

Delhi High Court

Thoughtworks Inc vs Super Software Pvt Ltd. & Anr on 12 January, 2017

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* IN THE HIGH COURT OF DELHI AT NEW DELHI

Reserved on: December 15, 2016.

Decision on : January 12, 2017.

+ O.M.P. 530/2015

THOUGHTWORKS INC Petitioner
Through: Mr. Pravin Anand, Mr. Shrawan
Chopra and Mr. Pundreek Dwivedi,
Advocates.

versus

SUPER SOFTWARE PVT LTD. & ANR. Respondent
Through: None for Respondent No.1.
Ms. Karnika Seth, Advocate for
NIXI/Respondent No.2.

CORAM: JUSTICE S. MURALIDHAR

JUDGMENT

% 12.01.2017

1. This petition under [Section 34](#) of the Arbitration and [Conciliation Act](#), 1996 („Act“) has been filed by ThoughtWorks Inc. a company organised and existing under the laws of Delaware, United States of America challenging an Award dated 12th July, 2015 passed by the sole Arbitrator, National Internet Exchange of India („NIXI“), in the disputes between the Petitioner and the Respondent, Super Software Pvt. Ltd.

2. The Petitioner is stated to be engaged in the business of IT consulting, software development services and sale of proprietary software under its coined trademark/tradename, ThoughtWorks, since 1993. It is stated that it has expanded its business under the above mark to 13 countries and has about 34 offices, which includes an office in India. It is stated that in India the Petitioner has been directly using the trademark at least since 2001. The Petitioner has registered its trademark ThoughtWorks in India on 22 nd June, 2001 under class 9.

3. It is stated that in March, 2015, the Petitioner became aware that the domain name Thoughtworks.in was registered by Respondent No. 1 when one of the analysts of the Petitioner accessed the website of Respondent No. 1 mistaking it to be the Petitioner’s website. An email to that effect was sent to the Petitioner, a copy of which has been placed on record. The Petitioner has also placed on record the details in the WHOIS record of the impugned domain name.

4. In May, 2015 itself, the Petitioner filed a complaint against Respondent No. 1 before NIXI under the .In Domain Dispute Resolution Policy („INDRP“) and the Procedure Rules of NIXI. The Respondent contested the above complaint and filed a reply on

26th June, 2015 contending that "the generic nature in a combined phrase was deemed harmless and not infringing on any one's existing Indian trademark or copyright" at the time of registration of the domain name. It was further contended that while the Petitioner was a technology service company, neither did it transact any business online nor offer any e-commerce related services. It was further contended that the Petitioner had not made any effort to contact Respondent No. 1 or to resolve the matter amicably. In the impugned Award dated 12th July, 2015, the sole Arbitrator held as under:

(i) There were three addresses given for the Petitioner in the complaint as regards the owner of the trademark „Thoughtworks“ and there was no explanation available for the discrepancy. Therefore, it became difficult to hold whether, in India, the Petitioner having its office in Chicago in the USA was the owner of the trademark „ThoughtWorks“.

(ii) Along with the complaint, no copy of the certificate of registration of the trademark of any country, including India, was submitted or provided by the Petitioner. Even the date of registration of the trademark „ThoughtWorks“ in India was not provided. Therefore, it could not be held that the domain name www.thoughtworks.in was confusingly similar or identical to the trademark of the Petitioner.

(iii) The Respondent was making a legitimate and fair use of the domain name although he was carrying on business „very much similar to the business of the Complainant“.

(iv) For over three years, the Petitioner had not claimed the disputed domain name. Between the period of 18th August, 2011 till the registration of the domain name in favour of Petitioner on 31st October, 2014, the domain name remained unregistered and freely available.

(v) The Petitioner, on the other hand, had no explanation as to why the action was not taken for all these years. Therefore, the Petitioner had failed to establish four elements constituting the INDRP policy which had to be fulfilled for a complaint to be successful.

5. In the present petition, none appeared for the Respondent No. 1 despite service. As far as Respondent No. 2, NIXI, is concerned, the entire record has been produced. Otherwise Respondent No.2 is not a party to the Award.

6. This Court has heard the submissions of Mr. Pravin Anand, learned counsel appearing for the Petitioner and Ms. Karnika Seth, learned counsel appearing for NIXI. By an order dated 15th December, 2016, NIXI was deleted from the array of parties when the Court was informed that it had produced the records. As far as Respondent No. 1 is concerned, by the same order dated 15th December, 2016, it was set ex parte.

7. Mr. Anand, learned counsel appearing for the Petitioner made the following submissions:

(i) Proceedings conducted by the learned Arbitrator were in violation of the principles of natural justice. Relying on the decision in *ONGC Ltd. v. Western Geco International Ltd.*, (2014) 9 SCC 263, he submitted that the Award suffers from non-application of mind since the learned Arbitrator failed to clarify from the Petitioner his doubts about the veracity of the Petitioner's trademark registration.

(ii) The finding that the Petitioner had not produced a copy of the trademark registration certificate was factually erroneous since it is pointed out that a copy of the E-register of the Petitioner's trademark registration was filed as Annexure F along with the complaint.

(iii) The difference in addresses was not a point raised by Respondent No. 1. In any event, if there was any such doubt, the learned Arbitrator could have easily asked the Petitioner to clarify. However, that was not done in terms of Rule 10 of the INDRP Procedure.

(iv) The learned Arbitrator further erroneously held that the Petitioner ought to have taken action earlier qua the impugned domain name. It is further held that the trademark in question did not belong to the Petitioner and here again, the learned Arbitrator did not call upon the Petitioner to furnish any clarification. The learned Arbitrator also failed to give a finding on whether there was any similarity between Petitioner's trademark and the impugned domain name. Reliance is placed on the decision of this Court in [Stephen Koenig vs. Arbitrator, National Internet Exchange of India & Anr.](#) 186 (2012) DLT 43.

(v) The learned Arbitrator also erroneously held that Respondent No. 1 was making a legitimate and fair use of the impugned domain name. The learned Arbitrator while holding that the use of the domain name by Respondent No. 1 was not in bad faith failed to notice that the impugned website contained malware. Further, the Petitioner was shown as having been incorporated in 1993 whereas the learned Arbitrator held it to be incorporated in 2011 on the basis of a newspaper article of 2011.

8. Indeed, the learned Arbitrator does not appear to have drawn the attention of the Petitioner to the three different addresses appearing in the petition. However, the logical sequitur would be to seek the Petitioner's clarification.

For some reason, the learned Arbitrator failed to do so. Not permitting a party to clarify the factual aspect might itself lead to a grave error that is fatal to the Award in terms of what could be seen as a procedural lapse. The learned Arbitrator also appears to have made a mistake about the trademark registration not having been produced. As pointed out by the Petitioner, it was annexed to the complaint itself as Annexure F.

9. The Petitioner was able to show that no sooner than he came to know of the above domain name, it took prompt action by filing a complaint with NIXI.

10. More importantly, the learned Arbitrator appears to have come to an erroneous conclusion that the trademark „ThoughtWorks“ did not belong to the Petitioner. Again, no opportunity was afforded to the Petitioner. The impugned domain name contains only the Petitioner's trademark and yet no finding was returned on whether there was any similarity. The decision in [Stephen Koenig v. Arbitrator, National](#)

[Internet Exchange of India](#) (supra) which was subsequently upheld by the Division Bench of this Court by its decision dated 2nd November, 2015 because of the fact that a mere delay in lodging the complaint would not disentitle the aggrieved party from proceeding against the 'squatter'.

11. The Court is satisfied that in the present case, the learned Arbitrator failed to apply his mind to the facts on record. Indeed, a copy of the trademark registration certificate of the Petitioner was enclosed with the complaint and yet the learned Arbitrator failed to have noticed this fact. In any event, the complaint itself contained details of its various registrations.

If there was any doubt, the learned Arbitrator ought to have sought a clarification from the Petitioner on this aspect as well.

12. Importantly, no finding was returned on whether the use of the domain name by Respondent No. 1 would lead to confusion and deception. With the domain name taking up the entire name of the Petitioner, there could be no doubt that the use of such domain name by the Respondent would be deceptively confusing and erroneously indicate a connection of Respondent No. 1 with the Petitioner when there is none.

13. For all of the aforementioned reasons, the Court is satisfied that the impugned Award is opposed to the fundamental policy of India as it has numerous glaring errors which appear on the face of the Award. Consequently, the Court sets aside the impugned Award and allows the petition but, in the circumstances, with no order as to costs.

JANUARY 12, 2017
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S. MURALIDHAR, J.