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Ex parte order issued during covid-19 lockdown restrains foreign owner from using domain name internationally

India - [Khaitan & Co](#)

- The Delhi High Court has restrained US company Brainlink from using the domain name 'hindustan.com'
- Brainlink was also enjoined from proceeding further in its declaratory suit against HT Media, the owner of the HINDUSTAN mark, before a US district court
- The decision is interesting in that Indian trademark rights were enforced outside the Indian territory against a foreign domain name holder

In [HT Media Limited v Brainlink International Inc](#) (CS (COMM) 119/2020 and IAs 3767-3771/2020), the Delhi High Court has, in a video-conferencing hearing held during the covid-19 lockdown, passed an *ex parte* interlocutory decision restraining US company Brainlink from using the domain name 'hindustan.com' and from proceeding further in its declaratory suit filed before US District Court for the Eastern District of New York.



Extract of HT's website



Extract of Brainlink's website dated 1999

Background

After coming across the domain name 'hindustan.com', HT issued a cease-and-desist notice to Brainlink seeking to acquire the domain name. Brainlink quoted an exorbitant amount of \$3 million in response. When HT made a counter-offer, Brainlink surreptitiously filed a declaratory suit for non-infringement against HT before the US District Court for the Eastern District of New York.

HT subsequently filed suit before the Delhi High Court, relying on the following arguments:

- It owned registrations for the marks HINDUSTAN and HINDUSTAN TIMES and had acquired goodwill and reputation in its well-known newspaper publications under these marks due to use since the 1920s-1930s.
- Brainlink had infringed its trademark rights by registering the domain name at issue and was also guilty of cybersquatting.
- In 1999 (as per the extract above) the domain name was launched to provide news content for persons of Indian origin (ie, a business identical to that of HT).
- The domain name had been used to sell advertisements since 2000 but was not presently in use.
- There was clearly bad faith on Brainlink's part and readers would be confused by the existence of the domain name.
- The court had jurisdiction since the domain name was accessible within the jurisdiction of the court and Brainlink was also willing to sell the domain name within the jurisdiction.
- The suit filed before the US court was vexatious and oppressive, since HT had not claimed any rights in the United States and did not have any office there.

Decision

The court concurred with HT's arguments and made the following observations, among others:

- Under Section 134(2) of the [Trademarks Act 1999](#), the court had jurisdiction since HT was carrying on business under the registered HT marks within the jurisdiction of the court. This was in addition to the fact that the domain name was accessible in India.
- The court had passed similar decisions against foreign defendants in earlier cases.
- The passive holding of the domain name, along with the attempt to profit from such holding, proved Brainlink's bad faith (as per Clause 4 of the [Uniform Dispute Resolution Policy](#) (UDRP)).
- The filing of the suit before the US court was subsequent to HT's cease-and-desist notice. Such suit was thus an attempt to legitimise the infringement.

Comment

The decision is interesting in that Indian rights were enforced outside the Indian territory against a foreign domain name holder. Apart from the fact that Brainlink used the domain name for an identical business, the following aspects are debatable:

- the reasonability of issuing an *ex-parte* injunction during the covid-19 lockdown, especially where the domain name at issue had been registered since the 1990s;
- whether exclusivity could be claimed over the word 'Hindustan' (another name for 'India');
- whether Indian trademark registrations could extend their monopoly, and the court could maintain its jurisdiction, beyond India;
- some UDRP decisions state that simply registering a domain name for resale does not constitute bad faith;
- what will happen if the US court decides that the Indian court's decision is not binding on it; and
- although HT did not claim any rights in the United States, the court extended the injunction to the entire world.

If access to the domain name had merely been blocked in India through the regulatory authorities, this could probably have mitigated the debate. If this decision holds good, Indian domain name complainants may prefer infringement actions to dispute resolution policies such as UDRP, for which the threshold is higher.

The views of the authors in this article are personal and do not constitute legal/professional advice of Khaitan & Co

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