

Intellectual Property: Emerging Trends and Issues

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Intellectual Property and the Internet

- Intellectual Property: 'Use' and 'Strategy'
- Intellectual Property: Best Practices
- The Legal Framework in Cyberspace: the Indian Information Technology Act, 2000
- Trademarks on the Internet: First Generation Issues Domain Names; Second Generation Issues - Metatags, Linking
- Copyright: Online Content and Digital Rights Management
- Anti Circumvention: Legal and Technological Issues

The Uses of Intellectual Property - I

- Defensive: Creation and protection of Intellectual Property to improve market position
- Income creating: With the need to increase profits, most large companies have come to realize that a defensive posture, while important, is not always sufficient. To obtain the maximum value from their assets, they need to develop licensing strategies that provide additional income
- Strategic: Truly creative companies use IP as a business tool to leverage their entrance into a new product and geographic areas and as a bargaining chip in business deals

The Uses of Intellectual Property - II

- Defensive
- Cost Control
- Profit Centre
- Integrated
- Visionary

The Information Technology Act and Intellectual Property [I]

- The Information Technology Act, 2000 in a phrase: 'functional equivalence'
- Amends the Indian Evidence Act, 1872 and the Indian Penal Code
- Understanding the role of the medium connects traditional evidence law to the Internet
- Adaptability and Enforcement of Indian law Sections 65B inserted in the Evidence Act on the production of electronic documents

Duties' under the Indian Information Technology Act

- Duty of the Organisation "... maintain reasonable security practices and procedures" [Section 43A] – What is a reasonable Corporate Security System? [ISO 27001/27002]
- "Offences by Companies" [Section 85] "... every person who, at the time the contravention was committed, was in charge of, and was responsible to, the company for the conduct of business of the company as well as the company..."
- 'Duties' may be interpreted to include the management of confidential information and intellectual property

The Information Technology Act, 2000 [Amended 2008] < Intermediaries: Liability >

Section 2 [w] of The Indian Information Technology Act, 2000 [Amended in 2008] defines 'Intermediary': Intermediary, with respect to any particular electronic records, means any person who on behalf of another person receives, stores or transmits that record or provides any service with respect to that record.

And includes telecom service providers, network service providers, internet service providers, web-hosting service providers, search engines, online payment sites, online-auction sites, online-market places and cyber cafes.

Intermediary Liability - Distribution of content: [a] copyright violations [music, films, images]; [b] prohibited content [hate, racism, pornography]

Case Study / Illustration: Baazee Case [Sale of the MMS Clip]

Intermediary Liability – Notice and Take-Down Provisions

- All 'intermediaries' must appoint 'Grievance Officers'
- Liability from 'Knowledge' Response to the Notice Acknowledgement within 36 hours [mandatory under the Rules]
- Time given to respond in full measure a maximum of 21 days under the Rules
- Non-Compliance would mean that the intermediary is liable for the offence for which the notice is issued

Intermediary Liability [Case Study]: T-Series v. MySpace [Delhi High Court]

- an intermediary must generally not: [a] originate a communication of an information by itself or, [b] select by itself, the originator or the recipient of the communication or, [c] alter or modify the content of the communication.
- MySpace had: [a] illegally authorized the infringement of T-Series' titles; [b] had a clear and participative role in such infringement; [c] exercised some degree of control over any such activity constituting infringement.
- On receiving notice an intermediary "must expeditiously remove or disable access to that material on that resource without vitiating the evidence in any manner,"

UDRP/eUDRP: first truly global online dispute resolution system

- This procedure assists the resolution of disputes between a trademark owner and a registrant of a domain name [the UDRP is binding on the registrant of the domain name: it is incorporated into the contract between the registrant and the registrar of the domain names].
- Contractual and Mandatory
- Direct Enforcement
- International
- Scope [Limited to 'Cybersquatting']
- Streamlined Proceedings [One Set of Filings from Either Side]
- Due Process Safeguards [a] Neutrality; [b] Notice UDRP Rules, paragraph
 2(a); [c] Burden of Proof UDRP, paragraph 4(a); [d] Impartiality and Independence; [e] Reasoned Decisions; [f] Appeal; [g] Fees

Trademarks, Domain Names and the Internet:The Dispute Resolution Service



Approved Providers for Uniform Domain Name Dispute Resolution Policy

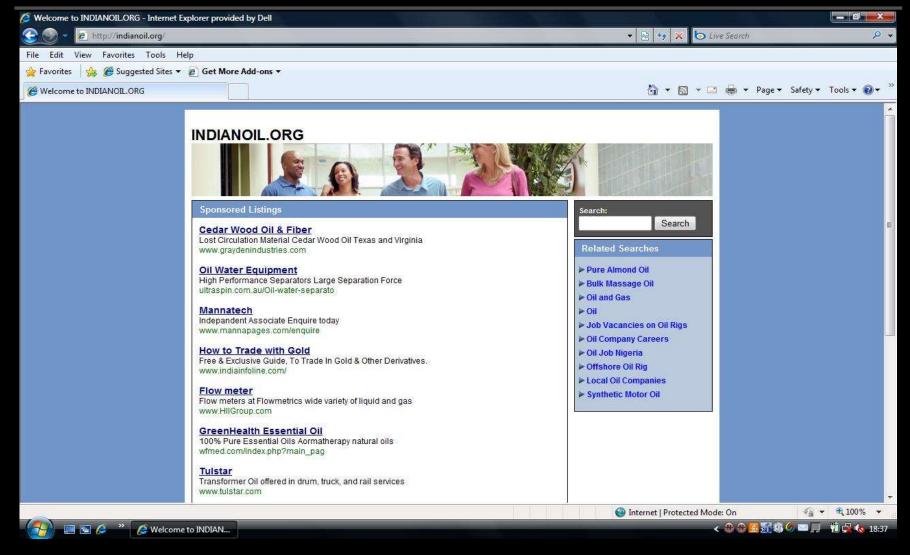
The uniform dispute resolution policy is now in effect. See the implementation schedule for details.

Complaints under the policy may be submitted to any approved dispute-resolution service provider listed below. Each provider follows the Rules for Uniform Domain Name Dispute Resolution Policy as well as its own supplemental rules. To go to the web site of a provider, click on its name below:

- <u>Disputes.org/eResolution Consortium</u> (approved effective 1 January 2000). Click <u>here</u> to see its supplemental rules.
- The National Arbitration Forum (approved effective 23 December 1999). Click here to see its supplemental rules.
- World Intellectual Property Organization (approved effective 1 December 1999). Click here to see its supplemental rules.

Additional providers may be approved soon. The above approvals are in effect until further notice at this web page.

Indian Oil Corporation Limited v. Nitin Jindal WIPO Case No. D2010-2003



Indian Oil Corporation Limited v. Nitin Jindal WIPO Case No. D2010-2003

- The disputed domain name <indianoil.org> is identical to the Complainant's registered trademark 'INDIAN OIL', except for the addition of the ".org" designation. The addition of a ".org" designation or other type of designation do not serve to distinguish a domain name from a registered trademark.
- 'INDIAN OIL' trademark and corresponding business is <u>well-known</u> and has developed a significant reputation.
- The Respondent was aware of the Complainant's trademark rights when it registered a confusingly similar domain name, and when it began operating a website in connection with that confusingly similar domain name which provides links to websites of other companies, of which some are direct competitors of the Complainant.

MS Dhoni & Rhiti Sports Management [P] Ltd. vs. David Hanley; WIPO Case No. D2016-1692

The domain msdhoni.com is for sale. To purchase, call Afternic at +1 339-222-5147 or 866-836-6791.

Click here for more details.

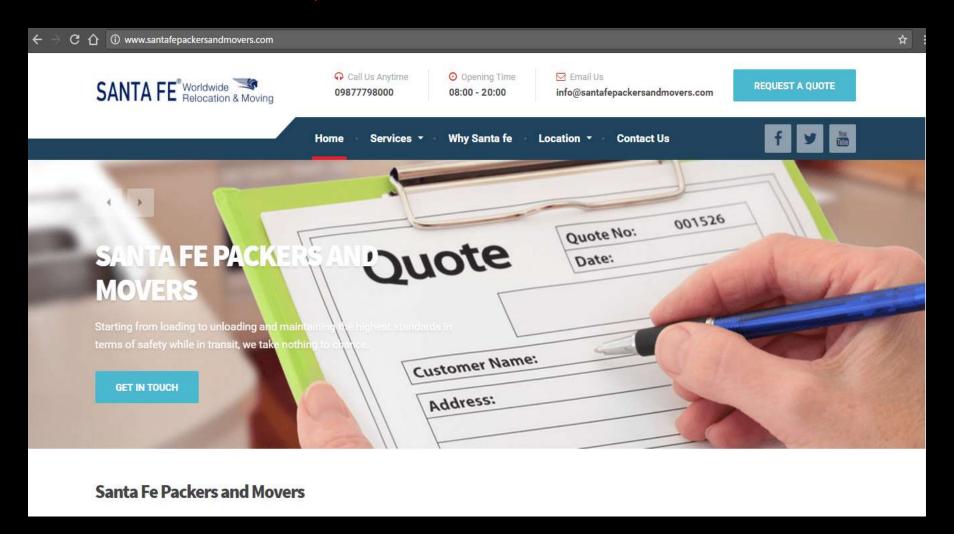


MS Dhoni & Rhiti Sports Management [P] Ltd. vs. David Hanley; WIPO Case No. D2016-1692

- The disputed domain name <msdhoni.com> was identical to the Complainant Number 1's personal name, except for the addition of the ".com" designation.
- The mark 'MS DHONI' is a well-known and famous mark throughout the world.
- The term 'MS DHONI' is generally referable to Mr. Dhoni and there is no evidence of anyone else known by that combination of initials and name as being famous or having any commercial activity.
- Owing to the popularity of Mr. Dhoni, it was inconceivable that the Respondent did not know about the trademark and common law rights of the Complainants.

MS Dhoni & Rhiti Sports Management [P] Ltd. vs. David Hanley; WIPO Case No. D2016-1692

- The Respondent had pay-per-click advertisements on the website and had also listed the domain name on auction sites.
- Subsequent to the filing of the domain name complaint, the Respondent offered to sell the domain name to the Complainants for 1500 US Dollars.
- The Panelist held that the even though the Complainants had trademark registrations for the mark 'MS DHONI', they had also established unregistered trademark rights in the mark 'MS DHONI' due to its active use in trade and commerce.
- The Panelist further noted that that the Respondent had no legitimate rights or interests in the domain name and had registered and was using the domain name in bad faith.

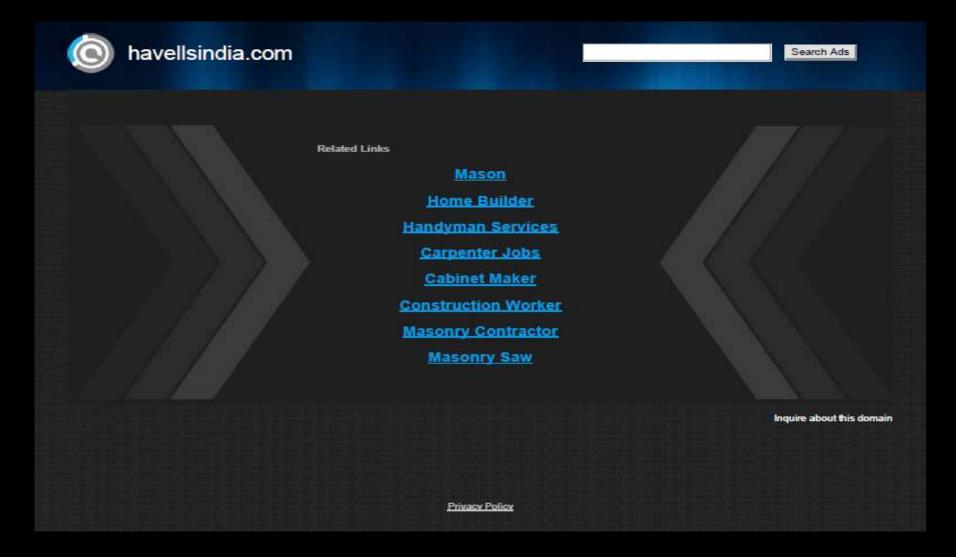




- The domain name <www.santafepackersandmovers.com> was being used to mislead the Complainants' consumers.
- The website on the impugned domain name provided packaging and relocating services under the brand 'Santa Fe' which lead to confusion amongst consumers of the Complainants.
- There had been many instances of general members of the public being duped or being provided sub-standard services through the said website which in turn damaged the reputation of the Complainants' well-known brand - 'Santa Fe'.
- In the past, the domain name was also being offered for sale by the Respondent.

- The Panel accepted all the contentions put forth by the Complainants.
- It accepted the fact that the domain name was identical or confusingly similar to the 'Santa Fe' trademark.
- It was held that the Respondent had no rights or legitimate interests in the domain name since the domain name was being used to impersonate the Complainants.
- The Panel also found several instances of bad faith registration and use of the domain name by the Respondent.
- The domain name was thus ordered to be transferred to the Complainants.

Havells India Limited & QRG Enterprises Limited vs. Whois Foundation; WIPO Case No. D2016-1775



Havells India Limited & QRG Enterprises Limited vs. Whois Foundation; WIPO Case No. D2016-1775

- The impugned domain name was identical to the Complainants' well-known and famous mark 'Havells'.
- The addition of the word 'India' after the well-known and famous mark 'Havells' was additional proof of the mala fide and bad faith intentions of the Respondent.
- The Respondent was in the business of acquiring and selling domain names and was a known cybersquatter.
- The domain name had pay-per-click advertisements and was also being offered for sale.

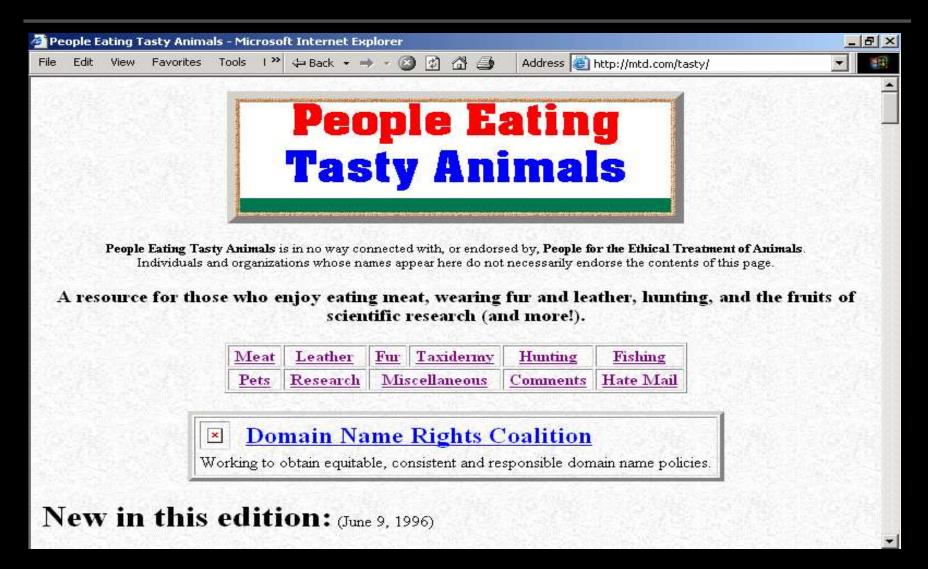
Havells India Limited & QRG Enterprises Limited vs. Whois Foundation; WIPO Case No. D2016-1775

- The Respondent agreed to voluntarily transfer the domain name without admitting any fault or liability. It requested the Panel to directly order the transfer of the domain name without going into the merits of the case.
- The Complainants, however, requested the Panel to adjudicate the dispute on the basis of the merits of the case.
- The Panel decided to adjudicate the case on the basis of merits and held that the Respondent did not have any legitimate rights or interests in the domain name. It further held that the domain name was registered and being used in bad faith.

Trademarks and Parody on the Internet People for the Ethical Treatment of Animals – www.peta.org



Trademarks and Parody on the Internet People Eating Tasty Animals! [www.peta.com]



INDRP [managed by the National Internet Exchange of India]



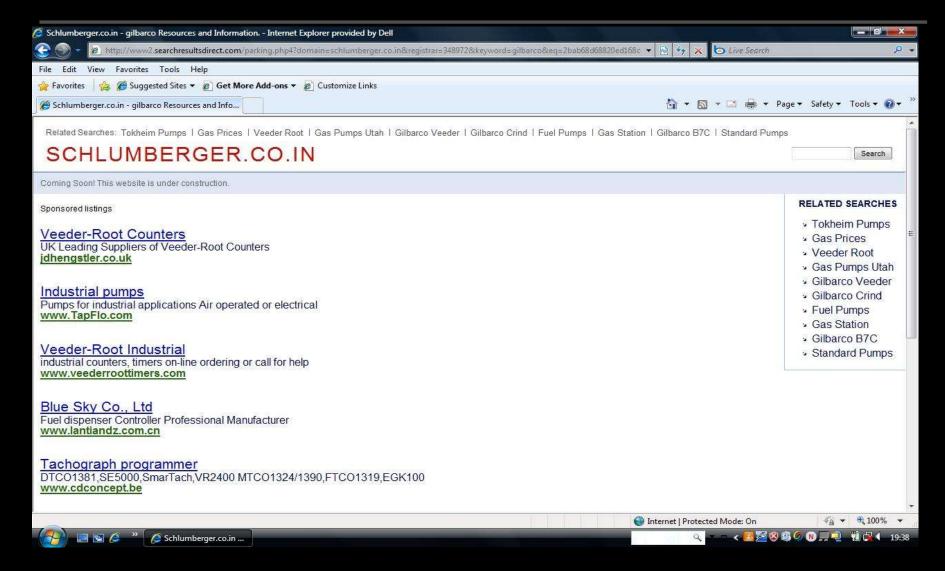
The INDRP as a model for India

- Modeled on the UDRP/eUDRP a quick and effective procedural mechanism. Dispute Resolution with 60 days from the Notification of Commencement of Proceedings.
- The insertion of the provision on 'damages' raises an enforceability question.
- The INDRP [unlike the eUDRP] is not entirely online. Paper filings still accepted.

The INDRP as a model for India

- Proceedings are held in accordance with the Indian Arbitration and Conciliation Act, 1996.
- One of the quickest dispute resolution mechanisms in the country.
- Favourable decisions have immense persuasive value in any future trademark related litigation/dispute; sets a precedent for the 'brand' in India and globally.

INDRP Case Study: Schlumberger Limited v. Manoj Kumar



INDRP Case Study: Schlumberger v. Manoj Kumar

- The INDRP Procedure is streamlined one set of filings from the Complainant and the Respondent
- The Complainant [Schlumberger] was able to prove a global brand – with trademark registrations in numerous countries
- The Respondent did not reply could not prove rights to the mark [Schlumberger] or to the domain name
- Domain Name was being misused in a recruitment scam
- No credible website or credible use of the domain name

INDRP Case Study: General Motors vs. Anish Sharma www.gmirecruitment.in

This web site has just been created from <u>WebsitePanel</u> and it is still under construction.

The web site is hosted by <u>AcmeHosting</u>.

INDRP Case Study: General Motors vs. Anish Sharma www.gmirecruitment.in

- General Motors proved its rights in the mark 'GM', an abbreviation of its well-known brand 'General Motors'.
- The Respondent was using the domain name as part of an elaborate recruitment scam.
- E-mails were being sent from the domain name to defraud general members of the public.
- The Respondent did not file a reply to the complaint.
- It was held that the Respondent i) had no legitimate interests or rights in the domain name; and ii) was using the domain name in bad faith.

INDRP Case Study: Havells India Ltd & QRG Enterprises





(i) crabtree.co.in

This site can't be reached

crabtree.co.in's server DNS address could not be found.

- Did you mean http://crabtree.in/?
- Search Google for crabtree co

ERR_NAME_NOT_RESOLVED

INDRP Case Study: Havells India Ltd & QRG Enterprises Ltd vs. Soumya Kukreti; www.crabtree.co.in

- The domain name was completely identical to the Complainants' well-known and famous mark 'Crabtree'.
- The domain name was registered in 2014, while the mark 'Crabtree' was in constant use by the Complainants and their predecessors since the year 1943.
- The mark 'Crabtree' is so well-known and famous that it was inconceivable that the Respondent did not know about the mark while registering the domain name.
- The Respondent did not submit a reply to the Complaint.
- The Panel ordered the transfer of the domain name and awarded Rupees Five Lakhs as damages to the Complainants.

Copyright Law and 'Technology': a historical timeline

Technology and the Law – the stages of copyright law

The 'monastic' or 'gurukul' [oral tradition]

The birth of copyright [Gutenberg and the Printing Press]

The era of promiscuity: the Internet and Technology [the WIPO Copyright Treaty and the 'DMCA']

The 'World's Biggest Copying Machine' [PC Week; January 27, 1997]

Copyright and the Internet [Technological Developments and the Law]

- Digitisation [unlike analogue copies, which degrade with each copy; digital media allows perfect copies to be made indefinitely]
- Digital Compression Technologies [MP3/MP4 for music large media files can be compressed without a loss in quality]
- Bandwidth [increased availability of high-speed internet connectivity further aids distribution of high quality digital files]

Preventing Piracy [I] – Technical Measures

Copy Protection [Encryption – encoding digital content to prevent it from being viewed; Copy Control Flags – digital 'flags' inserted as indicators; CD Copy Protection – insertion of an 'additional' track to prevent unauthorised recording]

Copyright Protection [Digital Watermarking – digital signals embedded to detect or verify originality; Digital fingerprinting – digital signal embedded in the file containing information on the buyer]

Cross-industry protection measures [Secure Digital Music Initiative [SDMI] – developed by a consortium of music companies; uses watermarking and copy protection]

Preventing Piracy [II] - Circumvention Measures

- Circumvention Technologies primarily aimed at bypassing the range of technical measures [described in the previous slide]
- Software approaches include the decryption and translation of files
- DeCSS [and similar programmes] that allows users to decrypt DVD files
- Programme designed to remove protection from Adobe's e-Book Reader [Dmitry Skylarov]

Digital Rights Management, Anti-Circumvention and the Indian Law

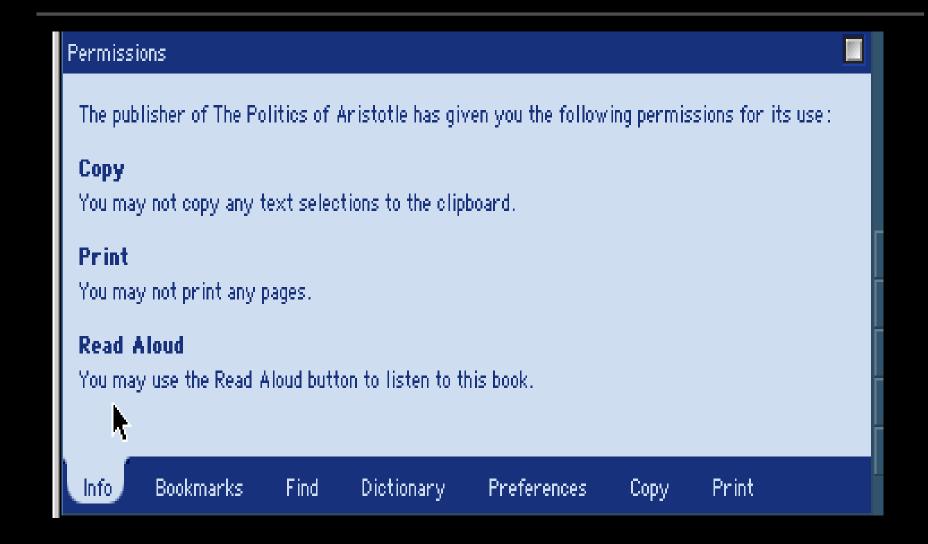
The Indian Copyright Amendment Act, 2012 - Prohibition on Circumvention:

- i) Making the technology/device for bypassing
- ii) Selling the Circumvention technology/devices
- iii) Publishing information on the circumvention technology/device.
- Section 65A introduces 'technological measures of protection' into Indian copyright law.
- The new section criminalizes the circumvention of an effective TPM with the intention of infringing any of the rights conferred by the Act. Offenders shall be punishable with imprisonment for up to two years and fines (section 65A(1)). Clause (2) carves out a number of exceptions to this rule.

Digital Rights Management Software



Digital Rights Management Software



Policing IP on the Internet

- Identifying and stopping Intellectual Property infringements on the internet is becoming increasingly difficult.
- Instances of such infringement could be available on a handful of websites to several thousand websites.
- Social Media usage has led to a remarkable increase in infringements.
- Brands, especially those who provide their services over the internet, have no option except to continuously monitor the internet for possible IP infringement and abuse.

Intellectual Property Valuation

- Cost-based valuation: It takes into consideration how much it cost to create the asset historically and how much it would cost to recreate it given the current rates.
- Market-based valuation: It looks at comparable market transactions, sale or purchase of similar assets, etc. to arrive at conclusions of value.
- Income-based valuation: Considers the stream of income attributable to the intellectual property based on the historical earnings and expected future earnings.

Innovation: Closed to Open?

- Traditionally, larger companies have adopted closed innovation through setting up Research and Development centres to discover, develop and commercialise innovative technologies.
- However, over the years many companies have shifted to an 'open innovation' model.
- Such companies typically conduct research and development in partnership with other companies or institutes and collectively share the risks and rewards of the outcome and process.

Any questions?



Technology, Media and Communications

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