

## Legal Issues in ‘Intermediary Liability & Safe Harbor’

### Issue: Can Domain Name Registrars Invoke Intermediary Liability Against Blanket Injunctions?

## Concepts & Definition

### ❖ **Domain Name Registrar –**

- A company that allows you to purchase and register domain names. These companies also facilitate the transfer of domain names from one party to another.
- Domain Name Registrars are accredited by ICANN (Internet Corporation for Assigned Names and Numbers), the organization responsible for coordinating domain names.

### ❖ **Intermediary –**

- A person or an organization that helps other people or organizations to make an agreement by being a means of communication between them (Oxford Dictionary).

### ❖ **Intermediary Liability –**

- The liability imposed upon an intermediary on account of its users' conduct on their platforms.

## Relevant Legal Provisions

### ❖ Section 2(1)(w), Information Technology Act, 2000 –

*““intermediary” with respect to any particular electronic message means any person who on behalf of another person receives, stores or transmits that message or provides any service with respect to that message;”*

### ❖ Section 79, Information Technology Act, 2000 –

*“Network service providers not to be liable in certain cases. ...no person providing any service as a network service provider shall be liable under this Act, rules or regulations made thereunder for any third party information or data made available by him if he proves that the offence or contravention was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence or contravention.”*

*Explanation.—For the purposes of this section, —*

*(a) "network service provider" means an intermediary;*

*(b) "third party information" means any information dealt with by a network service provider in his capacity as an intermediary;”*

## Relevant Judicial Decisions

- ❖ ***Snapdeal Pvt. Ltd. v. GoDaddy LLC & Ors.*, [CS (COMM) 176/2021, Delhi High Court, April 25, 2022]**

Mark: SNAPDEAL

*“...the expression “with respect to” is accorded a wide and compendious interpretation. Services “with respect to” electronic records would, therefore, include, within their scope and ambit, the service of providing the electronic records for utilisation by aspiring registrants...Without entering into all the expressions used in these definitions, which flow from one to the other, it is clear that domain names would qualify as “electronic records”, as defined in Section 2(1)(t), especially as the domain names which are provided by the DNRs, according to them, are sourced from a common Domain Name Registry...As being persons who provide service with respect to the domain names, the DNRs would be “intermediaries” within the meaning of Section 2(1)(w).”*

- 4 *“...if the intermediary provides functions which are in excess of providing access to a communication system over which information made available by the third party are transmitted, stored or hosted, it cannot secure the benefit of Section 79(1). The intent and purpose are obvious. An intermediary, which operates for profit, as a business enterprise, cannot seek amnesty under Section 79(1). This would be, especially, in respect of liabilities which arise from such activities, which are beyond the activity of providing access to a communication system as contemplated by Section 79(2)(a).”*

## Relevant Judicial Decisions (Contd.)

❖ *Snapdeal Pvt. Ltd. v. GoDaddy LLC & Ors.*, [CS (COMM) 176/2021, Delhi High Court, April 25, 2022]

[Contd.]

*“In the present case...DNRs are not merely providing access to a communication system over which information can be shared. They are acting with clear intent to profit. They are providing alternative domain names for a price. Not only this, they are differentially pricing the alternative domain names, depending, obviously, on the “demand” for such alternatives. If, in providing such alternatives, therefore, the DNRs infringed registered trademarks of third party as such the plaintiff, they cannot seek immunity from the consequences of such infringement, by taking shelter under Section 79(1)...The provision of “safe harbour” under Section 79 cannot, therefore, prima facie, in my view, be available to the DNRs, to the extent that the alternative domain names provided by them to aspiring registrants infringed the registered trademark of the plaintiff.”*

*“A quia timet action cannot, however, be predicated on hypothetical or imaginary infringements. In my considered opinion, it is not permissible for the Court to hold, in advance, that every prospective alternative domain name, containing the word/thread/string “SNAPDEAL” would necessarily be infringing in nature and, thereby, injunct, in an omnibus and global fashion, DNRs from ever providing any domain name containing “SNAPDEAL”...”*

## Relevant Judicial Decisions (Contd.)

- ❖ *Snapdeal Pvt. Ltd. v. GoDaddy LLC & Ors.*, [CS (COMM) 176/2021, Delhi High Court, April 25, 2022] [Contd.]

*“Section 28(1) of the Trade Marks Act provides the proprietor of a registered trade mark the right to obtain relief in respect of infringement of the registered trade mark. “Infringement of registered trade marks” is, in turn, defined in Section 29....The allegedly infringing mark must, however, be clear and identifiable...”*

- 6 *“...The plaintiff has to draw the attention of the Court to the marks, of the defendant, which infringe the plaintiff’s registered trade mark. In the present case, the plaintiff has necessarily to come to the Court – as it has been doing in the past – against every domain name which it perceives to be infringing of its registered “SNAPDEAL” marks. The Court would then have to examine whether such mark is, in fact, infringing and, if so, injunct the use of such mark/domain names. **The cause of action, in any trademark infringement suit, has to be with respect to the particular infringing trademark/trademarks. The Court cannot pass an order, to operate in futuro, restricting the defendants from offering, for registration, any domain name, which includes the thread “SNAPDEAL”, as that would be attributing, to the Court, a clairvoyance which it does not possess.**” [Emphasis supplied]*

## Relevant Judicial Decisions (Contd.)

- ❖ *Hindustan Unilever Limited v. Endurance Domains Technology LLP & Ors.*, [LC-VC-GSP-24 OF 2020, Commercial IP Suit (L) No. \_\_\_\_ of 2019, Bombay High Court, June 12, 2020]

Mark: HUL

“...domain names are, typically, never ‘owned’. They are always registered for a fee and for a specified time, typically a one-year minimum. The process of registering a domain name is trivial. One only has to look up availability of a combination of words and choose a desired top-level or other domain (.in, .com, .net, etc). The entire process of registration is automated and requires no manual intervention. Certainly there is no human element involved in overseeing or assessing the legitimacy of any chosen domain name.”

“...to include the words ‘ensure continue suspension of and block access to’. This will conceivably put the Defendant No.1 in a state of being constantly in threat of contempt proceedings.”

## Relevant Judicial Decisions (Contd.)

- ❖ *Hindustan Unilever Limited v. Endurance Domains Technology LLP & Ors.*, [LC-VC-GSP-24 OF 2020, Commercial IP Suit (L) No. \_\_\_\_ of 2019, Bombay High Court, June 12, 2020] [Contd.]

*“I do not think it is for any court to come up with mechanisms to protect the Plaintiff’s interest at low or no cost, or by turning a plaintiff into judge, jury and executioner, let alone sub-contracting out what I believe to be a serious judicial function of assessing and balancing rival merits. What should or should not be suspended (or blocked) is for a government to decide not some litigant. There are no shortcuts. All this: prima facie; two mantra words that seem to have become some sort of balm in the frenzied jurisprudence of interim and ad interim litigation.”*

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## Relevant Judicial Decisions (Contd.)

- ❖ ***Tata Sky Limited v. National Internet Exchange of India & Ors.*, [CS (COMM) 1202/2016, Delhi High Court, April 2, 2019]**

Mark: TATA

- The Court examined the relief sought by Plaintiff in the instant case, viz. “...*a dynamic injunction restraining the defendants from, for all time registering a domain name similar/deceptively similar to that of the plaintiff and to remove any such mark registered inadvertently or found in future.*”.
- The Court observed –“*The power to adjudge similarity/deceptive similarity, under our laws, vests either in the Courts or in authorities/tribunals constituted by law to determine the same. Such power indeed entails adjudication of rival claims and even if not contested, does not entitle the grievant to, at the mere asking have removed the domain name registered by another, unless establishes a case of similarity/deceptive similarity.*”

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## Relevant Judicial Decisions (Contd.)

- ❖ ***Tata Sky Limited v. National Internet Exchange of India & Ors.*, [CS (COMM) 1202/2016, Delhi High Court, April 2, 2019] [Contd.]**

*“In my opinion, 'Artificial Intelligence' can be suitably employed to, within the parameters defined by law and/or the Courts, prevent such repeated infringement and violations, eliminating the need for the grievants to repeatedly approach the Court and/or the dispute redressal mechanism and which may tire the grievants, opening the field for violators/infringers.”*

## Relevant Judicial Decisions (Contd.)

- ❖ *Gujarat Cooperative Milk Marketing Federation Ltd. & Anr. v. Amul Franchise.in & Ors.*, [CS (COMM) 350/2020, Delhi High Court, August 28, 2020]

Mark: AMUL

*“...this Court finds that the plaintiffs have made out a prima facie in their favour and in case no ex-parte ad-interim injunction is granted, not only the plaintiffs but common public would suffer an irreparable loss. The balance of convenience also lies in favour of the plaintiffs. Consequently, an ex-parte ad-interim injunction is granted...The defendant Nos. 26 to 34 are directed to suspend/block/delete the domain names as mentioned in the plaint within 36 hours of the receipt of this order. The defendant Nos. 26 to 34 are further restrained from offering for further sale the domain names so directed to be suspended/blocked/deleted by this order and also those containing names/domain names/websites having the words/expressions AMUL with or without a prefix or a suffix. The defendant Nos. 35 to 37 are directed to block access of defendant Nos. 1 to 8 websites.”*

## Relevant Judicial Decisions (Contd.)

❖ ***Gujarat Cooperative Milk Marketing Federation Ltd. & Anr. v. Amul Franchise.in & Ors., [CS (COMM) 350/2020, Delhi High Court, April 25, 2022]***

- The Senior Counsel for Defendant No. 26 (“GoDaddy.com, LLC) sought for modification of the direction restricting it from offering for sale of any domain names containing the word/expression ‘AMUL’.

*“Insofar as the registration of names containing the letters ‘A’, ‘M’, ‘U’, ‘L’ is concerned...There are hundreds of domain names which may contain the letter A, M, U and L in continuity but do not read as AMUL...Such users would be genuine users of the said letters in continuity without the same being linked to the Plaintiff or its brand AMUL...if the Plaintiff has any objection in respect of any specific domain name, the same would be informed to GoDaddy. All domain names except the domain names objected to by the Plaintiff, shall stand released from the injunction order dated 28th August, 2020. Going forward, there would be no embargo on registration of domain names which do not impinge upon the Plaintiff’s rights and the injunction would not operate against them.”*

## Relevant Judicial Decisions (Contd.)

- ❖ ***Dabur India Limited v. Ashok Kumar & Ors.*, [CS (COMM) 135/2022, Delhi High Court, March 3, 2022]**

Mark: DABUR

*“The mark ‘DABUR’ is a well-known trademark in India, having been coined, way back in 1884. Thus, it is an Indian brand which is more than 150 years old and has become a household name. Over the years, the Plaintiff has been a leading manufacturer and seller of a large variety of products to the Indian public, ranging from pharmaceuticals, toiletries, food products and medicinal preparations. The products belonging to the Plaintiff are also exported abroad. The goodwill in the Plaintiff’s mark and business is, thus, unquestionable.”*

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## Relevant Judicial Decisions (Contd.)

- ❖ ***Dabur India Limited v. Ashok Kumar & Ors.*, [CS (COMM) 135/2022, Delhi High Court, March 3, 2022] [Contd.]**

*“Defendant...shall immediately block the domain names, as also the websites...Status quo shall also be maintained in respect of the said domain names and the same shall be locked with immediate effect. The Defendants 4 & 5 are restrained from transferring the said domain names or creating any third-party interest on the same.”*

14 *“...Defendant Nos.2 & 3 i.e., DoT and MEITY shall issue directions to all ISPs to block the said websites as also any other websites, except the Plaintiff’s websites, bearing the mark ‘DABUR’.”*

*“...Defendant Nos.4 & 5 are also restrained from allowing any third-party, apart from the Plaintiff, from registering domain names using the mark/name ‘DABUR’.” [Emphasis supplied]*

# THANK YOU!

## Questions?

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