

---

# **INFORMATION TECHNOLOGY AND INTELLECTUAL PROPERTY AT CROSS ROADS: QUEST FOR JUST ORDER**

---

Dr. Vishal Mahalwar, Assistant Professor of Law, National Law University, Delhi

## **ABSTRACT**

Information Technology has become an essence of every body's life. With the rampant use of Informational Technology, we have realized that there are certain drawbacks also which have emerged, either they are personal or social. Intellectual Property Rights have been influenced drastically by cyberspace. Uneven relations between Intellectual Property Laws and Information Technology may cause harm to the society. In this Research Article, Researcher has tried to figure out the prominent Intellectual property right Issues in Information Technology. Researcher has made a modest attempt to analyze Trade Mark & Copyright issues in the age of Information Technology. Due to lack of Specific legislation, Researcher has tried to figure out the actual legal position with the help of Judicial Pronouncements.

Keywords: Intellectual Property Laws, Information Technology, Cyberspace, Domin Name, Cybersquatting, Typo squatting, Framing, Meta Tags, Linking, Caching

## 1. Introduction

With the advent of information technology, the scope of intellectual property rights has enlarged gradually. Those activities which were occurring in the nonvirtual world have started appearing in the virtual world as well. Information technology has simplified the activities which were being performed in the non-virtual sphere & now they are being performed in cyberspace. Now, the relation between information technology and intellectual property rights has become more complicated and complex. Initially, we had the legislations which were applicable on information technology to a limited extent but present legislations are now being interpreted more liberally so as to incorporate or cover the area of information technology. Whether it is trade mark law or copyright law, honorable courts have interpreted the laws in a progressive manner. Intertwined relation of intellectual property rights in information technology era has thrown a challenge before the judiciary. There are numerous intellectual property issues in cyberspace which are needed to be addressed either by the interpretation of present statutes or creating a new legislation. There are specific intellectual property laws i.e., Trade Marks Law, Copyright Law which are responsible to streamline the cyberspace activities. Under the Trade Marks Law, there is a possibility of holding people liable in the cyberspace for the infringement of trade mark law. It is a matter of interpretation how we bring the cyberspace within the ambit of Trade marks law. It has been established now that we may hold liable any person whosoever causes an infringement or passing off in the cyberspace. Moreover, if someone dilutes the reputation of any person having good will in the market through information technology, he may also be held liable under the Trade Marks law. Apart from trade mark law, we have database issues also in cyberspace. Database generally being misappropriated by the other entities in the cyberspace leads to the encroachment into the right to privacy and sometimes violation of copyright law. Though, at the international level, there are international instruments which support the protection of database through Trade Secrets.<sup>i</sup> Still, *sui generis* legal protection is needed. Copyright law is the most demanding area in the cyberspace whether it is a literary work, musical work or cinematography etc. All the prominent rights which have been granted by the virtue of Copyright law at international level or domestic level have led to new issues in the cyberspace. Judiciary has made wide and liberal interpretation of the statutes in the context of information technology. Economic rights & Moral rights are the subject matter of debate in the cyberspace. To address the legal concerns of Information Technology, we have Information Technology Act, 2000, but still we are required to refer to the intellectual property laws to sort out the problems of intellectual

property rights issues in cyberspace. Information Technology Act as such does not address the Intellectual Property Rights. In order to understand & analyze the all the prominent issues pertaining to intellectual property rights, we need to examine all the issues separately & independently in context of other concerned disciplines.

## **2. Anatomy of Trade Mark & Cyberspace**

In Earlier days, e-commerce was not in practice that's why all the commerce or trading used to happen in the traditional ways. After the advent of the internet, the whole horizon of trading has been changed drastically. Those proprietors who were in the business started using the new mode of commerce i.e., electronic commerce. Resultantly, the new perspective of utilization of trade mark is also evolved. Now, most of the proprietors have their own Trade Mark in order to distinguish their goods or services. In the age of computer, Entrepreneurs have different perspective to run their businesses. By the appropriation of all the electronic tools of digital technology, Commerce has acquired a new dimension of trade. Despite enormous changes in the business world Trade Mark remains indispensable. In the digital age, numerous trade mark issues have cropped up and they are the subject matter of in-depth scrutiny under trade mark law.

### **2.1 Cybersquatting**

Cybersquatting is a kind of domain name dispute which may fall within the ambit of trademark. There are numerous judicial pronouncements in which it has been established that domain name is equivalent to the Trade Mark. In a case, it is stated that "*a domain name is more than a web address, it provides information about the owner's goods and service, therefore the owner can seek the protection of its domain*".<sup>ii</sup> In another case it was held that, "*the original role of a domain name was no doubt to provide an address for computers on the internet. But the internet has developed from a mere means of communication to a mode of carrying on commercial activity. With the increase of commercial activity on the internet, a domain name is also used as a business identifier*".<sup>iii</sup> Thus it can be said that domain name is a trade mark for the proprietors who are involved in the electronic commerce. Domain name have many disputes in cyberspace including Cybersquatting. For the violation of Trade Mark, you need to establish two basic requirements. Firstly, Defendant has used Plaintiff's trademark in the course of trade. Secondly, that mark has been used in relation to same goods or services for which it has been registered. Trade Mark Act provides remedies for two kinds of aggrieved. One is whose right has been infringed where registration of trade mark has been done.<sup>iv</sup> Second

is where “Passing off” has been taken place. For remedies under “Passing off”, no registration is required under the trade mark Act.<sup>v</sup> There are only few things which are required to establish “Passing off”. According to Lord Diplock,<sup>vi</sup> For “Passing off”, three elements are required which are Goodwill of Proprietor, Misrepresentation & Damage to Goodwill. In the cybersquatting, a person without having any kind of legitimate interest in the domain name registers it. Then subsequently, make an offer (for monetary consideration) to the person who having a legitimate interest in the domain name. Such activity leads to the cybersquatting. At the International level, The Internet Corporation for Assigned Names and Numbers (ICANN)<sup>vii</sup> is responsible for domain name management. ICANN has adopted a Uniform Domain Name Dispute Resolution Policy to adjudicate the matters related to domain name. At the National level, our judiciary has adjudicated<sup>viii</sup> the matters under “Passing Off” under the Trade Mark Act, since, Domain names are not registered like any traditional trademarks. At the international level, we may refer the matter under UDRP<sup>ix</sup>. There are certain countries who adjudicate the matter through *sui generis* law rather than taking the reference of Trade Mark law. In United States of America, they have enacted a specific law against the cybersquatting.<sup>x</sup> In fact, for adjudication, the matter may be referred to international arbitration system created by ICANN. Rule 4(a) of UDRP helps to determine the cybersquatting. For the proceeding under UDRP, it is required to establish that domain name is identical or confusingly similar, illegitimately registered without any interest and must be registered in bad faith. The meaning of bad faith has been explained under Rule 4 (b) of UDRP. It is also considered as a “cybersquatting test”. Precisely, cybersquatting is one of the challenges which we are facing since emergence of information technology.

## 2.2 Typo squatting

As per the Trade Mark Act 1999, honest concurrent use of the trade mark is permissible in India.<sup>xi</sup> On the other hand, the registration of domain name is not allowed if it has already been registered under the competent authority. As far as domain name is concerned, it is based on the principle of “first come, first serve”. If any person who has a legitimate interest in the domain name & registers it, then subsequently, no honest concurrent user is supposed to register it technically. Alternatively, some people who don’t have any legitimate interest in the domain name, they register such a name which is sufficiently close to the prominent domain name holder. Such kind of activity is also known as “Typo squatting”. With the minor changes in the domain name, people register the domain name in order to take the benefit of prominence

of another domain name holder. Legally, if someone uses the identical or deceptive similar mark as a trade mark would be considered as an infringement of trade mark.<sup>xii</sup> The objective behind the typo squatting is to create a deception in the mind of users and taking the benefit out of well-known domain name. The person aggrieved out of typo squatting may get the remedies either through doctrine of “Dilution of Mark” or under “Passing off”. *Planned Parenthood Federation of America, Inc. v. Richard Bucci, d/b/a Catholic Radio*<sup>xiii</sup> is one of the leading cases in which doctrine of dilution was applied. In this case, defendant used the domain name of plaintiff with minor changes. Plaintiff established that whatever changes have been made by defendant amount to dilution of mark. Moreover, In India we have plenty of judicial pronouncements which relate to cybersquatting and typo squatting as well. In *Rediff Communication Ltd. v. Cyberbooth*<sup>xiv</sup>, defendant misspell the domain name with one alphabet. In rediff.com, alphabet “e” was replaced by alphabet “a”. Hence, it was a case of intention of deceiving. Like this case, there are numerous cases<sup>xv</sup> which exemplify the wrong done by culprits in order to take the benefits of prominence and popularity of domain name. There are some exceptions also where adjudicating authorities have allowed to retain the identical similar domain name provided both the parties have legitimate interest in the disputed name.<sup>xvi</sup>

### 2.3 Framing

Trade Mark infringement may also take place in the shape of framing since it creates the confusion in the mind of the consumers. Framing basically is a kind of misappropriation of a specific web site where web master inserts many web pages of other web sites in such a way that the framing website remains static & one may approach or may see the content of another websites without disappearance of advertisement and logo of original framing site. It is basically a matter of trade mark infringement and unfair competition. Legally, there are many issues which address the copyright law as well. In *Washington Post Co. v. Total News, Inc.*<sup>xvii</sup> defendant had a framing web site which framed the plaintiff’s web site without prior permission or authorization. Defendant designed the web site to consolidate around 1200 news sources into one location i.e., framing web site of defendant. Even though, parties settled their matter at their own but many issues and legal concerns came in to the lime light. Plaintiff contended that it is a matter of dilution of trade mark.<sup>xviii</sup> In addition to this, it was contended that defendant has mis appropriated the web site in relation to the advertisement without the prior authorization. Due to contractual agreement on the part of Plaintiff, it leads to cause confusion and deception among the consumers with relation to source of content and advertisement

depicted at defendants' framing site. Consequently, defendant agreed to stop framing. Just because of lack of concrete legislation to address framing, we are compelled to rely upon the judiciary's take on this issue. In order to avoid such kind of issues, framing web sites must take an authorization from framed website owner. Framing must be in such a way that no confusion with reference to the affiliation and association must arise. In *Futuredontics*<sup>xix</sup>, Plaintiff had a registration of copyrighted web pages. Defendant includes the link of plaintiff's web site in his web site which leads to make a reproduction of web page with in framed web site. In this case, plaintiff stated that he has never given a permission of reproduction of his copyrighted material to the framed we site owner. It was established that it was infringement on the ground of an unauthorized derivative work. In nutshell, we may say that framing is such a wrong which address the different laws of intellectual property rights either it is trade mark law or copyright law. In *Hard Rock Café Int'l (USA), Inc. v. Morton*<sup>xx</sup>, Plaintiff took an action of breach of contract, trade mark dilution and trade mark infringement. Any case may have different dimensions of specific judicial matter. Similarly, framing as an issue of intellectual property rights do have different perspective, which may be addressed by the judicial interpretation.

#### **2.4 Meta Tags**

In the non-virtual world, there are specific addresses to approach a particular destination. Similarly, in virtual world, domain name was invented with the same objective. Before the domain name, we had an address which was in numerals and very difficult to recall. Technology has simplified the whole system by giving a domain name. Still, if we find any difficulty and don't have the domain name, in such situation, key words may be utilized to find out the exact location of any particular website. Through the search, in the search engine, we may find out very relevant result and get the accurate location where we are intended to reach. Now, it is really possible just because of relation between key words and search engine. Now a days, such key words are being misappropriated by the few stake holders of cyberspace. At the time of creating the web sites, web designers intentionally incorporate certain key words through which we may figure out the location. Such technology is being mis utilized by the culprits in order to take the benefit of the prominence of specific domain names. Technically, such words would be pronounced as a Meta Tags. Meta Tags lead to the violation of Trade Mark law. Due to the Meta Tags, there are basically two kinds of confusion which lead to actionable wrong under the Trade Mark laws. Meta tags leads to "*Initial Interest Confusion*" in addition to "*Direct Consumer Confusion*". "*Initial Interest Confusion*" considered as

actionable wrong as per the judicial pronouncement. In *Brookfield Communications Inc v West Coast Entertainment Corp*<sup>xxvi</sup> defendant was utilising “MovieBuff” as a Meta Tag in his website. Consequently, those who were in search of Plaintiff web sites are directed to go to defendant’s web site. As soon as they approach to the defendant’s web site then they realise that they are at the wrong place. Now, the question arose whether such kind of confusion leads to legal action or not. The court held that such use of Plaintiff’s mark is subject matter of legal action under trade mark law. Moreover, “*Direct Consumer Confusion*” is such a wrong where there is constant confusion due to unauthorized use of Meta tags with reference to the affiliation and association of the companies. In this regard, we have numerous judicial pronouncements<sup>xxiii</sup> effecting the parties whose Meta tag has been mis utilized in order to create the illusion in the mind of consumers with reference to association or affiliation.

### **3. Analysis of Copyright & Cyberspace**

With the growth of technology, the horizon of copyright has also been increased and come up with new challenges. One of the biggest challenges & question before us is that whether present copyright law is sufficient enough to cope up with new technology. Now, the task of judiciary is to bring existing law in conformity with technology seems to be cumbersome. Adjudication of complicated and complex issues in cyberspace are the challenges ahead before the courts. Due to proliferation & involvement of technicalities, it requires such legislation and judges who may address & have the knowledge of handling such issues. All the basic principle of copyright law would not be affected just because of changes in the mode. All the economic rights and moral rights will remain there irrespective of the fact that things are happening in the digital mode. Earlier, it was not that such easy task to infringe the right of copyright holder but information technology has facilitated & provided all the possible means through which the right of copyright holder may be infringed.

#### **3.1 Linking**

With the usage of tools of information technology, it has been realized that infringement of copyright is far easier as compared to traditional way of work. New dimensions of copyright infringement have been emerged for which we didn’t have any legal provision except accommodating those legal issues through wider interpretation with in present legal frame work. Linking is one of the intellectual property issues in cyberspace which has never been addressed by the legislation. Through, the wider interpretation of existing laws, the justice may be provided to the aggrieved one who suffers due to lack of legal frame work on the specific

issue. Linking has many copyright concerns. Linking may be of two different kinds. One is surface linking and second is deep linking. With law perspective, surface linking has never been in question. Surface linking allows to approach the homepage of the web site. On the other hand, Deep linking allows to a person to approach directly to the inside or subsequent pages of the web site. According to the Lord Hamilton<sup>xxiii</sup>, it involves and affects the many economic rights of copyright holder. Right to reproduction, right to distribution, right to display etc. are the main legal concern of deep linking. In deep linking, if you click on the hyperlink and it takes you to the inside pages of website it leads to the violation of economic right, since you have bypassed all the advertisement of the website located on the first page. On the basis of hits on first page, you may generate the monetary consideration. In *Leslie A. Kelly v. Arriba Soft Corp*<sup>xxiv</sup>, right to reproduction and right to distribution was questioned. As per the facts, Plaintiff took a picture and uploaded on the web site. Defendant was in process of creating a visual library which can be searched by search engine. Defendant took the picture from plaintiff's web site and used for visual indexing. Now, the contention was made by the plaintiff that activity of defendant leads to the infringement of right to reproduction. As per the finding of the case, court held that it would not lead to violation of right to reproduction since there was not exact reproduction of photo. It was for the sake of indexing and not in full resolution. Second issue was with reference to the right to distribution. The Court held that defendants' display of copyrighted photo as a part of its search engine, either through linking or framing infringes copyright owner 's right to publicly display.

On the issue of deep linking, *Intellectual Reserve, Inc. v. Utah Lighthouse Ministry, Inc*<sup>xxv</sup>, is one of the judgements in the context of contributory liability for utilizing deep linking. Basically, Plaintiff's copyrighted material was posted on the web site. Defendant provided the link of copyrighted material. Defendant was held to be contributory liable for knowingly inducing and materially contributing to infringement of plaintiff's copyright.

### 3.2 Caching

Caching is also another important issues in the cyberspace. Caching is a process of storing the file temporarily in different area over the cyberspace. Caching may be classified in to two kinds. One is Local Caching when we have an access to the internet and various web sites, then lots of temporarily file just get down loaded & stored in to the Random-access memory or Hard Disk of the computer. Second is Proxy Caching in which files get stored in the server while having an access to the internet. Caching is considered as an issue of intellectual property rights



because in caching, lots of files get reproduced which may lead to the violation of right to reproduction. As a defense, it may be argued that files get reproduced at their own without the intention of the user of the computer, computer system and computer network. There are few judgements<sup>xxvi</sup> in favour of Caching. According to Section 52 of Copyright Act 1957, Incidental storage would be considered as an exception to the infringement of copyright.<sup>xxvii</sup> As far Caching is concerned, it is an incidental storage without having any intention of reproduction. In *MAI System Corp. v. Peak Computer Inc*<sup>xxviii</sup>. court held that “loading of copyrighted computer software from a storage medium into the memory of the computer causes a copy to be made”. This has given a rise to controversy. As far Indian legislation is concerned, it has clarified the perception through the Section 52 of Copyright Act 1957.

#### 4. Epilogue

Above analysis of few intellectual property issues in the age of information technology, lead us to conclude that it is the right time to introduce many more specific legislations. Even though, judiciary has performed its task to bring and cover all of the pertinent issues within the limited legal frame work. Beside above-mentioned issues, there are several other issues also which need to be addressed. There are some grey areas where there is no consistency or uniformity with reference to the judicial pronouncements. In this digital age, most of the people are aware about the cyberspace but still there are a certain section of the people who are hesitant to make an appropriation of the tools of information technology. Fear of privacy and cyber security over the cyberspace are the key reasons. In addition to this, Intellectual Property Rights infringements in cyberspace is one of the reasons. In order to overcome the challenges, we need to bring awareness among the masses and there is a requirement of strengthening the enough cyber security over the cyberspace with robust legal regime. Information technology must cater to the needs of people at large. It means Information Technology must be dictated by the people rather than vice versa. Lest the technology become an unruly horse. Situation demands for an appropriate holistic approach and action.

---

**REFERENCES**

- <sup>i</sup> The Agreement on Trade-Related Aspects of Intellectual Property Rights 1994
- <sup>ii</sup> *Celador Productions Ltd. vs Gaurav Mehrotra And Anr.* 2003 (26) PTC 140 Del
- <sup>iii</sup> *Satyam Infoway Ltd. vs. Siffynet Solutions* 2004 (3) AWC 2366 SC
- <sup>iv</sup> Section 29, Trade Mark Act, 1999
- <sup>v</sup> Section 32, Trade Mark Act, 1999
- <sup>vi</sup> *Erven Warnink v. Townend & Sons Ltd.* [1979] AC 731, 742 (HL)
- <sup>vii</sup> For detail See at <https://www.icann.org/>
- <sup>viii</sup> See: *Yahoo Inc. v. Aakash Arora & Anr.* 1999 PTC (19) 201 Delhi.; *Aqua Minerals Limited v. Mr Pramod Borse & Anr.* MANU/DE/0642/2001
- <sup>ix</sup> For Illustration: *Ms. Barkha Dutt v. Easyticket, Kapavarapu, Vas* Case No. D2009-1247
- <sup>x</sup> U.S. Anti-cyber–Squatting Consumer Protection Act, 1999
- <sup>xi</sup> Section 12, Trade Marks Act, 1999
- <sup>xii</sup> Section 29 (1), Trade Marks Act, 1999
- <sup>xiii</sup> 42 USPQ 2d (BNA) 1430, U.S. Dist. Lexis 3338(SDNY 1997)
- <sup>xiv</sup> AIR 2000 Bom 27.
- <sup>xv</sup> See: *Info Edge (India) Pvt. Ltd. v. Shailesh Gupta* 2002 (24) PTC 355 (Del); *Manish Vij v. Indra Chugh* AIR 2002 Del 243
- <sup>xvi</sup> *Nissan Motor Co., Ltd. v. Nissan Computer Corporation* 89 F Supp 2d 1154(CD Cal 2000)
- <sup>xvii</sup> No 97 Civ 1190(PKL) (SDNY complaint filed Feb. 20, 1997)
- <sup>xviii</sup> Refer to The Federal Trade Mark Dilution Act, 1995
- <sup>xix</sup> *Futuredontics v. Applied Anagramics, Inc.* 45 USPQ 2d (BNA) 2005 (CD Ca1998).
- <sup>xx</sup> No 97 Civ. 9483, 1999 US Dist. Lexis 8340 (SDNY 1999)
- <sup>xxi</sup> 174 F 3d 1036 (9<sup>th</sup> Cir 1999)
- <sup>xxii</sup> See: *Niton Corpn. V. Radiation Monitoring Devices, Inc.* 27 F Supp 2d 102 (D Mass. 1988); *Eli Lilly & Company v. Natural Answers, Inc.* 233 F 3d 456 (7<sup>th</sup> Cir. 2000); *Playboy Enterprises, Inc. v. Terri Welles* 7 F Supp 2d 1098 (SD Ca 1998); *Nettis Environmental Ltd. v. IWI, Inc.* 46 F Supp 2d 722 (ND Oh 1999)
- <sup>xxiii</sup> In *Shetland Times Ltd. v. Wills* 1997 SLT 669(1997) FSR 604
- <sup>xxiv</sup> No 00-55521, 280 F 3d 934 (9<sup>th</sup> Cir. 2002)
- <sup>xxv</sup> 75 F. Supp. 2d 1290 (D. Utah 1999)

<sup>xxvi</sup> See; *Religious Technology v. Netcom* 907 F Supp 1361

<sup>xxvii</sup> Section 52 Certain acts not to be infringement of copyright. —

(1) The following acts shall not constitute an infringement of copyright, namely

(b) the transient or incidental storage of a work or performance purely in the technical process of electronic transmission or communication to the public;

(c) transient or incidental storage of a work or performance for the purpose of providing electronic links, access or integration, where such links, access or integration has not been expressly prohibited by the right holder, unless the person responsible is aware or has reasonable grounds for believing that such storage is of an infringing copy: Provided that if the person responsible for the storage of the copy has received a written complaint from the owner of copyright in the work, complaining that such transient or incidental storage is an infringement, such person responsible for the storage shall refrain from facilitating such access for a period of twenty-one days or till he receives an order from the competent court refraining from facilitation access and in case no such order is received before the expiry of such period of twenty-one days, he may continue to provide the facility of such access;

<sup>xxviii</sup> 991 F 2d 511(9<sup>th</sup> Cir. 1993)