

MANU/DE/0642/2001

Equivalent Citation: AIR2001Delhi463, 93(2001)DLT203

IN THE HIGH COURT OF DELHI

Suit No. 371/2000

Decided On: 24.04.2001

Appellants: **Acqua Minerals Limited**
Vs.

Respondent: **Mr. Pramod Borse & Anr.**

Hon'ble Judges/Coram:

J.D. Kapoor, J.

Counsels:

For Appellant/Petitioner/plaintiff: Mr. Rajiv Nayyar, Sr. Adv., Ms. Pratibha M. Singh and Ms. Radha Chawla, Advs

Subject: Intellectual Property Rights

Acts/Rules/Orders:

Trade and Merchants Marks Act, 1958 - Section 8, Trade and Merchants Marks Act, 1958 - Section 29, Trade and Merchants Marks Act, 1958 - Section 29(1); Code of Civil Procedure, 1908 (CPC) - Order 39 Rules 1, Code of Civil Procedure, 1908 (CPC) - Order 39 Rules 2; Copyright Act, 1957;; Indian Trade Mark Act

Cases Referred:

Mark and Spencer PLC. v. One In A Million Ltd, 1998 FSR 265; American Civil Liberties Union v. Reno, 929-F Supp.842, 830, 845 (E.D. pa 1996); Yahoo Inc. v. Akash Arora and another, 1999 (19) PTC. 201; Card service International Inc. v. Micgee, 42 USPQ 2nd 1850

Case Note:

Intellectual Property Rights – infringement – Sections 8, 29 and 29 (1) of Trade and Merchants Act, 1958 – plaintiff sought permanent injunction – plaintiff appellant registered proprietor of trade mark Bisleri – whether choosing of 'bisleri' as domain name identical or deceptively similar – registration of domain name with bad faith - on basis of evidence defendant's intention to trade on reputation and goodwill of plaintiff proved – held, defendant restrained from using impugned mark on their product.

ORDER

J.D. Kapoor, J.

1. Through this suit the plaintiff has sought as decree fro permanent injunction restraining the defendants, their partners from using the mark BISLERI and/or BISLARI.com as part of their domain name or in any other manner whatsoever as for nay products, goods or services so as to result in passing off, an infringement of copyright and directing them to transfer the domain name BISLERI.com to the plaintiff.

2. The case of the plaintiff in brief is that it is the registered proprietor of the trade mark BISLERI and is registered under the Trade and Merchandise Marks Act, 1958 (hereinafter referred t oas 'the Act') bearing No. 260716 dated 20th November,1969 and is also the owner of the copyright in the BISLERI word and the unique manner in which it is written. Its mark BISLERI is extremely well known in the indian market and was one of the first marks introduced for bottled mineral water in India. The BISLERI water is distributed in over 500 towns and cities of India and constitutes 70% of the branded bottled mineral water in the country. That it has a huge distribution network all over the country which ensures that the mineral water under the mark BISLERI is made available to consumers all over the country.

3. That plaintiff has also spent huge sums of money on the advertisement and publicity of its product BISLERI and its reputation has grown over the years as result of enormous consumer confidence and trust in the mineral water and the mark BISLERI has come to be associated exclusively with the plaintiff and, Therefore, belongs to the plaintiff and no one else has the right to use the said mark in relating to any product

4. That the word BISLERI has no dictionary meaning and is an Italian surname which is entitled to the highest degree of protection like various other surnames which fall in this category namely Colgate, Bata etc. One Mr. Felice Bisleri, an Italian entrepreneur has set up business of mineral water in India and the business was bought by one of the plaintiff's group companies and all the rights in the BISLERI marks now vest exclusively in the plaintiff company.

5. In order to have easy access for the consumers, each and every manufacture, trader or service provider is allotted one or more names by which the consumer can access the information relating to the said manufacture or service provider. Such a name is called the 'Domain Name' and it is registered with the Registering Authority. One of such authorities is Network Solutions Inc.

6. The plaintiff had applied for registration of its name as bisleri.com. However, in January, 2000, the plaintiff came to know about the illegal and unlawful registration of this domain name by the defendant on 11th December, 1999 and on visiting or searching from the Website of the Authority it was found that it has been registered in the name of defendant No.2 and defendant No.1 was the Technical Contact for defendant No.2.

7. That in view of the fact that the mark BISLERI is the property of the plaintiff and is registered under the TMM Act confusion is bound to take place when a person wishes to know about the product of the plaintiff. It will go to the website of the defendant which has nothing to do with the plaintiff's goods for business. Thus this constitutes a mischief of passing off by the defendants.

8. That the malafides and fraudulent intentions of the defendants came to the light to the plaintiff when it was revealed that the defendants have already their own Domain Name namely info@CYBERWORLD.COM and are merely using the domain name of the plaintiff in order to trade in it and/or to pressurise the plaintiff to part with huge sums of money for the same and as a blocking or trafficking tactic.

9. When the plaintiff called upon the defendants to immediately transfer the rights of the said domain name in the name of the plaintiff the defendants demanded large sums of money for doing the same.

10. The defendants were proceeded ex parte as inspired by having been served with the summons of the suit and the application under Order 39 Rule 1 & 2 seeking an interim injunction order it did not respond or put in appearance to contest the claim of the plaintiff.

11. To prove its case, the plaintiff has filed the affidavit by way of evidence and has proved the following relevant documents:-

(i) Ex.P-3 bearing Registration No. 260716 dated 20th November, 1997, 1997 is the registration certificate of the mark BISLERI under the TMM Act.

(ii) Ex.P-4 is the registration certificate under the Copy Right Act.

(iii) Ex.P-5 is an extract of registration of the domain name of the defendants BISLERI.com.

(iv) Ex.P-6 is the copy of the e-mail dated 22nd January, 2000 sent by the defendant in response to the plaintiff's telephone call.

(v) Ex.P-7 is the letter by the plaintiff to the defendants informing the plaintiff to make the domain name available to the plaintiff which is the domain name of the plaintiff for the 20 years.

(vi) Ex.P-8 is the information received by the plaintiff from Network Solutions intimating that they have de-activated the domain name of the defendants BISLERI.com pending the result of this suit.

12. The reply sent by the defendants in response to the telephone of the plaintiff is highly relevant and needs to be reproduced. It reads as under :-

"Please refer to telecom you had with us for your demand for the domain name.

After discussion with my partner and all my senior staff members, we mention following

We are a team of professional technocrats working hard. We are presently working on following portals (under construction)

We had done lot of ground work for designing these sites and has put in many efforts to design the contents and have used lot of technology. We were under impression that Bisleri meaning is mineral and we decided to design the site to provide info on all the minerals on the site and e-commerce and get the deals nationwide.

We don't know since when the name was available for registration but when we decided to register it was available for more than 2 months before 13th December. The site is ready for

uploading.

After the cell, when we checked it in English dictionary, we didn't find anything and we came to know that its brand name.

At the time of resisting we had no different intention and today also we don't have any bad intention.

In view of the above, we will be make the name available to you if we get the returns for work done on this project after considering the future business.

Kindly convey your willingness so that we can plan our activities."

13. In order to project the element of bad faith in registration of the mark BISLERI by the defendants, the plaintiff has referred to Rule 4 of the Domain Name Registering Policy of the Registering Authority. Rule 4(b)(i & ii) provides :-

4(b) Evidence of Registration and Use in Bad Faith. For the purposes of paragraph 4(a)(iii), the following circumstances, in particular but without limitation, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith :

(i) circumstances indicating that you have registered or you have acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant, who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name; or

(ii) you have registered to domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that you have engaged in a pattern of such conduct.

14. Now the question that falls for determinations is whether the domain name registered with the Network Solutions Inc i.e. the Registering Authority has the same protection as the trade name or trade mark registered under the TMM Act.

15. The work 'domain' as per Chambers 21 Century dictionary means a territory owned or ruled by one person or government. Wester's dictionary defines it in various contexts as under :-

1. A field of action, thought, influence.
2. The territory governed by a Single ruler or government;
3. Region characterised by a specific feature.
4. Law.
5. Land of which their superior title and absolute ownership.

16. Thus, in common parlance any title or name or mark or brand or identity in any field of activity or a trade name over which a particular individual has the exclusive, prior and lone claim is the domain name or trade mark for any kind of activity. Trade mark is at par with a territory and the owner of any trade mark is placed in the same position as owner of a territory.

17. If an owner or possessor of a trade mark has prior and exclusive use and lone claim over the trade mark, he attains not only superior title but absolute ownership thereof. This is what is the genesis of the work 'domain' and when the property or the territory or the activity relates to a trade or commerce and has been given the name or mark under which the commercial activities are identifiable with the carried out under the said name the user or owner thereof has a domain over it and Therefore such a domain name has the same protection as any trade name has been provided under the Trade and Merchandise Marks Act, 1958.

18. Any person who traverses into other's territory that is, tries to usurp his domain name or in other words trade name which is used in the course of a trade is guilty of infringement of the said name of it is registered and if not is liable for passing off action.

19. With the advancement of internet communication the domain name has attained as much legal sanctity as a trade name. since the services rendered in the internet are crucial for any business the domain name needs to be preserved so as to protect such provider of services against anyone else trying to traffic or usurp the domain name.

20. It is common knowledge that in modern day world to promote themselves as well as their products

manupat globally the companies and organisations have taken refuge of internet. Unless and until these organisations have such a new over which they have superior title and absolute ownership on account of being prior and lone user and with which they are identified it is difficult to search them in the internet. Such a name can facilitate the users to have not only main address but a website address also.

21. Thus the same principles and criteria are applicable for providing protection to the domain name either for action for infringement if such a name is registered with the Registering Authority under Trade and Merchandise Marks Act (hereinafter referred in TMM Act) or for a passing off action as are applicable in respect of trade mark or name.

22. As per section 8 of the TMM Act, a registered trade mark is infringed by a person who, not being the registered proprietor of the trade mark or a registered user thereof using by way of permitted use, uses in the course of a trade mark which is identical with, or deceptively similar to the trade mark, in relation to any goods in respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mar. As per Section 29(1), nothing is deemed to effect right of action against any person for passing off goods as the goods of another person or the remedies respect thereof.

23. Clark and Lindsell On Mark in 15th Edition defines passing off as an actionable wrong as under :-

It is an actionable wrong for a trader so to conduct his business as to lead to the belief that his goods or business are the goods or business of another. This wrong is known as "passing off". It is immaterial whether the false representation, as to goods or business, involved in passing off, is made expressly words, or impliedly, by the use or imitation of a mark, trade name or get-up with which the goods of another are associated in the minds of the public."

24. So far as the Registering Authority of the domain name is concerned it agrees for registration of domain name only to one person. That is on first come first serve basis. If any persons gets the domain name registered wit the Registering Authority which happens to be the trade name of some other person, the Registering Authority has no mechanism to inquire into it to decide whether the domain name sought to be registered is in prior existence and belongs to another person.

25. In a celebrated case of Mark and Spencer PLC.Vs. One In A Million Ltd 1998 FSR 265 it was observed that a domain name comprises groups of alphanumeric characters started by dots and a first group commonly comprises the name of the enterprises or a brand name or trading name associated with it, followed by a top 'level' name identifying the nature and sometimes the location of the organisation.

26. While giving the illustration of Marks & Spencer which as a number of domain names including marks-and-spencer.ci.us, it was observed that this domain name enables them to have an e-mail address in the form Johnsmith a marks-and-spener.co.ul and a web site address in the form of <http://www.marks-and-spencer.co.uk>. Thus the top level suffix co.uk indicates a United Kingdom company.

27. As Network Solutions Inc. of Virginia in the United States is the organisation generally recognised as responsible for allocating domain names with the top level suffixes, the defendant approached it and got Bisleri.com as its domain name registered knowing it well that Bisleri is not a word which has dictionary meaning and is a trade name of plaintiff company which manufactures and sells the mineral water under the said trade name. Bisleri is a Sir name of an Italian who was one of the firsts to enter into the trade mineral water and established his Sir name as a a tradename. He sold hid rights world over and plaintiff was one of them.

28. Unless and until a person has a credible Explanation as to why did he choose a particular name for registration as a domain name or for that purpose as a trade name which was already in long and prior existence and had established its goodwill and reputation there is no other inference to be drawn than that the said person wanted to trade in the name of the trade name he had picked up for registration or as a domain name because of its being an established name with widespread reputation and goodwill achieved at huge cost and expenses involved in the advertisement.

29. In the instant case the defendants conveniently and innocently informed the plaintiff when they were confronted as to why they had chosen BISLERI as its domain name that they were under the impression that the word BISLERI means mineral and Therefore, they decided to design the site to provide information on all the minerals on the site and e-commerce and get the deals nationwide and they did not know since when the name was available for registration but when they decided to register it, it was available for more than two months before 13th December. The site was ready for up-loading and after they received the call they checked it in English dictionary and did not find word 'Bisleri' and came to know that it was a brand name. They further informed the plaintiff that at the time of registering they had different intention and today also they do not have any bad intention but still they would make the domain name available to them if they got the returns for work done on this project after considering the future business.

30. Interestingly the domain name and the site when uploaded does not provide any information with regard to

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minerals. They claim themselves to be a team of professionals and to imagine that they did not know that BISLERI is a trade name or brand name is highly surprising and hard to ram down the throat.

31. Under the Uniform Domain Name Dispute Resolution Policy, Network Solution requires a party before it applies to register a domain name to verify that to its knowledge the registration of the domain name will not infringe upon or otherwise violate the rights of any third party and that it will not knowingly use the domain name in violation of any applicable laws or regulations and also that the domain name is neither identical nor similar to a trade mark or service mark in which the complainant has rights and it has no rights or legitimate interests in respect of the domain name and that domain name has not been registered and used in bad faith.

32. However, under the said policy the complainant has to prove the following three elements: (1) its domain name is identical or is confusingly similar to a trade mark or service mark in which the complainant has rights; and (2) it has no rights or legitimate interests in respect of domain name; and (3) its domain name has been registered and is being used in bad faith.

33. For the purpose of 'bad faith' the following circumstances if found to be present are sufficient evidence of the registration and use of a domain name in bad faith.

(i) circumstances indicating that a party has registered or has acquired the domain name primarily for the purpose of selling, running or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of documented out of pocket costs directly related to the domain name.

(ii) It has registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that it has engaged in a pattern of such conduct.

(iii) By using the domain name, you have intentionally attempted to attract, for commercial gain, internet users to its web site or other on line location by creating a likelihood of confusion with the complainant's trade mark as to the source, sponsorship, affiliation, or endorsement of its web site or location or of a product or service on its web site or location.

34. As is apparent from the aforesaid policy of the Registering Authority it agrees for registration of the domain name only to one person and by getting the registration of the Bisleri.com the defendants have blocked user of the trade name BISLERI from getting the registration as a domain name and as such it has affected the trade and name of the plaintiff. Not only confusion is bound to be created because of the domain name being the same as the trade mark of the plaintiff but inference is also drawn that the defendant wanted to trade in the name of the plaintiff and its reputation and goodwill earned over the years through advertisements involving huge expenses.

35. The Explanation of the defendants that they were under the impression that BISLERI was a name related to minerals and Therefore they wanted to develop the site for providing information in relation of the minerals and that they did not know that it has no dictionary meaning or did not have the knowledge that it was a brand name is extremely implausible and incredible. On the one hand they claim to be technical professionals while on the other evinced little knowledge about universally known brand of a product that is used by all and every one and at hourly or so frequency. It is not surprising that they themselves might be using the mineral water of 'Bisleri' mark day in the day out in view of the growing consciousness about hygiene and risk of water born diseases.

36. It is obvious and self-axiomatic that the domain name 'Bisleri' was chosen by the defendants with malafide and dishonest intention as a blocking or squatting tactic. The reply sent by the defendant that they are ready to forego with the domain name if they are compensated with the cost incurred by them for developing the site demonstrates that their sole object in getting the domain name registered was to seek unjust enrichment and thrive upon the goodwill and reputation of the plaintiff. There is no doubt that not only unwary persons but even experienced persons are bound to believe that the domain mark bisleri.com is certainly associated with the plaintiff.

37. In view of the revolution in the field of Information Technology, the domain name has the same rather more importance than the trade name. Domain name is used more frequently by commercial organisations. It is highly potential and forceful source of promoting their products. In view of the fact that now a person can buy and sell the products on the internet, the importance of domain name has attained tremendous proportion.

38. In American Civil Liberties Union Vs. Reno (929-F Supp.842, 830, 845 (E.D. pa 1996), the potentials of the internet address system have been explained in more vivid manner. It is like this :-

"Each host computer providing internet services ("site") has a unique Internet address. Users seeking to exchange digital information (electronic mail ("email") computer programs, images, music) with a particular internet host require the host's address in order

to establish a connection. Hosts actually possess two fungible addresses : a numeric "I.P." address such as 123, 456, 123, 12 and an alphanumeric "Domain name" such as microsoft.com, with greater mnemonic potential... internet Domain names are similar to telephone number mnemonics, but they are of greater importance, since there is no satisfactory Internet equivalent to a telephone company while pages or directory assistance, and Domain names may be a valuable corporate asset, as it facilitates communication with a customer base. The uniqueness of Internet addresses is ensured by the registration services of the Internet Network Information Center ("InterNIC") a collaborative project established by the National Science Foundation. I may hasten to add that it is the NSI which provides registration services of domain names under the Internet Network Information Center ("InterNIC")"

39. While refuting the defense that the provisions of Indian Trade Mark Act are not attracted to the use of domain name or domain name on the internet as the trade services do not find place in the expression used in Section 29 of Trade & Merchandise Marks Act, learned counsel for the plaintiff has contended that the services rendered through internet domain name have at least to be recognised for an action of passing off.

40. In support of this, the learned counsel relied upon the decision of this court in Yahoo Inc. vs. Akash Arora and another 1999 (19) PTC. 201 where domain name "Yahoo" of the plaintiffs and "yahoo India" of the defendants were subject matter of the controversy. It was argued on behalf of the defendants that the internet users are sophisticated users and only literate people who are able to as certain can approach the actual internet site that they intend to visit. However, this argument did not find favor and it was held that if an individual is a sophisticated user of the internet and even if he may be an unsophisticated consumer of information such a person may find his or her way to the different internet site which provides almost similar type of information as that of the plaintiff and thereby the confusion can be created in the mind of the said person who intends to visit the internet site of the plaintiff but in fact reaches the internet site of the defendant.

41. Thus, the unanimous view is that the internet domain name is of great importance and is a valuable corporate asset. A domain name is more than an internet address and is entitled to the equal protection as trade mark. With the advancement and progress in the technology, the service rendered in the internet site have also come to be recognised and accepted and are being given protection so as to protect such provider of service from passing off the service rendered by others as his services.

42. Apparently it has been proved that the defendants have adopted the domain name "Bisleri" with the intention to trade on the plaintiff's reputation and goodwill and by adopting, blocking and trafficking tactic. Minimum expectation from the defendants who claim themselves the professional and technocrats was to first ensure whether the word "Bisleri" stands for minerals and has any dictionary meaning. Their response to the query by the plaintiff shows feigning or pretence of monumental ignorance.

43. Another fact that demonstrates malafide intention of the defendants and a blocking tactic is that the defendants have already their own domain name, namely, info@cyberworld.com. It appears that the only object of the defendant in adopting this domain name was to earn huge money for transferring the said domain name in the name of the plaintiff knowing it well that they have no right of either of registration of the domain name or nay other domain name which consists of the plaintiff's mark or copyright name.

44. The registration of the domain name by the defendants is clearly a 'bad faith' registration as referred above and defined in the Uniform Domain Name dispute Resolution Policy framed and adopted by the Internet Corporation for Assigned Name and Numbers (ICANN). The act of the defendants not only constitutes the infringement of the plaintiff's right but it also constitutes passing off act as it is likely to result in dilution of the trademark "Bisleri" as the plaintiff has no control over the use of the said domain name inspire of the fact that the trade mark "Bisleri" is the exclusive trade mark of the plaintiff.

45. The defendants is using the impugned domain name for an activity with which the plaintiff is not connected or concerned at all. It is likely to cause enormous harm and prejudice to the plaintiff resulting in pecuniary and other losses due to the illegal hoarding by the defendant of the domain name "bisleri.com".

46. The defendant is Therefore neither the legal user nor has nay information to provide on the "bisleri" and the fact that he is referring the domain name to the plaintiff against huge amount of money bares the ill designs and a bad faith of the defendant in getting this domain name registered.

47. In view of the settled position of law enunciated down the lines and particularly in Card service International Inc. Vs. Micgee 42 USPQ 2 1850 that the domain name service functions as the trade mark and is not a mere address or like finding number on the internet and, Therefore, is entitled to equal protection as trade mark for it also identifies the internet site to those who reach it, much like a person's name identifies a specific company, the defendants have to be enjoined upon by way of permanent injunction.

48. As a result, the suit is decreed and the defendants, their directors, servants, agents, licensees, franchises, representatives are restrained in terms of prayers (A), (B) and (C) of the plaint. plaintiff is given the liberty to approach the Network Solution Inc. to get the domain name transferred in its name.

