

IN THE HIGH COURT OF DELHI AT NEW DELHI

% Judgment delivered on : 11.04.2018

+ **O.M.P. (COMM) 446/2017**

**RATIONAL INTELLECTUAL HOLDINGS
LTD.**

..... Petitioner

versus

MR. SUNNY KARIRA, & ANR.

..... Respondents

Advocates who appeared in this case:

For the Petitioner	:Mr Neeraj Kishan Kaul, Senior Advocate With Mr Ashish Kabra, Mr Brijesh Kumar.
For the Respondent	:Mr P. Sinha with Ms Reshmi Rea Sinha And Mr Rudra Dutta, Advocates for R-1. Mr Neel Mason and Ms P. Vennela for R-2.

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HON'BLE MR JUSTICE VIBHU BAKHRU

JUDGMENT

VIBHU BAKHRU, J

1. The petitioner, a company organized under the laws of the Isle of Man, has filed the present petition under Section 34 of the Arbitration and Conciliation Act, 1996 (hereafter 'the Act') impugning the arbitral award dated 21.08.2017 (hereafter 'the impugned award') delivered by the Arbitral Tribunal constituted under the .IN Dispute Resolution Policy and Rules of Procedure framed thereunder.

2. By the impugned order, the Arbitral Tribunal has rejected the petitioner's complaint in regard to the registration of the domain name www.starpoker.in (hereafter 'the disputed domain name') which is registered in the name of respondent no.1.

3. The claim filed by the petitioner was not controverted by respondent no.1 and remained uncontested. However, the Arbitral Tribunal considered the claim and found that the disputed domain name did not offend any of the three conditions as set out in paragraph 4 of the .IN Dispute Resolution Policy (INDRP). The Arbitral Tribunal, accordingly, rendered the impugned award rejecting the petitioner's claim.

4. The principal ground urged on behalf of the petitioner to assail the impugned award is that the Arbitral Tribunal has founded the arbitral award on the research and material found on its own – and not the evidence and material placed by the parties – therefore, the petitioner had no opportunity to contest or controvert the same.

5. Briefly stated, the relevant facts necessary to address the controversy are as under:-

6. The petitioner claims to be a part of the Group of companies of the Stars Group Inc. The said group is engaged in the business of offering online service, such as poker rooms and platforms for the hosting of skill-based card game of poker. It is also stated that the group owns the trademark "PokerStars" (hereafter "PokerStars Mark").

7. Respondent no.1 is an individual and a resident of Kolkata. He is the registered owner of the disputed domain name. Respondent no.2 (National Internet Exchange of India – hereafter “Nixi”) is a ‘not for profit’ company of the Government of India. It is stated that Nixi is a designated and appointed body, which is responsible for the purposes of .IN country code, top level domain name. The .IN Registry also functions under the control of Nixi.

8. .IN Domain Name Dispute Resolution Policy (INDRP) and the Rules framed thereunder (INDRP Rules of Procedure) have been framed for resolution of domain name disputes. INDRP Rules of Procedure provides for a dispute resolution mechanism in regard to disputed domain names.

9. The petitioner filed a complaint, which was registered as INDRP Case No. 901 with Nixi disputing the rights of respondent no.1 in respect of the disputed domain name. In terms of the INDRP Rules of Procedure, the said dispute was referred to the Arbitral Tribunal constituted by the Sole Arbitrator appointed by Nixi.

10. In its complaint, the petitioner alleged that its trademark, PokerStars mark, was a well-known trademark and was recognized world over. The petitioner claimed that the said mark was first used in the year 2001, when a website with the address www.pokerstars.com was launched. It is stated that the first major online poker tournament was launched by the petitioner’s group in 2002. Subsequently, the petitioner’s group also launched several websites including

www.pokerstars.net, which provide a platform for the live game of Poker. It is claimed that the petitioner's group has held several poker events such as 'POKERSTARS CHAMPIONSHIP', 'POKERSTARS FESTIVAL' and 'POKERSTARS MEGATAACK' in various countries across the globe.

11. The petitioner claimed that the petitioner's group of companies had spent substantial time, efforts and resources in developing the trademark and the brand name "PokerStars" alongwith other variants. It is further claimed that the petitioner (and its group) had applied for and had obtained registration of trademarks containing the word Pokerstars in over 30 jurisdictions across the world.

12. The petitioner claimed that in and about 2016, it became aware of the web site, www.starpoker.in, which was apparently being used by a company, K.D. Gaming Solutions Private Limited (hereafter 'K.D. Gaming Solutions'). The petitioner issued notices to K.D. Gaming Solutions calling upon them to cease and desist from using any mark, trade name, service mark or the website, www.starpoker.in, as the same infringed its right in the trademark, PokerStars mark as well as its right in respect of websites that included the word 'PokerStars' as a part of the domain name.

13. Since the dispute remained unresolved, on 12.06.2017, the petitioner filed a complaint before Nixi alleging that three conditions as indicated in paragraph 4 of the INDRP were satisfied in respect of the disputed domain name. On 13.07.2017, the petitioner removed the

procedural objections with respect to the complaint. And, on 04.07.2017, Nixi appointed the Sole Arbitrator for adjudication of the disputes in accordance with INDRP and INDRP Rules of Procedure. Thereafter, on 10.07.2017, a copy of the complaint was served on respondent no.1 and he was called upon to file a reply by 18.07.2017. Admittedly, respondent no.1 did not file any reply to the said complaint.

14. The Arbitral Tribunal proceeded to examine the complaint on the anvil of the tests as set out in paragraph 4 of INDRP. The Arbitral Tribunal conducted a research on the website of the Office of the Registrar of Trademarks and found that respondent no.1 had registered the trademark  (hereafter ‘Starpoker Logo’) under Registration No. 3001142 in class 41 in respect of services of “*Online Gaming, Operation And Coordination Of Game Tournaments, Leagues And Tours For Recreational Computer Game Playing Purposes.*”

15. The research conducted by the Arbitral Tribunal on the internet also indicated that an Examination Report dated 31.12.2016 was issued in relation to petitioner’s application for registration of a trademark (Application No. 3415037), which cited the respondent’s registered trademark (Application no. 3001142) – Starpoker Logo. This led the Arbitral Tribunal to conclude that the petitioner was “seized of this registration”. The Arbitral Tribunal also noted that the petitioner had filed a response to the Examination Report dated 05.12.2016 (in respect of Application no. 2446932), *inter alia*, stating that no one can

monopolize generic / descriptive work like Poker and the said word is devoid of distinctiveness. The Arbitral Tribunal reasoned that in view of the petitioner's stand that no one could monopolize descriptive word like Poker, the disputed domain name could not be considered as identical or confusingly similar to the PokerStars Mark.

16. Next, the Arbitral Tribunal proceeded to examine the allegation that respondent no.1 did not have legitimate interest or right in the disputed domain name. The Arbitral Tribunal observed that respondent no.1 held the registered Mark Starpoker Logo. It further held that the evidence provided by the petitioner indicated that respondent no.1 was offering services and was using the disputed domain name in connection with the purpose relating to Poker and, therefore, such use could be considered as *bonafide* under the policy. The Arbitral Tribunal held that the petitioner had failed to demonstrate that respondent no.1 had any malicious intent to trade off the petitioner's trademark. The Arbitral Tribunal also rejected the contention that the impugned domain name was used in bad faith.

Submissions

17. Mr Kabra, the learned counsel appearing for the petitioner contended that the impugned award was liable to be set aside as the Arbitral Tribunal had not provided any opportunity to the petitioner to counter the material on the basis of which the Arbitral Tribunal has founded the impugned award. He submitted that the Arbitral Tribunal had misinterpreted the petitioner's response to the Examination

Report. He referred to the Examination Report dated 19.01.2017, which indicated that there were three other marks that had been registered in Class 9, namely, POKER, POKERCON and POKERIST.COM. He pointed out that the petitioner had responded to the said Examination Report by a letter dated 17.07.2017. In the said letter, the petitioner had commented on the trademark “POKER” (Registration No. 2091585) by stating that *“This mark has been opposed by playtech software Ltd. Of Isle of Man. Further, no one can be monopolize generic/ descriptive word like poker. The said word is devoid of distinctiveness.”* He emphasized that the above comment was only made in response to the trademark POKER and not in respect of other trademarks.

18. Mr Kabra further contended that the Arbitral Tribunal had also erred in proceeding on the basis that the petitioner was aware of the registration of respondent no.1’s trademark Starpoker Logo. He submitted that the petitioner had applied for registration of PokerStars mark (Application no. 3415037) and had become aware of the registration of the mark Starpoker Logo on receipt of the Examination Report, which – although dated 31.12.2016 – was received on 21.06.2016, that is, after the petitioner had filed the complaint with Nixi. Therefore, at the time of filing the complaint, the petitioner was not aware of the registration of the trademark Starpoker Logo in favour of respondent no.1. He submitted that immediately on becoming aware of this registration, the petitioner had filed a rectification application with the Trademark Registry. However, the petitioner had no

opportunity to bring the same to the knowledge of the Arbitral Tribunal.

19. Mr Sinha, learned counsel appearing for respondent no.1 submitted that the present petition was not maintainable as K.D. Gaming Solutions had not been made a party to the petition. He submitted that K.D. Gaming Solutions is vitally interested in the subject matter of the dispute since the disputed domain name (website) is being used by K.D. Gaming Solutions. He also advanced contentions in support of the findings of the Arbitral Tribunal.

Reasons and Conclusion

20. As noticed above, the Arbitral Tribunal had proceeded to examine whether the disputed domain name fell foul of the premises as set out in paragraph 4 of INDRP. There is no dispute that this was the correct approach and the Arbitral Tribunal was required to do so.

21. Paragraph 4 of INDRP is set out below:-

“4. Types of Disputes

Any Person who considers that a registered domain name conflicts with his legitimate rights or interests may file a Complaint to the .IN Registry on the following premises:

- (i) the Registrant's domain name is identical or confusingly similar to a name, trademark or service mark in which the Complainant has rights;
- (ii) the Registrant has no rights or legitimate interests in respect of the domain name; and

(iii) the Registrant's domain name has been registered or is being used in bad faith. The Registrant is required to submit to a mandatory Arbitration proceeding in the event that a Complainant files a complaint to the .IN Registry, in compliance with this Policy and Rules thereunder."

22. Concededly, respondent no.1 had not placed any material before the Arbitral Tribunal to address the petitioner's complaint. Thus, apart from the complaint filed by the petitioner, there was no other material before the Arbitral Tribunal to arrive at the conclusion that it did. However, the Arbitral Tribunal has founded its decision based on the research conducted by the Arbitrator. This is apparent from paragraph 7.3.3 of the impugned award, which reads as under:-

"7.3.3. Brief research by the Arbitrator shows that:

7.3.3.1. The Respondent has registered the trademark  [Star Poker logo] with trademark no 3001142 claiming user date as 01/07/2015. The trademark is registered in class 41 over the services "Online Skill Gaming Portal; Providing A Web-Based System And On-Line Portal For Customers To Participate In On-Line Gaming, Operation And Coordination Of Game Tournaments, Leagues And Tours For Recreational Computer Game Playing Purposes".

7.3.3.2. The Examination Report dated dated 17/12/2016 issued in relation to the Complainant's trademark application number 3415037 cites the Respondent registered the trademark  [Star Poker logo] with

trademark no 3001142, accordingly the Complainant is seized of this registration.

7.3.3.3. Further, the Complainant in its response Examination Report dated 05/12/2016 issued in relation to the Application Number-2446932 registration of the trademark "PokerStars", has stated that *"We further submit that no one can be monopolize generic I descriptive word like poker. The said word is deviod of distinctivness"*.

23. It is apparent from the above that the Arbitral Tribunal had referred to the Examination Report dated 17.12.2016 relating to Application no. 3415037. Although the Examination Report is stated to be issued on 17.12.2016, the petitioner states that the date is incorrect and the Examination Report is, in fact, dated 31.12.2016 and was received by the petitioner on 21.06.2017. Thus, the said Report was furnished to the petitioner after the petitioner had filed the complaint and, therefore, the same could neither be referred to by the petitioner in its complaint nor was the petitioner provided any opportunity to indicate its response to the same. The Arbitral Tribunal merely proceeded on the basis that the petitioner was seized of this registration thereby implying that the petitioner was aware of the same.

24. The Arbitral Tribunal also proceeded to note the petitioner's response to the Examination Reports in relation to Application no. 2446932, that is, reports dated 05.12.2016 and 19.01.2017. The Arbitral Tribunal had premised its finding on the assumption that the petitioner had claimed, in the aforesaid response, that Poker was a generic or descriptive word and, therefore, could not be monopolized

by anyone. At this stage, it would be relevant to refer to the petitioner's response dated 17.07.2017 to the Examination Report dated 05.12.2016 and 19.01.2017 submitted to the Trademark Registry. The said letter is set out below:-

“VOHRA & VOHRA

To,

Registrar of Trade Marks,

Trade Marks Registry,

Boudhik Sampada Bhawan, Plot No. 32

Sector 14, Dwarka, New Delhi-110075. 17.07.2017

SUBJECT: Reply to the examination report for the trade mark Application no. 2446931 for the marks PokerStars in Classes 9, 36, 41, 42

We refer to subject matter:

We have received examination report for subject mark.

The examination has raised the following objections:

(i) The mark is identical with and similar to earlier marks in respect of identical or similar description of goods or services and because of such identity or similarity there exists a likelihood of confusion and deception and the marks is open to objection on relative grounds of refusal under section 11 f the Trade Marks Act, 1999.

Our reply to the above mentioned objections raised by examiner is as follows:-

We submit that the examiner has not cited any marks in classes 36, 41, and 42 and therefore the subject mark is clear for registration in these classes.

The examiner has cited below mentioned marks for Class 9:

Class	TRADE MARK NO.	TRADE MARK	DATE OF USE	STATUS	REMARKS
9	2091585	POKER	14/12/2010	Opposed	This mark has been opposed by playtech software Ltd. Of Isle of Man. Further, no one can be monopolize generic/ descriptive word like poker. The said word is devoid of distinctiveness.
9	2182684	Pokerist .Com	27/05/2010	Objected	Marks co-exist in other jurisdictions and therefore can co-exist in India
9	2361032	Pokerist .Com	27/05/2010	Objected	Marks co-exist in other jurisdictions and therefore can co-exist in India

With regard to the aforesaid objection under Section 11, we will submit that the same are not sustainable for following reasons:

We submit that the cited mark under the application no. 2091585 for the trademark Poker has been opposed by Playtech Software. This Mark has been opposed by Playtech Software Ltd. of Isle of Man. We further submit that no one can be, monopolize generic/ descriptive word like poker. The said word is devoid of distinctiveness.

The cited mark under the Trade Mark Application no. 2182684 for the mark POKERCON in the name of Zynga Inc is co-exist with the Applicant in EU, Australia, China and Canada. We submit that the mark co-exist in other jurisdictions and therefore can co-exist in India.

The cited mark under the Trade Mark Application no. 2361032 for the mark POKERIST.COM, We submit that the marks co-exist in south Korea, Japan, Australia and Ukraine and therefore can co-exist in India and therefore can co exist in India.

We request the Learned Registrar to take our aforesaid submissions on record and advertise the mark else give us an opportunity of being heard before final order is passed.

Yours Sincerely,

Sd/-

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25. It is apparent from the above that the petitioner had not objected to registration of trademarks POKERCON and POKERIST.COM on the ground that Poker was a generic term. On the contrary, the petitioner’s response was that its trademark PokerStars mark could co-exist with the other two marks mentioned in the Examination Report dated 05.12.2016 (namely, POKERCON and POKERIST.COM). The petitioner’s objection that ‘Poker’ was a generic term was only in respect of the trademark POKER. Thus, it was the petitioner’s case that the word ‘Poker’ could not be registered as a trademark in favour of any person; it was not its case that other trademarks that use the word Poker as a part of the trademark were not registrable. It is

apparent that the Arbitral Tribunal has completely misread the petitioner's response as conceding that the petitioner's did not have any exclusive right to use its trademark, PokerStars Mark, since it included the word 'Poker'.

26. There is also much merit in the petitioner's contention that the impugned award falls foul of Section 34(2)(a)(iii) of the Act since the petitioner was not given an opportunity to present its case. The petitioner had no opportunity to deal with any of the material collected pursuant to the research conducted by the Arbitral Tribunal including (a) the registration of trademark Starpoker Logo in favour of respondent; (b) submission of the Examination Report; and (c) the petitioner's response to the Examination Report.

27. This Court is also of the view that the procedure adopted by the Arbitral Tribunal offends Chapter V of the Act. In terms of Section 18 of the Act, the Arbitral Tribunal was required to give each party a full opportunity to present its case. In the present case, the petitioner was provided no opportunity to deal with any of the research conducted by the Arbitral Tribunal, which – as is apparent from the plain reading of impugned award – formed the substratal foundation of the impugned award.

28. Section 23 of the Act provides for filing Statement of claim and Statement of Defence and Section 24 of the Act provides for conduct of the Arbitral proceedings. It is apparent from the plain reading of

Section 23 and 24 of the Act that access to the material relied upon by the other party and sufficient notice to meet the same is mandatory.

29. Section 25(c) of the act makes it expressly clear that if a party fails to appear at an oral hearing or to produce documentary evidence, the Arbitral Tribunal would continue the proceedings “*and make the arbitral award on the evidence before it*”. Admittedly, respondent no.1 did not file any response to the petitioner’s complaint and, thus, the Arbitral Tribunal was required to examine the evidence produced by the petitioner and decide accordingly. It was not necessary for the Arbitral Tribunal to embark on a quest to seek out evidence to counter the complaint filed by the petitioner. However, if the Arbitral Tribunal found itself compelled to, *sou moto*, make a detailed inquiry, it was necessary for the arbitral Tribunal to provide a full opportunity to the petitioner to respond to the evidence or the material collected by the Arbitral Tribunal.

30. The procedure adopted by the Arbitral Tribunal is also in violation of the principles of natural justice for the reasons stated above. Thus, the impugned award was also falls foul of Section 34(2)(b)(ii) of the Act read with Explanation 1 thereto, since it is in contravention with the fundamental policy of Indian law which requires that the party be given full opportunity to meet the case being set up against it.

31. This Court finds no merit in the contention that the present petition is not maintainable, as K.D. Gaming Solutions has not been

made a party thereto. It is not disputed that the impugned domain name is registered in favour of respondent no.1. More importantly, K.D. Gaming Solution was not a party to the arbitral proceedings and, therefore, was not required to be impleaded in the present petition.

32. In view of the above, the petition is allowed and the impugned award is set aside. The parties are left to bear their own costs.

APRIL 11, 2018
RK

VIBHU BAKHRU, J