been licensed by the complainant to use their trade mark and he was not offering any goods or services through these websites. Upon entering these sites, the users were diverted to a number of windows displaying advertisements and must click on each of the windows before exiting.

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<sup>39</sup> Case No. D2001-0654, text of complete decision available at <http://arbitrator.wipo.int/cgi-bin/domains/search/legalindex?lang=eng> (last visited on August 3, 2009).

The disputed domain names were found to be almost identical and confusingly similar to the trade mark, the respondent's use of disputed domain names do not give him a lawful right/interest in the domain names, and respondent did register and use the domain names in question in bad faith. As all requirements of paragraph 4(a) of UDRP have been fulfilled, the panel decided that the registration of domain names in question was to be transferred to the complainant.

**Nokia Corporation v. Marlon Sorken<sup>40</sup>,**

Nokia Corporation, a company incorporated in Finland is the world leader in mobile communications. Nokia branded products are sold in 119 countries throughout the world. Nokia is the proprietor of 309 registered trade marks throughout the world comprising of word NOKIA or of which the word NOKIA is the dominant feature. Nokia enjoys extensive and wide spread goodwill and repute in their trade marks worldwide. The respondent registered the domain name <nokialand.com> and the website advertised for download ringtones and logos for use on mobile phones.

It was found that domain name is not identical but is confusingly similar to the trade mark owned by the complainant. Domain name consists of trademark Nokia which is a world known mark and addition of a common word i-e land can not change the overall expression of a mark. The respondent has no legitimate right/interest in the mark because complainant has not granted him permission to use the logos. Before registering domain name the respondent has knowledge of the trade mark and he has chosen this domain name with the intention to attract users/customers for commercial gain by creating a likelihood of confusion with the mark NOKIA which is an evidence of his

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<sup>40</sup> Case No. D2002-0276 ful text available at <http://www.wipo.int/amc/en/domains/decisions/word/2002/d2002-0276.doc> (last visited on August 3, 2009).

registration of the domain name in bad faith. The domain name was transferred to the complainant.

**Madonna Ciccone popularly known as Madonna v. Dan Parisi and Madonna.com<sup>41</sup>,**

The complainant was Madonna a well known entertainer. The famous singer owns trade mark MADONNA based on her name for entertainment services and related goods. Her name and mark MADONNA was professionally in use for entertainment services since 1979. Respondent was running a business of developing web sites. He purchased the domain name Madonna.com from Pro Domains for \$20,000 on May 29, 1998. Then he got registration of trade mark MADONNA in Tunisia. The complainant challenged the domain name in WIPO Arbitration and Mediation Centre and contention was that disputed domain name is same/alike to her registered trade mark MADONNA, the respondent has no lawful rights or interest in disputed domain name and his intention for registering it was to attract users to a pornographic web site only for commercial exploitation of complainant's name and mark.

It was found by the panel that domain name was identical with the name and mark of the complainant. The panel further observed that although the word Madonna has a dictionary meaning, the respondent registered it with the intention of trading on fame of complainant's mark. The respondent was a United States citizen but he registered the trade mark in Tunisia where the mark was registered without any substantive enquiry or examination. The panel observed that "*if an American-based respondent could establish rights vis a vis an American complainant through securing an expedient registration in*

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<sup>41</sup> D2000-0847 available at <http://www.wipo.int/amc/en/domains/decisions/html/2000/d2000-0847.html> (last visited on August 3, 2009).



*Tunisia, then ICANN procedure would be rendered virtually useless*<sup>42</sup>. The panel considered this registration merely an attempt to avoid the scope of UDRP and an established evidence of bad faith. The panel decided in favor of complainant and transferred the domain name <Madonna.com> to the complainant.

UDRP is much criticized because of ICANN as it is adopted and implemented by ICANN. Like all other things UDRP has certain merits as well as demerits. The scope of UDRP is limited only to the cases of deliberate, bad faith and abusive registration of domain names. In addition to this UDRP is continuously criticized due to the claimant's right to choose the forum where he wishes his case to be tried and he choose that forum which is more likely to order the transfer of the disputed domain name. The dispute resolution service providers under UDRP are commercial entities, their own economic interest lies in attracting potential claimants to their web sites and to achieve this end they interpret UDRP rules to the advantage of the claimant which resulted in forum shopping<sup>43</sup>.

The complainant has to prove all the three elements provided in para 4(a) of UDRP in order to succeed i-e he has to prove the similarity of domain name to his trade mark, he has to prove that defendant has no legitimate right or interest in that mark and that he has registered it in bad faith. If the first two requirements are met but third element is not present, the complainant will not succeed.

One important aspect of criticism is the way UDRP is interpreted by the panelists especially the element of bad faith.

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<sup>42</sup> Ibid.

<sup>43</sup> Michael Geist, "Fair.com?: An Examination of the Allegations of Systemic Unfairness in the ICANN UDRP" available at <http://aix1.uottawa.ca/~geist/geistudrp.pdf> (last visited on August 3, 2009).

The procedural aspects of UDRP are also criticized by the authors. They allege that there is a bias on part of panelists in favor of complainant which resulted in to forum shopping. It is alleged that the procedure adopted for the allocation of panelists or arbitrators is suspicious. The UDRP procedure lacks appellate reviews and UDRP is unable to decide cases with complications i-e cases where both parties have rights in the trade mark. The UDRP procedure does not provide injunctive relief and complainant can not recover damages, costs and interest expenses.

Like all other things in the world UDRP is not perfect. There are certain aspects of the policy which needs to be modified. It is in the nature of law and policy that it adapts itself according to the changing circumstances through amendments. When overall analyzed, it is clear that UDRP has solved most of the problems involving the practice of cybersquatting.

### **3.2.6 National Dispute Resolution Policies (NDRPs)**

The country code Top Level Domains (ccTLDs) registries are either quasi-public or private with links or contracts with relevant governments<sup>44</sup>. These ccTLDs are also registered on first come first served basis and on registration applicants are required to sign a contract submitting to the elements of registrability. Through this contract the registrant is also required to submit to the National Dispute Resolution Policy (NDRP) in case of a domain name dispute. These NDRPs mainly get inspiration from UDRP. Some countries have adopted UDRP with minor changes but some have made significant changes in the UDRP. These changes have been made while taking into consideration domestic governmental policies and special circumstances of the country concerned

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<sup>44</sup> Warren B. Chik, "Lord of Your Domain, But Master of None: The Need to Harmonize and Recalibrate the Domain Name Regime of Ownership and Control" published in International Journal of Law and Information Technology, Vol. 16 No. 1 (Page 16).

which in turn have impacts on the practices of administrators and the implementation of the policy by the dispute resolution service providers<sup>45</sup>.

In the beginning countries tried to combat domain name disputes with their existing Trade mark legislation by introducing certain amendments in their existing laws. But later on some countries passed specific Acts for domain name protection taking into consideration expansion in internet and development of new concept of virtual property. The US has the most developed legislation in this area such as Lanham Act for registered trade marks, the Federal Trade mark Dilution Act of 1995 (FTDA), the Anticybersquatting Consumer Protection Act of 1999 (ACPA) and the Truth in Domain Names Act of 2003 (TDNA).

In the United Kingdom officially designated internet registry for .uk ccTLDs is Nominet<sup>46</sup>. For dispute resolution in .uk domain names Nominet has developed a policy United Kingdom Dispute Resolution Policy (UKDRP) and rules under that policy. The UKDRP differs from UDRP in two ways. First, it requires the parties to engage in an informal mediation, within three days of filing the complaint<sup>47</sup>. Second, it provides an appeal process, through which either party to the dispute can challenge the ruling of the case<sup>48</sup>.

### **3.3 Trade Related Aspects of Intellectual Property Rights (TRIPS)**

Trade Related Aspects of Intellectual Property Rights (TRIPS) is an agreement within General Agreement on Tariffs and Trade (GATT). TRIPS Agreement was negotiated at

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<sup>45</sup> Ibid. (Page 19).

<sup>46</sup> <http://www.nic.uk> (last visited on August 3, 2009).

<sup>47</sup> Warren B. Chik, "Lord of Your Domain, But Master of None: The Need to Harmonize and Recalibrate the Domain Name Regime of Ownership and Control" published in International Journal of Law and Information Technology, Vol. 16 No. 1

<sup>48</sup> Ibid.

the 1994 Uruguay Round of the GATT that included IP issues into the World Trade Organization (WTO). It came into effect on January 1, 1995 and it is regarded as the most comprehensive multilateral agreement on IP. TRIPS is applicable to all WTO members. The GATT served as the basis for establishment of WTO after the Uruguay round, as for obtaining the membership of WTO, ratification of TRIPS is a necessary condition. Countries desiring easy access to the international markets established under WTO must legislate IP laws mandated by TRIPS. TRIPS harmonized and strengthened the Intellectual Property Laws of its signatories by linking the obligation to protect the Intellectual Property rights of other member's citizens with a mechanism for settling international trade disputes<sup>49</sup> hence it is considered as the most important instrument of globalization of intellectual property laws.

The basic characteristic of the TRIPS is that it makes the protection of intellectual property rights an integral part of the multilateral trading system as embodied in WTO<sup>50</sup>. WTO is considered to have three pillars which are trade in goods, trade in services and TRIPS. The TRIPS says that all WTO members must comply with the substantive obligations of the main conventions of WIPO in their most recent versions i-e the Paris Convention on industrial property, and the Berne Convention on copyright<sup>51</sup>. All the substantive provisions of these conventions are incorporated in TRIPS by reference. To comply with the provisions of these conventions is obligatory for the WTO members under the TRIPS. The areas which were not addressed or not sufficiently addressed are dealt with by the TRIPS and it introduced certain obligations in those areas. Therefore it

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<sup>49</sup> BLACK'S LAW Dictionary, 8<sup>th</sup> edition, page 1545.

<sup>50</sup> <http://www.codissia.com/document/Trade%20Related%20Intellectual%20Property%20Rights.pdf> (last visited on August 3, 2009).

<sup>51</sup> Ibid.

is sometimes called as Berne and Paris-plus. There are three important characteristics of the TRIPS i-e standards, enforcement and dispute settlement:

- Standards, TRIPS provides minimum standards of protection which each member must provide. Each of the main elements of protection is defined i-e the subject matter to be protected, the rights to be conferred with permissible exceptions to those rights, and the minimum duration of protection;
- Enforcement, the second set of provisions deals with the national procedures and remedies for the enforcement of IPRs;
- Dispute settlement, the TRIPS makes the disputes between WTO members with respect to the TRIPS obligations subject to the WTO's dispute settlement procedures<sup>52</sup>.

In addition national treatment and most favoured-nation-treatment are basic principles given by TRIPS. Under these principles each Member is bound to give to the nationals of other Members the treatment which it gives to its own members and must give to the nationals of all Members the same privileges as are given to the nationals of any Member. TRIPS also provides some general rules to ensure that procedural difficulties in acquiring or maintaining IPRs do not nullify the substantive benefits that should flow from the Agreement. TRIPS obligations are applicable to all Members equally but developing countries have granted a longer time period to act/legislate on them. The general objectives of the TRIPS are present in its preamble are:

- *“Reduction of distortions and impediments to international trade;*

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<sup>52</sup> Ibid.

- *Promotion of effective and adequate protection of Intellectual Property Rights (IPRs);*
- *Ensuring that measures and procedures to enforce IPRs do not themselves become barrier to legitimate trade<sup>53</sup>”.*

In addition to these general objectives Article 7 of the TRIPS titled as “objectives” provides that “*the protection and enforcement of IPRs should contribute:*

- *to the promotion of technological innovation and to the transfer and dissemination of technology;*
- *to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare; and*
- *to a balance of rights and obligations”<sup>54</sup>.*

TRIPS Agreement does not have any reference to the domain names as it was negotiated at the 1994 Uruguay Round of the GATT and came into effect on January 1, 1995. At that time domain name issue was not very much in focus. TRIPS Agreement provides a general framework of protection in terms of trade marks protection and protection against unfair competition. Section 2 of the TRIPS agreement deals with trade marks and those provisions can be extended to the domain names as well.

### **3.3.1 Trade Marks under TRIPS Agreement**

Section 2 of the TRIPS Agreement deals with trade marks. It contains 7 Articles starting from Article 15 and ending on Article 21. The basic rule on protectable subject matter is present in Article 15 which states that “*every sign, or any combination of signs, capable*

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<sup>53</sup> Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) full text available at <http://www.tripsagreement.net> (last visited on August 3, 2009).

<sup>54</sup> TRIPS Agreement, Article 7.

*of distinguishing the goods and services of one undertaking from those of other undertakings, must be capable of registration as a trade mark if it is visually perceptible*<sup>55</sup>. Such signs capable of registration, in particular words include personal names, letters, numerals, figurative elements and combination of colors as well as combination of such signs<sup>56</sup>.

Where signs are not inherently capable of distinguishing the relevant goods or services, Member countries are allowed to require that distinctiveness has been acquired through use as additional condition for eligibility for registration as a trade mark. If signs are not visually perceptible (sound or smell marks), the Member Countries are given discretion to determine whether they should be allowed registration or not<sup>57</sup>.

According to Article 15.3 members may make registrability depend on use. However, actual use of a trade mark shall not be a condition of filing an application for registration. An application shall not be refused solely on the ground that intended use has not taken place before the expiry of a period of 3 years from the date of application<sup>58</sup>. Each trade mark is required to be published by Member States either before registration or promptly after its registration so that interested/aggrieved parties can have a reasonable opportunity to challenge/oppose the registration as trade mark or petition can be filed to cancel such registration<sup>59</sup>.

Article 16 of the TRIPS Agreement describes the nature of rights conferred by a registered trade mark. It provides that *“the owner of a registered trade mark shall have the exclusive right to prevent all 3<sup>rd</sup> parties from using in the course of trade identical or*

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<sup>55</sup> Ibid, Article 15.1.

<sup>56</sup> Ibid.

<sup>57</sup> Ibid.

<sup>58</sup> Ibid, Article 15.3.

<sup>59</sup> Ibid, Article 15.5.

*similar signs for goods or services which are identical or similar to those in respect of which trade mark is registered where such use would result in likelihood of confusion without his consent*<sup>60</sup>. Article 16.2 incorporates and extends the protection granted to trade marks under Article 6 bis of the Paris Convention for the Protection of Industrial Property to service marks. Article 6 bis obliges Members to refuse or to cancel registration, and to prohibit the use of a mark conflicting with the mark which is well known and in determining whether a mark is well known account shall be taken of the knowledge of trade mark in the relevant sector of the public acquiring not only as a result of the use of the mark but also by other means including as a result of its promotion<sup>61</sup>.

Finally Article 16.3 of TRIPS Agreement extends the special protection granted to well known marks against use in relation to goods and services which are not similar to those in respect of which the trade mark is registered provided that the use of the trade mark in that context would create a connection with the registered trade mark owner and that trade mark owner's interests would likely to be damaged by such use<sup>62</sup>. This provision of TRIPS Agreement is described as the "dilution protection principle".

### **3.3.2 Domain Names and TRIPS Agreement**

TRIPS Agreement provides a general framework of protection in terms of trade marks protection and protection against unfair competition. It does not provide any specific provision with respect to the domain names protection. But in the e-commerce domain names play very important role. It is accepted worldwide now that domain names can carry the significance of a trade mark or they can be used as trade marks in certain cases. The domain names can infringe the trade mark rights of third parties either directly or

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<sup>60</sup> Ibid, Article 16.1.

<sup>61</sup> Ibid, Article 16.2.

<sup>62</sup> Ibid, Article 16.3.



indirectly. Where the domain names can be used as trade marks and where domain names infringe trade mark right of a third party, the provisions of TRIPS Agreement dealing with trade marks can be taken into account.

In this regard there was a case in which complainant owned a trade mark Casino de Monte-Carlo<sup>63</sup> and was worldwide famous for its casino. The respondent registered domain name “montecarlocasino.com” which was identical to the Casino de Monte-Carlo trade mark as it reproduced it completely. The site was related to the gaming industry and it contained a photograph of the Casino de Monte-Carlo. The respondent claimed that the complainant has no trade mark other than in Monaco therefore trade mark cannot be considered as a renowned trade mark. The administrative panel of WIPO discussed that Article 16.2 of TRIPS in determining whether a trade mark is well-known the knowledge of the trade mark in the relevant sector of the public shall be taken into account including knowledge in the member concerned which has been obtained as a result of the promotion of the trade mark and found that in the light of this article Casino de Monte-Carlo trade mark is well-known over the world<sup>64</sup>.

An important case in this context is “Christian Dior Couture v Liage International Inc<sup>65</sup>”. The complainant is owner of trade marks “Baby Dior”, “Christian Dior” and “Dior”. The domain names in dispute were babydior.com and babydior.net which were registered by the respondent. The complainant contended that the domain names are identical to his trade mark and domain name incorporated the “Dior” trade mark which is well-known all over the world. The respondent does not have any right or legitimate

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<sup>63</sup> D2000-1333 available at <http://www.wipo.int/amc/en/domains/decisions/html/2000/d2000-1333.html> (last visited on August 3, 2009).

<sup>64</sup> Ibid.

<sup>65</sup> D2000-0098 available at <http://www.wipo.int/amc/en/domains/decisions/html/2000/d2000-0098.html> (last visited on August 3, 2009).

interest in respect of the domain name “babydior.com” because he is neither the licensee nor in any other way authorized by the complainant to use his trade mark. Furthermore, the respondent has registered the domain name in bad faith. In proof of his contention the complainant enclosed the copies of letters sent by the respondent offering to sell the domain name for US\$ 150,000 as annexure to the complaint.

It was found by the administrative panel of WIPO that the domain names are identical to the trade marks and confusingly similar to the world famous marks Dior and Christian Dior. In its findings regarding respondent’s contention that their logo is purple dinosaur and features strictly educational software and there is no trade mark infringement on their part as their products and services are totally different from those of Christian Dior is dealing the arbitrator stated that Article 16.3 of the TRIPS provides that Article 6 bis of Paris Convention on the protection of well-known marks is extended to afford protection to trade marks that are affixed on goods or used in relation of services which are not similar to those in respect of which a trade mark is registered, provided that use of that trade mark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered trade mark and provided that interests of the registered trade mark owner are likely to be damaged by such use<sup>66</sup>. The member states cannot require that a mark should be a famous or well-known because of its use only. The agreement requires that members also take account of knowledge of the trademark in their country, including knowledge obtained as a result of promotion (advertising) of the trademark, possibly even in advance of actual use in commerce<sup>67</sup>.

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<sup>66</sup> Ibid.

<sup>67</sup> Ibid.

TRIPS in this way provides general guidelines for trade marks and although it does not mention domain names, its provisions relating to trade marks can be applied to domain names as well because in e-commerce domain names carry the significance of trade marks. In this era of globalization domain name serves as an extension of trade mark. WIPO conducted extensive study to solve the complicated problem of conflict of laws concerning domain names as domain names often target, and almost always reach markets in all countries covered by the internet, so the laws of all those countries apply to such disputes<sup>68</sup>. The study said that the international treaties concerning Intellectual Property (IP) control globally applicable substantive rules as well as choice of law rules. To resolve the issue of conflict of laws, the decision maker shall only refer to the TRIPS agreement and to treaties which TRIPS agreement incorporates<sup>69</sup>.

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<sup>68</sup> [http://www.wipo.int/amc/en/processes/process1/rfc/dns\\_comments/rfc3/0124.html](http://www.wipo.int/amc/en/processes/process1/rfc/dns_comments/rfc3/0124.html) (last visited on August 3, 2009).

<sup>69</sup> Ibid.

## **Chapter IV**

### **Domain Names in Pakistan**

#### **4.1 Trade Marks Ordinance, 2001**

Trade marks are registered, maintained, protected and governed in Pakistan under Trade Marks Ordinance, 2001 and Trade Marks Rules, 2004. The Trade Marks Ordinance, 2001 replaced Trade Marks Act, 1940. It was promulgated in 2001 but enforced in 2004. The globalization of trade and scientific development posed a serious challenge to Intellectual Property system. The need to develop an international IP system was felt which can promote socio-economic growth along with making the acquisition, protection and enforcement of IPRs easier and more effective. Pakistan is a member of international treaties including Paris Convention which was designed to help the people of one member country to obtain protection for their intellectual property in other member countries since July 22<sup>nd</sup> 2004 and TRIPS agreement since 1995. Trade Marks Ordinance, 2001 incorporated all requirements of TRIPS.

In Pakistan trade marks are registered under Trade Marks Ordinance, 2001. Registration of a trade mark serves as an evidence of the validity of that trade mark and business conducted as a result of that trade mark. The owner of a registered trade mark gets an exclusive right to use it in respect of goods for which it is registered and it works as an evidence of ownership of the mark. The owner of a registered trade mark can

prevent other persons from using a mark which is identical or confusingly similar to his registered trade mark.

Trade marks can be registered with respect to the following:

- Goods;
- Services; or
- Both goods and services<sup>1</sup>.

Registrar is required to maintain an index containing the classification of goods and services in respect of which trade marks can be registered under section 13 of the Trade Marks Ordinance, 2001.

Trade Marks Ordinance recognizes the Paris Convention for the Protection of Industrial Property, 1883. The owner of a trade mark which is entitled to protection under Paris Convention as a well known trade mark shall be entitled to restrain by injunction the use in Pakistan of a trade mark which, or essential part of which, is identical or deceptively similar to the well known trade mark:

- a. In relation to identical or similar goods or services, where the use is likely to cause confusion; or
- b. Where such use causes dilution of the distinctive quality of the well known mark<sup>2</sup>.

#### **4.1.1 Salient Features of Trade Marks Ordinance**

Following are the salient features of Trade Marks Ordinance, 2001:

- The provisions for registration and enforcement of service marks;
- Registration of trade mark in one class to enable the owner to prevent use of the same trade mark for same or similar description of goods falling in other classes;

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<sup>1</sup> The Trade Marks Ordinance, 2001, Section 12(1).

<sup>2</sup> Ibid, Section 86(3).

- Registration of a trade mark to be deemed sufficient to prevent infringement for use of the same as service mark and vice versa;
- Effective border measures;
- Effective measures ensuring protection against unfair trade competition;
- Effective measures preventing comparative advertisements;
- Protection of well known trade marks under Paris Convention;
- Provisions relating to destruction of infringing goods or otherwise removing offending trade marks from such goods.

#### **4.1.2 Trade Marks Registry**

Trade Marks Registry was established in 1948 having its head office at Karachi. Trade Marks Registry became part of IPO Pakistan in April 2005 which was established for integrated management of intellectual property rights by bringing all IP Registries under one umbrella. Trade Marks Registry previously controlled by Ministry of Commerce is now working under the administrative control of Intellectual Property Organization of Pakistan (IPO). Intellectual Property Organization (IPO) is an autonomous organization which is under the administrative control of the Cabinet Division<sup>3</sup>. Trade Marks Registry provides protection to trade marks relating to goods and services both through registration mechanism provided under Trade Marks Ordinance 2001 and Trade Marks Rules 2004. The main objective of the Trade Marks Registry is to facilitate the trade mark owners and general public in registration of trade marks.

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<sup>3</sup> Intellectual Property Organization of Pakistan Ordinance, 2005, Section 3(3).

### **4.1.3 Domain Names under Trade Mark Ordinance, 2001**

Trade Mark Ordinance, 2001 which came into force in 2004 introduced a series of new concepts into Pakistani law relating to intellectual property. Domain name is one of those newly introduced concepts. Section 84(1) of the Trade Marks Ordinance, 2001 defines domain name as, “*a domain name shall be a mark which is a user friendly substitute for an internet address.*” According to section 84(2) of the Trade Marks Ordinance, 2001 provisions of the Trade Marks Ordinance shall apply to domain names subject to the provisions of the third schedule which is dealing with domain names. Under the schedule a domain name can be registered as a trade mark if it is used as a source identifier in respect of relevant goods or services<sup>4</sup>. The person applying for the registration of domain name as a trade mark shall show that he is using domain name for offering goods or services on internet. If a domain name is used on internet for distinguishing goods or services of one business entity from those of another then shall be considered as a source identifier. If a domain name is only used as a directional reference like use of a telephone number or a business address, it shall not be taken as a source identifier<sup>5</sup>.

### **4.1.4 Procedure of Registration**

Trade marks are registered in Pakistan by Trade Marks Registry at Karachi. An application for registration of domain name as a trade mark must be made to the Registrar of Trade Marks, Trade Marks Registry, Karachi<sup>6</sup>. Section 22(2) of the Ordinance requires the application to contain following:

1. Name, address and nationality of the applicant;

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<sup>4</sup> The Trade Marks Ordinance, 2001, section 2(1) of the 3<sup>rd</sup> Schedule.

<sup>5</sup> Ibid, Explanation to Section 2(2) of the 3<sup>rd</sup> Schedule.

<sup>6</sup> Ibid, section 22(1).

2. Name, address and nationality of the agent, if application is made by an agent on behalf of the applicant;
3. In case of a firm the name, address and nationality of every partner of the firm;
4. In case of any other body corporate or a firm or an association, the country of incorporation and the nature of registration;
5. A request for the registration of the mark;
6. A representation of the mark;
7. A statement of goods or services in relation to which the registration is sought;
8. The international classification of goods or services;
9. The application must state the bona fide intention of the applicant regarding the usage of the trade mark.

The application is submitted to the Registrar on the TM 1 form (Annex I) with the relevant particulars and fee. On receipt of application a search for earlier trade marks is carried out by the Registrar. If the application does not fulfill the requirements of the Ordinance, the Registrar may refuse to entertain it. If an application is accepted the Registrar shall cause the application to be advertised in the Trade Marks Journal<sup>7</sup>. Upon publication, any person can oppose registration of the domain name by filing a notice of Opposition within two months of publication. The applicant if wishes to contest the opposition can file a counterstatement within one month (extendable by one month) of receiving a copy of notice of opposition<sup>8</sup>. Then both parties file their evidences through affidavits. Upon closing evidence, the parties may file written arguments and they are given an opportunity to be heard.

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<sup>7</sup> Ibid, section 28(1).

<sup>8</sup> Ibid, section 28(4).



The grounds of opposition are described in section 29 of the Trade Marks Ordinance. If the applicant does not intend to use trade mark in Pakistan or does not intend to assign trade mark to a body corporate for use by it in Pakistan, it can be a ground for opposition. In addition, an application for registration of trade mark can be opposed on any of the following four grounds that:

- *“The applicant is not the proprietor of the trade mark;*
- *The application or the document filed in support of the application, was amended contrary to the provisions of this ordinance;*
- *The Registrar accepted the application for registration on the basis of evidence or representations that were false in material particulars; or*
- *The pre-acceptance advertisement of the application under exceptional circumstances is without sufficient cause or reason”<sup>9</sup>.*

If no objection was filed or have been overruled, the Registrar shall register the domain name as on the date of filing the application for registration and registration shall take effect by way of publication of registration in the Trade Marks Journal. The Registrar then issue a certificate of registration sealed with the seal of the Trade Marks Registry<sup>10</sup>.

Registration of a domain name as a trade mark is valid for a period of 5 years and it can be renewed for a further period of 5 years<sup>11</sup>. There is no limit prescribed to the number of times a registration can be renewed.

Registration is an evidence of ownership of a trade mark. A registered trade mark is considered as personal property of the owner<sup>12</sup>. A trade mark owner/holder has the

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<sup>9</sup> Ibid, section 29(3).

<sup>10</sup> Ibid, section 33.

<sup>11</sup> Ibid, section 6 of 3<sup>rd</sup> Schedule.

exclusive right of using that mark in respect of goods or services for which it is registered. In case of infringement of a trade mark, the owner has the right to stop the infringer by way of a permanent injunction to use a mark identical with or closely resembling the registered trade mark. The owner of the mark can assign the mark with or without goodwill of the business.

#### **4.1.5 Infringement of Trade Mark**

Section 40 of the Trade Marks Ordinance, 2001 deals with instances constituting infringement of a trade mark. The act of infringement includes:

- Use of a registered trade mark by a person who is not the registered owner or user of the mark;
- Use of an identical registered well-known trade marks even in relation to dissimilar goods so long as the third party mark, without due cause takes unfair advantage of or is detrimental to the distinctive character or reputation of the registered well-known trade marks;
- Likelihood of association with an earlier trade mark may constitute infringement;
- Use of registered trade mark on business paper or in advertising may constitute infringement;
- Use of a registered trade mark as a trade name or name of business concern dealing in goods or services in respect of which the trade mark is registered;
- Use of a registered trade mark as a domain name or part of a domain name;
- Where proprietor of a registered trade mark displays a notice on packaging of registered goods prohibiting certain acts such as duplication, alteration or

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<sup>12</sup> Ibid, section 39.

obliteration of labels, any person committing these acts shall be deemed to have infringed the trade mark<sup>13</sup>.

#### **4.1.6 Remedies in Cases of Infringement**

Upon registration a trade mark is treated as personal property of the owner and if it is infringed, the proprietor is entitled to various reliefs granted under different statutes. The remedies include:

- a. Civil remedies;
- b. Criminal remedies.

##### **a. Civil Remedies**

The Trade Marks Ordinance, 2001 makes various acts of infringement punishable with imprisonment or with fine or with both. Relief is granted to the trade mark holder by way of damages, injunctions and accounts as available in case of infringement of any other property right<sup>14</sup>.

In addition Pakistan Names and Emblems (Prevention of Unauthorized Use) Act, 1957 prevents any competent authority to register a trade mark bearing a name or emblem as specified in the Act. Any person who registers such mark without permission of the relevant authority may be punishable with a fine of Rs. 500/-

Applications against the infringement are made to the Registrar of Trade marks. Any appeal against the decision of the Registrar or any suit for infringement must be instituted in the District Court.

##### **b. Criminal Remedies**

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<sup>13</sup> Ibid, section 41(e).

<sup>14</sup> Ibid, section 46(2).

The Merchandise Marks Act, 1889 provides that any person who with the intent to defraud, attempts an infringement such as use a false trade mark or applies a false trade description to goods or services is liable under this Act. The punishment of imprisonment or fine and even forfeiture of the things and goods to the Government regarding which the offence has been committed are provided under the Act<sup>15</sup>.

Sections 478 to 489 of Pakistan Penal Code, 1860 provide penalties for the infringement of trade marks. Under the provisions of Penal Code, a trade mark stands violated when:

- A person uses a false trade mark;
- A person counterfeits a trade mark used by another person or a public servant;
- A person uses as genuine knowing a mark to be counterfeit;
- A person sells or exposes for trade or manufacture goods or things marked with a counterfeit trade mark;
- A person who uses a false mark on a package containing goods with intent to defraud as to the nature or quality of goods contained therein.

Different punishments are prescribed for these infringements by the Penal Code which includes imprisonment ranging from a period of 1-3 years, fine or both. Criminal proceedings for infringement must be initiated in court of Sessions which has the power to direct the matter to any Additional Sessions Judge of competent jurisdictions.

## **4.2 Domain Name Disputes**

### **4.2.1 Approach of Pakistani Courts in Domain Name Cases**

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<sup>15</sup> "Trade Marks Registration Procedure" prepared by Legal Services Cell-BDS available at [www.smeda.org.pk](http://www.smeda.org.pk) (last visited on August 3, 2009).

Judiciary in Pakistan recognized the importance and modern trends prevailing in the world of internet. Digital technology and internet have changed the international intellectual property system. Pakistani judiciary's approach is gradually proceeding while deciding cases related to domain names and internet. The leading case on the issue is *Acer Inc. vs. Acer Computers*<sup>16</sup>, decided by Khilji Arif Hussain.

**Acer Inc. vs. Acer Computers,**

The plaintiff is one of the famous companies of the world carrying on a worldwide business and is a leading manufacturer and merchant of computers, CD ROMs and allied goods. The plaintiff's business started in 1976 and has grown to become one of the top brands in the computer industry. To distinguish its products from other businesses, plaintiff owned several trade marks most important of which is "Acer". In computer industry the products of plaintiff are known as products from "Acer". In addition to manufacturing computers the plaintiff also render services using trade mark Acer. Since 1994 plaintiff maintains a website [www.acer.com](http://www.acer.com) giving full details of the company, its products and services which is daily visited by more than 50,000 internet users daily.

The defendant commenced business in the field of computers using the name "Acer" and also registered a domain name [www.acer.com.pk](http://www.acer.com.pk) which is a deliberate, unauthorized and fraud upon the plaintiff and the general public as the defendant has not obtained permission or license from the plaintiff to do so.

The court in its findings acknowledged the change in corporate culture and recognized internet as a medium of online shopping. The consumer through internet approaches the company from which he intends to buy product, place his order and then the information provided by him is transferred to a process network where banks can

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<sup>16</sup>2004 CLD 1131.

complete or deny the transaction. The process is completed within seconds. Internet has created a new business environment where money, goods, services and information are exchanged electronically. The defendant created his website with the intention to infringe the plaintiff's rights in registered trade mark by representing himself a part of plaintiff's business. The defendant's website may create confusion in the mind of ordinary purchaser and he may purchase goods from defendant believing that it has been originated from the plaintiff. The defendant was restrained from using the trade mark, trade name and domain name of the plaintiff.

**Telebrands Corporation vs. Telebrands Pakistan (Pvt.) Ltd,**

In Telebrands Corporation vs. Telebrands Pakistan (Pvt.) Ltd<sup>17</sup>, plaintiff company was a world's leading direct marketers, developed a wide variety products including personal care, health and exercise equipment which is sold through direct response television advertising, direct response media as well as through authorized retailers. The plaintiff own the trade mark "Telebrands" and conducting its business worldwide under this trade mark since 1991. The trade mark was initially registered in USA on December 14, 1993 and was renewed for alike period on December 14, 2003. Plaintiff owned this trade mark in 21 countries of the world. Plaintiff made an application for registration of trade mark in Pakistan on October 23, 2004 which was pending at the time of the suit.

Defendant "Telebrands Pakistan (Pvt.) Ltd" was a company incorporated in Pakistan to take advantage of the plaintiff's trade mark. Defendants were involved in violation of trade mark "Telebrands", misleading the general public and were dealing in counterfeit goods and services to be that of plaintiff. Plaintiff's advertisements on TV channels in South Asia are beamed via satellite across Pakistan and consumers in

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<sup>17</sup> 2006 CLD 580.

Pakistan always recognized the trade mark "Telebrands" as that of plaintiff. Defendant Company was incorporated in 2004 to take undue advantage of the goodwill of plaintiff's business and moved an application for registration of trade mark with the Registrar of Trade Marks on March 28, 2005. Defendants were causing confusion in Pakistani customers through unlawfully advertising their products in media and on internet as well.

When plaintiff became aware of the registration of domain name "telebrandspakistan.com" by the defendant, he instituted a complaint on April 27, 2005 against him before the National Arbitration Forum of Internet Corporation for Assigned Names and Numbers (ICANN). National Arbitration Forum decided that the disputed domain name was being used for telemarketing in Pakistan and other countries for sale of unauthorized versions of plaintiff's products and ordered that telebrandspakistan.com domain name be transferred to the applicant (plaintiff in present case).

On the decision of National Arbitration Forum against them the defendants instituted a suit against the plaintiff in the District Court of Islamabad where they tried to mislead the court by stating that they are the owners of trade mark "Telebrands". When in the written statement plaintiff exposed that misrepresentation, the defendant avoided appearance in suit which was dismissed by the court on ground of non-prosecution. After dismissal of that suit, the plaintiff instituted the present proceedings in Karachi on the grounds that defendant's illegal activities/passing off was being conducted across the country especially at Karachi being the largest commercial centre of such goods.

It was found out that defendant was not only using the trade mark "Telebrands" but some of its products were clear counterfeits of the plaintiff's products and even graphics used for promotion of products are same. In this way defendants were trying to

graphics used for promotion of products are same. In this way defendants were trying to intentionally divert the consumers towards them. Only addition of the word Pakistan with the trade mark of the plaintiff by the defendants does not distinguish it from the plaintiff's trade mark but it creates the impression that defendants are the Pakistani versions of the plaintiff company and thus putting the goodwill of plaintiff into jeopardy. The court by a short order restrained the defendants from illegal use of the plaintiffs trade mark and from advertising or marketing any goods under the trade mark.

#### **4.2.2 Domain Name Disputes Decided by WIPO under UDRP of ICANN**

The Uniform Domain Name Dispute Resolution Policy (UDRP) is a process established by the ICANN for resolving domain name disputes. The domain name registration agreement (in case of registration in gTLDs) has a dispute resolution clause which makes it compulsory for the registrant to submit to UDRP proceedings in case of any dispute.

The UDRP requires the registrants to submit to mandatory arbitration if in future a third party asserts that a domain name is identical or confusingly similar to a trade mark or service mark in which the complainant has rights or that the registrant has no right or legitimate interest in domain name and that the registrant has acted in bad faith<sup>18</sup>. In other situations the UDRP stresses the use of traditional means for dispute resolution such as voluntary negotiations and lawsuits. The UDRP has an international application as it provides a set mechanism for domain name dispute resolution and it does not matter where the registrar, the registrant and trade mark owner is located. Following are few Pakistani domain name disputes decided under UDRP:

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<sup>18</sup> Sharrock, Lisa M.. "The future of domain name dispute resolution: crafting practical international legal solutions from ", Duke Law Journal, Nov 2001 Issue.



**International Save the Children Alliance v. Rizwan Qureshi<sup>19</sup>,**

The complainant, International Save the Children Alliance, Geneva is a well-known organization having presence in many countries to foster the well-being of children. The complainant owned the trade mark "SAVE THE CHILDREN" which is used for charitable purposes and is registered in more than 80 countries of the World. The complainant and its affiliates also own a number of domain names including <savethechildren.net>, <savethechildren.org>, <savechildren.org> and <savethechildren.info>. The respondent, a Pakistani individual registered the domain name <savechildren.info> on June 04, 2004 which was confusingly similar to that of complainant. At his site the respondent invited the public to send money for helping children.

When the complainant came to know of the registration of disputed domain name, it wrote to the respondent requiring him to stop using the disputed domain name and transfer it to complainant but the respondent refused to do so. The complainant filed a complaint with the WIPO Arbitration and Mediation Centre on September 30, 2005.

The Administrative Panel found that the disputed domain name is almost identical and confusingly similar to the complainant's registered trade mark and domain names. It was also found that the respondent was never authorized by the complainant to use its trade mark "SAVE THE CHILDREN" therefore the respondent has no rights or legitimate interests in the domain name.

As far as the element of bad faith registration and use was concerned it was contended that respondent was trying to mislead the public that he is the complainant or

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<sup>19</sup> D2005-1039, full text available at <http://ompi.ch/amc/en/domains/decisions/html/2005/d2005-1039.html> (last visited on August 3, 2009).

children at the website. The Panel found that the trade mark of the complainant “SAVE THE CHILDREN” is world famous and respondent was familiar to it and he registered the disputed domain name in bad faith. As all the three requirements of UDRP were fulfilled the Panel decided to transfer the disputed domain name to the complainant.

**AT&T Corp. v. Amjad Kausar<sup>20</sup>,**

The complainant had significant national and international reputation in supplying the telecommunication industry particularly in the provision of cable broadband telecommunication services in the USA. The complainant had trade mark rights in letters “AT&T” or “ATT” when combined with certain other words relevant to that industry. The complainant owns the domain name [www.att.com](http://www.att.com) and was providing telecommunication services in Pakistan.

The respondent registered domain names <attuniversal.com> and <attinternet.com>. The complainant filed a complaint with the WIPO Arbitration and Mediation Center and Center sent formal notification to the respondent of the complaint but he did not answer the complainant’s contentions.

The Administrative Panel found that the both domain names are confusingly similar to the complainant’s registered and common law trade marks. The disputed domain names combine the complainant’s mark “ATT” with terms universal and internet which suggest the involvement of the complainant with respect to word universal as implying commercial reach of the complainant and with word internet an area where complainant is commercially active.

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<sup>20</sup> D2003-0327, full text available at <http://www.wipo.int/amc/en/domains/decisions/html/2003/d2003-0327.html> last visited on August 03, 2009.

The Panel found that the respondent had no right or lawful interests in the trade mark as the complainant has neither granted him license nor authorized him as an agent. The Panel was of the view that the respondent registered and used the disputed domain names in bad faith because he registered the disputed domain names to intentionally attract the internet users and customers for commercial gain by creating a likelihood of confusion with the complainant's mark. The Panel ordered the transfer of both the disputed domain names to the complainant.

**Match.com, L.P., v. Amjad Kausar<sup>21</sup>,**

The complaint was filed with the WIPO Arbitration and Mediation Center on June 26, 2003. The complainant owned the trade mark "MATCH.COM" in USA which covered the dating and introduction services. The complainant also operates a website [www.match.com](http://www.match.com) and its total world-wide revenue exceeds US\$ 200,000,000 since 1995. The respondent registered domain name <wwwmatch.com> which is identical to the complainant's trade mark.

The respondent has no legitimate right or interest in the disputed domain name as he is not a licensee or authorized agent of the complainant. The respondent registered the disputed domain name in bad faith and in evidence of this the complainant referred the five previously decided domain name disputes by the Administrative Panel where the same respondent had registered trade marks of famous companies as his domain names<sup>22</sup>.

The Panel found that the disputed domain name is confusingly similar to the complainant's trade mark. In the proceedings the respondent did not avail the opportunity to justify his adoption of the disputed domain name. The respondent registered the

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<sup>21</sup> D2003-0510 full text available at <http://www.wipo.int/amc/en/domains/decisions/html/2003/d2003-0510.html> last visited on August 03, 2009.

<sup>22</sup> D2002-0934, D2002-1018, D2003-0012, D2003-0034 and D2003-0265.

disputed domain name with no demonstrable rights or legitimate interests just to commercially exploit the complainant's trade mark and reputation. The previously decided cases against the respondent were sufficient to satisfy the Panel that the respondent was used to of this pattern of abusive behavior. The registration of the disputed domain name provided the respondent an opportunity to make illegitimate profit from the website which is itself evidence that he registered the disputed domain name in bad faith. The Panel on the basis of its finding ordered the transfer of domain name to the complainant.

**Merck KGaA v. Taha Chhipa<sup>23</sup>,**

The complainant Merck KGaA was a German corporation operating worldwide business sectors of pharmaceuticals and laboratory chemicals. The complainant owned 500 registered trade marks "MERCK" in 171 countries including community and international registration of trade marks. In addition, the complainant registered 354 domain names containing its trade mark "MERCK" which include <merckeurolab.info>, <merckeuropa.com>, <merckeuropa.net> and <merckeuropa.org>.

The domain name <merck-euro.info> was registered by Mr. Arshad on September 24, 2004. The complainant sent a letter through e-mail requesting him to assign the domain name to the complainant. Mr. Arshad in response offered to sell it to the complainant for US\$ 2000 and transferred the domain name to Taha Chhipa after the complaint was filed with the WIPO Arbitration and Mediation Center but before the registrar's receipt of the notification. The complainant amended the complaint with respect of the new registrant. The respondent did not file any response.

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<sup>23</sup> D2004-0905, full text available at <http://www.wipo.int/amc/en/domains/decisions/html/2004/d2004-0905.html> last visited on August 03, 2009.

decided in a number of WIPO cases that “in absence of exceptional circumstances, a domain name comprised of the complainant’s trade mark followed by a geographic indicator renders the disputed domain name confusingly similar with the complainant’s mark<sup>24</sup>”.

When the complainant made a prima facie case then the respondent has to prove his rights or legitimate interests in respect of the disputed domain name on the basis of evidence. The respondent had no rights in the domain name because he neither has used the domain name for offering goods nor has he been commonly known by the disputed name.

As far as the last requirement was concerned the Panel was satisfied that the complainant’s trade mark was adequately well known to Mr. Arshad and his subsequent offer to sell the disputed domain name to the complainant establish the element of bad faith under Paragraph 4(b)(i) of UDRP. The Panel ordered to transfer the domain name <merck-euro.info> to the complainant.

#### **4.2.5 Domain Name Disputes Decided By NAF under UDRP**

The National Arbitration Forum (NAF) is an international services provider under the Uniform Dispute Resolution Policy (UDRP) of ICANN. The NAF offers a fair and inexpensive resolution process without jurisdictional hassels which are common features of courts. Cases filed with NAF are decided by independent and neutral panelists. NAF maintains an eminent panel of over 1500 attorneys and retired judges located across the world. The headquarters of NAF is situated in Minneapolis, Minnesota. It was established in 1986 and approved as ICANN’s service provider on December 23, 1999. Following

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<sup>24</sup> D2002-0363, full text available at <http://www.wipo.int/amc/en/domains/decisions/html/2002/d2002-0363.html> last visited on August 03, 2009.

world. The headquarters of NAF is situated in Minneapolis, Minnesota. It was established in 1986 and approved as ICANN's service provider on December 23, 1999. Following are few cases involving Pakistani domain name registrants heard and decided by the NAF under UDRP of ICANN:

**Standard Textile Co., Inc. v. Standard Textiles c/o Lubna Jamil Horani<sup>25</sup>,**

Standard Textile Co, the complainant is the owner of several US registered trade marks for the STANDARD TEXTILE mark for a wide variety of textile items and clothing. These trade marks are registered in various countries but not in Pakistan. Complainant is a well known supplier of clothes and trading under the disputed name for 63 years. The complainant purchased much of its raw material from Pakistan. The respondent registered domain name <standardtextiles.com> on November 23, 2003 through which the respondent directed the internet users to a site advertising respondent's services relating to textile.

The panel found the disputed domain name confusingly similar to the complainant's trade mark as it incorporated the complete complainant's mark only with addition of one letter "s". The respondent's domain name directed the internet users to commercial site where products are offered and commercially exploited such diversion. The respondent used it to cash the goodwill attached with complainant's mark and had no rights in the domain name. The respondent registered and used the disputed domain name merely with the intention of disrupting the competitor's business and hence satisfied the Panel that the respondent registered the domain name and using it in bad faith. The Panel ordered to transfer the domain name <standardtextiles.com> to the complainant.

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<sup>25</sup> Claim Number FA0501000399561 available at <http://www.arb-forum.com/domains/decisions/399561.htm> (last visited on August 3, 2009).

**Regent Hospitality Worldwide, Inc. c/o Carlson Companies, Inc v. Regent Plaza Hotel<sup>26</sup>,**

The complainant had started Regent hotels business in US and worldwide in 1996 after he acquired these hotels from Four Seasons, which was using the name REGENT since 1971. The complainant owned trade mark "REGENT" in US and international trade mark as well. The respondent registered a domain name <regentplazahotel.com> with Network Solutions, Inc. on October 06, 2000. A complaint was filed with NAF on May 18, 2001.

The panel found that the complainant invested substantially in marketing and developing its business under the mark "Regent Hospitality Worldwide". The complainant has acquired goodwill all over the world but the respondent has no trade mark or any other legal right to the mark REGENT. The disputed domain name is confusingly similar to the complainant's mark as it contains the complainant's mark along with words referring to the complainant's business. A reasonable man or internet user can be confused by the name and assume it to be associated with the complainant.

The Panel's findings were that respondent did not have any right or legitimate interest in the domain name because he is using a domain name confusingly similar to the complainant's mark for the same business<sup>27</sup>. The respondent had registered the domain name for the purpose of disrupting the complainant's business by attracting internet users to a site which was offering same services as that of complainant<sup>28</sup>. On the basis of its

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<sup>26</sup> Claim Number FA0105000097262 available at <http://www.arb-forum.com/domains/decisions/97262.htm> (last visited on August 3, 2009).

<sup>27</sup> Ibid.

<sup>28</sup> Ibid.

findings the Panel ordered to transfer the domain name <regentplazahotel.com> to the complainant.

**Bank of America Corporation v. Azra Khan<sup>29</sup>,**

The complainant Bank of America Corporation is a US based bank which is the registered owner of trade mark BANK OF AMERICA in various jurisdictions of the world including Pakistan. The complainant is the largest consumer bank in the US and is one of the best known financial institutions. The mark has acquired valuable goodwill as the complainant spent millions of dollars for advertising its services. The respondent was a Pakistani and she registered the domain name <banckofamerica.com> on January 14, 2002. Through her domain name she linked internet users to a site that offered subscription to financial related periodicals. The complainant requested the respondent to stop use of domain name but respondent did not respond. The complaint was submitted to NAF on May 17, 2002.

The Panel found that the domain name registered by the respondent was confusingly similar to the complainant's trade mark. The only difference is misspelling of the word "bank" as "banck" which is a common error and did not create a separate domain name but only made the domain name confusingly similar to the trade mark involved<sup>30</sup>.

No response was submitted by the respondent in the proceedings. The respondent used the disputed domain name to link to a website where it offered to sell subscriptions to financial periodicals. Thus by diverting internet users searching for complainant, the respondent attempted to make profit. Complainant's ownership rights in mark are well

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<sup>29</sup> Claim Number FA0205000114324 available at <http://www.arb-forum.com/domains/decisions/114324.htm> (last visited on August 3, 2009).

<sup>30</sup> Ibid.



established and it did not granted permission to use its mark to the respondent. The respondent was neither a financial institution nor known by the mark. The Panel found that she had no legal right or legitimate interest in the disputed domain name.

As far as the registration and use of domain name in bad faith was concerned, the Panel found that the respondent used to divert internet users who misspell bank to her site relating to financial magazines. Through the registration of complainant's mark with slight change as her domain name, the respondent attempted to trade on the complainant's goodwill which is an evidence of bad faith registration<sup>31</sup>. The Panel ordered the disputed domain name <banckofamerica.com> be transferred to the complainant.

#### **4.3 Pakistan Network Information Centre (PKNIC)**

Pakistan Network Information Centre (PKNIC) is a private organization responsible for registration and keeping record for .pk domains (country code Top Level Domains). There are no special requirements for registration of ccTLDs i-e .com.pk, .net.pk, .org.pk except .edu.pk for which educational institution's documents, institution's profile and request on printed letter head of the institution is required. The fee for .pk domain is Rs. 1000/- yearly. It takes normally 2 to 7 days for a domain to be registered.

PKNIC has its own Internet Domain Registration Policy and any applicant desiring to register a domain name under .pk has to agree with this policy. The domain name in .pk is registered on first come first served basis. PKNIC can refuse to register a domain name "*if*:"

- *it infringes upon a registered trade name;*

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<sup>31</sup> Ibid.

- *it is a contravention in the opinion of PKNIC to be a contravention of the latest version of Pakistan Penal Code, 1860 and any other applicable criminal law;*
- *it is declared by a criminal court of appropriate jurisdiction in contravention of latest version of Pakistan Penal Code, 1860 and any other applicable criminal law; or*
- *it is not appropriate for registration in the opinion of PKNIC*<sup>32</sup>.

The applicant aggrieved by the rejection of application for registration can file a complaint with PKNIC within 14 days of posting of decision of rejection. The PKNIC on receiving such complaint shall refer it to the Local Domain Name Dispute Resolution Center (DNDRC) or to an alternate appellate body. The DNDRC will decide the issue in accordance with its own rules for dispute resolution or in absence of them under the UDRP of ICANN. The recommendations given by DNRDC shall be binding on applicant but non-binding on PKNIC<sup>33</sup>.

If a domain name violates a registered trade mark or is an obvious derivation of a registered company name or is not bona fide as recognized by international best practice or is in contravention with any criminal law for the time being in force, PKNIC reserves the right to cancel, or transfer the domain name to the aggrieved party under UDRP<sup>34</sup>. No local presence is required by the applicant for registration of a domain name. The applicant requesting registration of a name certifies that this name is not violating trade mark or other statues in his knowledge<sup>35</sup>.

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<sup>32</sup> PKNIC - Internet Domain Registration Policy available at <http://www.pknict.net.pk/policy-text.html> (last visited on August 3, 2009).

<sup>33</sup> Ibid. Para 2.

<sup>34</sup> Ibid, Para 4.

<sup>35</sup> Ibid. Para 15.

applicant requesting registration of a name certifies that this name is not violating trade mark or other statutes in his knowledge<sup>35</sup>.

A list of offensive and derogatory words is provided by PKNIC which are not permitted to be registered as domain names. If a domain name consists of name of a famous personality it requires a NOC from that person for registration. PKNIC is under no obligation to screen the requested domain name in order to determine the infringement of a third party's right. PKNIC policy provides four statements to which applicant has to agree and in case of non-compliance PKNIC will cancel the domain name registration.

These statements are as follows:

- *“applicant’s statements in the application are true and applicant has the right to use the domain name as requested in the application;*
- *applicant has a bona fide intention of using the domain name on regular basis on the internet;*
- *the registration or use of domain name does not infringe the right of a third party in any jurisdiction in Pakistan in respect of trade marks, service marks, trade name, company name and any other intellectual property right;*
- *applicant is not seeking to use the domain name for any unlawful purpose including unfair competition, injury to the reputation of another or for the purpose of confusing or misleading a person”<sup>36</sup>.*

#### **4.3.1 Dispute Resolution under DNDRC**

The Domain Name Dispute Resolution Center (DNDRC) is the dispute resolution service provider in respect of .pk ccTLDs. The DNDRC was incorporated in the first quarter of

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<sup>35</sup> Ibid. Para 15.

<sup>36</sup> Ibid. Para 25.

The fee charged by DNDRC consists of US\$ 800, which is divided into two parts, US\$ 600 is Arbitration fee and US\$ 200 is Administrative charges. Following are some important .pk domain name disputes decided by DNDRC.

**John Tziviskos v. PKNIC<sup>37</sup>,**

The appellant John Tziviskos applied for registration of domain name <porno.pk> on June 21, 2006. The PKNIC held the registration invalid on July 19, 2006. The appellant questioned PKNIC regarding the availability of an appellate forum and respondent informed him that an appeal can be preferred to an independent dispute resolution service provider DNDRC in accordance with PKNIC Internet Domain Registration Policy. The DNDRC was also informed by the respondent. The DNDRC also e-mailed the appellant prescribed Appeal form on August 22, 2006 but received no response. The Center appointed an arbitrator who verified that the complaint does not fulfill UDRP requirements. The Panel was of the view that in fact no appeal is pending and proceedings should be terminated on the basis of appellant's failure to prosecute the appeal.

This was the first ever domain name dispute which originated from PKNIC to DNDRC and the Panel decided to deal with it on its merits instead of its failure to fulfill formal submission requirements. In the case the appellant applied for registration of domain name <porno.pk> which was turned down by the respondent. The respondent contended that in PKNIC jurisdiction the publication of pornographic material or the instruments promoting it is unlawful and is in contravention with the decency norms of the Pakistani society. Any domain name relating to such material is also considered

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<sup>37</sup> Case No. A2006-0001, full text available at [http://www.dndrc.com/cases\\_resolved/pdf/A2006-0001.pdf](http://www.dndrc.com/cases_resolved/pdf/A2006-0001.pdf) (last visited on August 3, 2009).

instruments promoting it is unlawful and is in contravention with the decency norms of the Pakistani society. Any domain name relating to such material is also considered offensive to the general population of the jurisdiction and the disputed domain name is of such a nature.

The Panel found that the disputed domain name is not bona fide as recognized by the international best practice, is in contravention of Pakistan Penal Code, 1860 and is not appropriate for registration<sup>38</sup>. The term pornography relates to pornographic material which is deemed to be obscene in Pakistan and Pakistan Penal Code prohibits any sort of obscene material<sup>39</sup> therefore registration of the disputed domain name is neither legal nor lawful.

The Panel found that the appellant does not have any right or legitimate interest in the disputed domain name because to have any legitimate interest in the domain name such interest requires legitimacy. As it is against provisions of Policy and existing law legitimate interest could not exist and its use would always involve breach of law and violation of Policy, its registration and use would be in bad faith.

The Panel found that the respondent can refuse registration of a domain name if in its opinion it is not appropriate for registration. The contention of the respondent that registration of the disputed domain name would be considered offensive to the sensibilities of the user population to which PKNIC has the primary obligation to serve is a valid determination of appropriateness in circumstances of this case. The Panel recommended the Registrar and the respondent to reject the registration of the disputed domain name and upheld the decision of the respondent.

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<sup>38</sup> Grounds for refusal of registration provided in The PKNIC – Internet Domain Registration Policy, Para 1.

<sup>39</sup> Pakistan Penal Code, 1860 (Sections 292-294).

**Standard Chartered PLC v. Hosting Campus Domain<sup>40</sup>,**

The dispute was on domain name <standardchartered.pk>. There were two complainants in the case one Standard Chartered PLC, a public limited company registered in England and Wales having principal place of business in UK and the other complainant was Standard Chartered Bank, a subsidiary of the first complainant. It is a one of the most famous banks having its branches and subsidiaries across the globe.

The bank was established in Karachi in 1863 as a branch under the name “The Chartered Bank” and re-named as Standard Chartered Bank in 1985. In September 2006 it ceased working as a branch and started operations as a wholly owned subsidiary. It is the largest international bank in Pakistan having 115 branches. It is the registered owner of Standard Chartered mark and domain names including <standardchartered.com.pk>.

The respondent registered <standarchartered.pk> on June 20, 2006. The PKNIC on receiving a notification from the complainant on July 23, 2007 informed DNDRC. A notification of dispute along with a copy of complaint and response form was sent to the respondent. The respondent submitted a filled in response form on July 30, 2007 and DNDRC appointed an arbitrator to resolve the issue.

The Panel found that that the registration of the disputed domain name is illegal ab initio because it infringes the registered trade mark of the complainants. The disputed domain name is confusingly similar to the registered trade marks of the complainants but also to the registered domain names of the complainants. The respondent has neither used the disputed domain name nor is he commonly known by this name. The complainants

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<sup>40</sup> Case No. C2007-0001, full text available at [http://www.dndrc.com/cases\\_resolved/pdf/c2007-0001.pdf](http://www.dndrc.com/cases_resolved/pdf/c2007-0001.pdf) last visited on August 3, 2009).

have not granted him permission or license to use their mark therefore the Panel found that the respondent has no right or legitimate interest in the disputed domain name.

The respondent registered a number of other domain names containing the trade names or trade marks of reputable businesses having large market in Pakistan such as <askaribank.pk>, <abnamro.pk>, <suzuki.pk> and <Marriott.pk> etc. Any attempt to use the disputed domain name would inevitably lead to a likelihood of confusion to the source of respondent's site as being owned, controlled or in some way associated with the complainants and it is an evidence of bad faith on the respondent's part<sup>41</sup>. The Panel in pursuance of Para 4 of the PKNIC – Internet Domain Registration Policy version 4.1 recommended PKNIC to transfer the registration of the disputed domain name to the complainant number 2.

**Telenor v. Mohammad Tahir<sup>42</sup>,**

The complainant is Telenor Pakistan Pvt. Limited, a private company having principal place of business in Islamabad. The complainant is one of the largest cellular service providers. The complainant also provides its services on internet by using domain name telenor both domestically and internationally. The respondent Mohammad Tahir, a Karachi resident, registered the domain name <telenor.pk> on June 20, 2006 which leads to a click through website with pop-ups and different links to companies providing cellular services. The complainant felt aggrieved and filed a complaint with DNDRC on November 21, 2007. The DNRDC notified the respondent of the complaint on December 07, 2007. DNRDC appointed an arbitrator and the proceedings began.

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<sup>41</sup> Ibid.

<sup>42</sup> Case No. C2008-0001, full text available at [http://www.dndrc.com/cases\\_resolved/pdf/c2008\\_0001.pdf](http://www.dndrc.com/cases_resolved/pdf/c2008_0001.pdf) (last visited on August 3, 2009).

The contention of the complainant was that the disputed domain name <telenor.pk> exactly matched registered trade marks of the complainant. The respondent was neither licensee nor otherwise authorized by the complainant to use its trade mark so he did not have any right or legitimate interest in the trade mark. The respondent was using the site as a search engine for mobile accessories and activities relating to telecommunications. The complainant further asserted that the respondent registered and used the domain name in bad faith for the purpose of attracting internet users to his site for commercial gain by creating a likelihood of confusion<sup>43</sup>. The respondent did not answer to the contentions.

The Panel found that the PKNIC Internet - Domain Registration Policy version 4.2 excludes the registration of a domain name which infringes upon a registered trade name<sup>44</sup>. In addition Para 4 of the Policy states that PKNIC reserves the right to cancel or transfer the domain name if a party claims that the domain name violates their registered trade name. As the complainant owns the trade name and trade mark in Telenor and is well reputed and famous in providing cellular services both domestically and internationally therefore the condition is fulfilled.

The Panel found further that the complainant has never authorized the respondent to use its trade mark so the use of the mark by the respondent has no legitimate interests in the trade name. The respondent has offered to sell the disputed domain name to anyone who wishes to buy it which is clear evidence of mala fide use of the domain name by the respondent. The respondent was using the disputed domain name to divert the users to other links providing services similar to that of complainant's and thus adversely

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<sup>43</sup> Ibid.

<sup>44</sup> PKNIC - Internet Domain Registration Policy Dated August 07 2007 version 4.2 available at <http://www.pknic.net.pk/policy-text.html> (last visited on August 3, 2009).



affecting the business of the complainant. The respondent was offering the domain name for sale which clearly stated that he did not use the domain name for bona fide offering of goods or services<sup>45</sup>. On the basis of these the Panel found that the respondent registered and used the disputed domain name in bad faith and recommended the PKNIC to transfer the domain name <telenor.pk> to the complainant.

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<sup>45</sup> Case No. C2008-0001, full text available at [http://www.dndrc.com/cases\\_resolved/pdf/c2008\\_0001.pdf](http://www.dndrc.com/cases_resolved/pdf/c2008_0001.pdf) (last visited on August 3, 2009).

## **Chapter V**

### **Conclusion and Recommendations**

The technological development has given rise to a new form of property which is called as virtual property. Goods and services are advertised and sold on internet and virtual economy has given another facet to international business and trade. The internet is a global environment and is providing a basis for economic, social and cultural developments of present age. In respect of virtual property, there is a resistance towards the need for an entirely new legal and regulatory framework and it is preferred to deal with them largely under the current framework of intellectual property law.

The worldwide reach of the Internet along with singular quality of each domain name are the basic reasons for making domain names valuable in eyes of businesses and undertakings. They have become business identifiers on the internet. Domain names perform the function of trade marks on internet and have become modern day business cards. Business cards have their limitations but websites are able to access countless customers and in this way proved to be very helpful in promotion of business. The domain name system has developed in an evolutionary way mainly due to non-existence of any precedent which led to most of the problems

facing domain name regulation today and to the variation in the treatment of domain name rights distribution and apportionment in different countries<sup>1</sup>.

The importance of domain names in business environment and ease to register domain names made them very lucrative in the eyes of cybersquatters. They started registering trade marks of famous companies as part of a domain names for deriving economic advantage from the use of trade mark in the domain name. Domain name disputes in generic Top Level Domains (gTLDs) are resolved by UDRP which has proved to be a unique experiment in globalization and privatization of intellectual property protection all over the World including Pakistan. The UDRP applies to every domain name registered in gTLDs on the basis of a dispute clause in the registration agreement.

The UDRP does not bar the jurisdiction of National courts. The domain name registrant or a trade mark holder can initiate proceedings in a court of law for independent resolution before, during or after the UDRP proceeding. The losing domain name registrant also has the right to challenge the administrative panel's decision in court of competent jurisdiction. UDRP operates internationally and it provides a single mechanism for domain name dispute resolution. The UDRP procedure is cost and time effective especially in international context as compared to court litigation. The mandatory implementation of the decision is one of the important characteristics of UDRP procedure because ICANN registrars are under an obligation to take necessary measures to enforce UDRP decision.

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<sup>1</sup> Warren B. Chik, "Lord of Your Domain, But Master of None: The Need to Harmonize and Recalibrate the Domain Name Regime of Ownership and Control" published in International Journal of Law and Information Technology, Vol. 16 No. 1 (Page 11).

The UDRP asserts that a domain name should be cancelled or transferred where one person has a legitimate interest in the domain name based on a corresponding trade mark or service mark, and the other person has registered or used the name in bad faith. But the situation where two organizations have competing legitimate interests in the same domain name is not covered by UDRP which is a clear limitation of UDRP<sup>2</sup>.

The UDRP is criticized by many only because it is a creation of ICANN and is implemented on basis of contract to which ICANN registrars have to agree with registrants while registering a domain name. ICANN allows the challenger to select the dispute resolution service provider which is criticized by the opponents as shopping forum and is biased in favour of trade mark holders who are complainants in domain name disputes.

ICANN is established to regulate the internet community globally but it is not created by a global legislature not even by a national legislature. It is heavily criticized for its political mandate which came from the executive branch of U.S Government. It is exercising the powers of regulatory agency through price setting, registration accreditation, new public offering and having enforcement powers. Good governance is the most important thing for a regulator which implies the establishment of rule of law<sup>3</sup>. ICANN is lacking rule of law as more powerful states have more influences than less powerful states. Following are few recommendations to establish the rule of law in internet governance<sup>4</sup>:

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<sup>2</sup> Jacqueline D. Lipton, "Beyond Cybersquatting: Taking Domain Name Disputes Past Trade Mark Policy" available at [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=770246](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=770246) (last visited on August 3, 2009).

<sup>3</sup> Hans Klein, "ICANN Reform: Establishing the Rule of Law" available at [http://www.prism.gatech.edu/~hk28/ICANN\\_Rule-of-Law.pdf](http://www.prism.gatech.edu/~hk28/ICANN_Rule-of-Law.pdf) (last visited on August 3, 2009).

<sup>4</sup> Ibid.

1. ICANN should have a formal delegation of public authority which can be achieved by an international agreement or a sole US authorization or an adjustment to today's mechanism.
2. There should be a legal instrument that sets clear limits on ICANN's powers and scope of action which will render its actions/decisions more predictable.
3. Bylaws of ICANN should be thoroughly reviewed in order to achieve balanced representation of more powerful and less powerful private interests and neutral outcomes.

The new trade marks law in Pakistan i-e Trade Marks Ordinance, 2001 included domain names in it. If a domain name is capable of being used as a source identifier it can be registered as a trade mark and all provisions of the Ordinance are applicable to it. Then that domain name will be given protection as a trade mark and in case of its infringement all remedies which are available to a trade mark holder are there for the owner of domain name.

As far as gTLDs are concerned, they are regulated by the ICANN regime. For ccTLDs i-e .pk domain there is a private organization PKNIC which has its own domain name registration policy. The applicant who wishes to register a domain name in .pk has to agree with that policy. If a .pk domain name violates a registered trade mark or is an obvious derivation of a registered company name or is not bona fide as recognized by international best practice or is in contravention with any criminal law for the time being in force, PKNIC has the right to cancel, or transfer the domain name to the aggrieved party under UDRP.

PKNIC entered into an understanding with DNDRC for providing dispute resolution services for .pk ccTLDs. DNDRC decides the dispute by exercising binding arbitration under the UDRP and Rules for UDRP<sup>5</sup>. But Pakistani internet community is seriously criticizing DNDRC and Barrister Zahid Jamil who acted as sole panelist in domain name cases decided by DNDRC. Following are few suggestions proposed by Mr. Khalil Ahmed, CEO PakNIC (Pvt) Ltd:<sup>6</sup>

- For .pk domain name dispute resolution, there should be a neutral and unbiased entity consisting of multiple panels instead of a sole panelist;
- Pakistan ccTLD Manager should sign up agreement with ICANN as more than 40 country Managers have signed up agreements with ICANN.

A meeting of Pakistan Telecommunication Authority (PTA) was held on 2<sup>nd</sup> June 2008 to discuss the issue of .pk ccTLDs but it was not resulted into anything. There should be a neutral 3<sup>rd</sup> party to decide .pk disputes, it can even be DNDRC but there has to be a strong regulatory mechanism to ensure a transparent and corruption free dispute resolution system.

Cyberspace is a world which has no borders therefore it should be treated as one jurisdiction<sup>7</sup>. As far as gTLDs are concerned, they all are regulated by ICANN and any dispute involving them is resolved under UDRP. But in ccTLDs this is not the case. Every state has its own domain name registration policy and this dispute resolution policy can be different from those of other states. All states should formulate their dispute

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<sup>5</sup> <http://www.dndrc.com> (last visited on August 3, 2009).

<sup>6</sup> An open letter to Chairman PTA, Minister of IT & Telecom titled “.pk ccTLD A National Asset in Jeopardy” written by Mr. Khalil Ahmad, CEO & Chairman, PakNIC (pvt.) Limited, published in Voice of Communication.

<sup>7</sup> Warren B. Chik, “Lord of Your Domain, But Master of None: The Need to Harmonize and Recalibrate the Domain Name Regime of Ownership and Control” published in International Journal of Law and Information Technology, Vol. 16 No. 1 (Page 66).

resolution policies which should be consistent with the UDRP so that consistency can be maintained in their substantive and procedural laws and policies<sup>8</sup>.

ICANN should establish a distinguished panel of individuals to review controversial rulings of ICANN and the situations where its arbitrators have given different rulings on the exactly same points. Such a review panel on considering those decisions and through their interpretation can determine that whether that decision should be followed in future cases<sup>9</sup>. In this way a system of binding precedents can be created in unitary jurisdiction of cyber world.

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<sup>8</sup> Ibid. (page 69).

<sup>9</sup> Robert A. Badgley, "Internet Domain Names and ICANN Arbitration: The Emerging Law of Domain Name Custody Disputes" 5 Tex. Rev. Law & Pol. 343, (Page 391-392).

## Annex-I

TM-1

(To be accompanied by a duplicate of this Form and by six additional representations affixed on a durable paper of size 13' x 8' )  
Fee: See entry No.1of the First Schedule

### Application for registration of trade mark for goods or services and to register a domain name under section 22(1), section 84(2); rule 12

One representation to be fixed within this space and six others to be sent separately. Representation of larger size may be folded but must then be mounted upon linen or other suitable material affixed thereto. See rule 17.

Application is hereby made for registration in the register of the accompanying trade mark in class <sup>a</sup> \_\_\_\_\_

in respect of <sup>b</sup> \_\_\_\_\_

in the name(s) of <sup>c</sup> \_\_\_\_\_ Nationality \_\_\_\_\_

trading as <sup>d</sup> \_\_\_\_\_

whose trade or business address is <sup>e</sup> \_\_\_\_\_

who claim(s) to be the proprietor(s) thereof and by whom the said mark is proposed to be used / being used since \_\_\_\_\_ in respect of said goods or services <sup>f</sup> \_\_\_\_\_

If the application is for a series of marks, indicate how many marks in the series <sup>g</sup> \_\_\_\_\_

If the application is for domain name indicate whether it is in respect of goods or services <sup>h</sup> \_\_\_\_\_

If colour is claimed, indicate here and state the colour(s) <sup>i</sup> \_\_\_\_\_

Address for service in Pakistan to which all correspondence should be sent <sup>j</sup> \_\_\_\_\_

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 200\_\_\_\_.

Signature<sup>k</sup> \_\_\_\_\_

Name of signatory in block letters \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

To,  
The Registrar of Trade Marks,  
Trade Marks Registry, Karachi.

<sup>a</sup> Insert the serial number of the class as indicated in Schedule IV to the Trade Marks Rules 2004.

<sup>b</sup> Specify the goods or services. Only goods and services included in one and the same class should be specified. Please consult Schedule IV attached to the rules to check the class of goods and services or the Book on International Classification of goods issued by the International Bureau for the Protection of Intellectual Property, Geneva.

<sup>c</sup> Insert legible the full name, description and nationality of the applicant.

<sup>d</sup> Insert the trading style, if any.

<sup>e</sup> Insert the full trade or business address of the applicant.

<sup>f</sup> Strike out whichever is not applicable. If the mark is already in use, file the proof thereof by way of affidavits, publicity material, sale figures etc.

<sup>g</sup> Indicate how many marks are in the series.

<sup>h</sup> Indicate whether domain name is in respect of goods or services

<sup>i</sup> State the colour(s) claimed

<sup>j</sup> State address for service in Pakistan

<sup>k</sup> Signature of the applicant. If the mark is owned by an individual, he must sign it, if owned by a partnership firm, by the Managing Partner, if the applicant is a limited company, by the Managing Director or Director.

**Notes** - (1) The prescribed fee should be paid along with this application either through a cheque drawn in favour of or through a money order addressed to the Director General, IPO, Pakistan.

(2) Where the application is being filed through an attorney, a power of attorney on Form TM-48 duly stamped must accompany this application.

(3) If the word mark is in a language other than English, Urdu or regional Pakistani languages, its translation and transliteration in the form of an affidavit must accompany this application.



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