World Trademark Review.

Panel denies transfer of domain name consisting of common phrase under UDRP Cybersquatting International - Hogan Lovells

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- A WIPO panel has denied the transfer under the UDRP of a domain name matching a common phrase in Turkish
- Complainant had not submitted any evidence showing the alleged well-known character or reputation of its trademark
- The fact that the respondent may be engaged in a pattern of abusive registrations could not be used to infer his prior knowledge of the complainant's mark

In a recent decision under the Uniform Domain Name Dispute Resolution Policy (UDRP) before the World Intellectual Property Organisation (WIPO), a panel has denied the transfer of a domain name matching the common phrase '*iste gelsin*' in Turkish ('want and it shall come' in English).

The complainant was Future Teknoloji AS of Istanbul, Turkey, a company offering online retail services under its Turkish trademarks ISTEGELSIN.COM, one of which was registered as early as in 2006. The respondent was Murat Imsiyatoglu, an individual based in Turkey and named as a respondent in at least two previous UDRP transfer decisions.

The domain name was 'istegelsin.com', which was acquired by the respondent in 2015 via auction. It was currently offered for sale for \$30,000.

To be successful in a complaint under the UDRP, a complainant must satisfy the following three requirements under Paragraph 4(a):

- 1. the domain name registered by the respondent is identical, or confusingly similar, to a trademark or service mark in which the complainant has rights;
- 2. the respondent has no rights or legitimate interests in respect of the domain name; and
- 3. the domain name has been registered and is being used in bad faith.

With regard to the first limb, since the complainant had well-established trademark rights in ISTEGELSIN.COM, which was incorporated in its entirety in the domain name, the panel found that the domain name was identical to the complainant's trademark. The first limb was therefore satisfied.

The second limb of the UDRP was also satisfied as the panel considered that the response filed by the respondent did not give any explanation in order to rebut the *prima facie* case established by the complainant.

As far as the third limb was concerned, the complainant argued that the domain name had been registered and used in bad faith given that:

- 1. the respondent could not ignore the complainant's well-known trademark in Turkey;
- 2. the domain name was listed for sale for an amount exceeding the respondent's out-of-pocket expenses directly related to the registration of the domain name;
- 3. the domain name had been passively held by the respondent; and
- 4. the respondent had registered several trademark-abusive domain names, as evidenced by his involvement in previous UDRP proceedings.

The complainant's assertions above would normally suggest that the respondent was a typical cybersquatter and thus lead to a finding of bad faith on his part, in particular the respondent's offer to sell the domain name for valuable consideration or his involvement as a respondent in previous UDRP proceedings.

Faced with the complainant's strong arguments, the response filed by the respondent focused on:

- 1. the lack of any evidence supporting the reputation of the complainant's trademark in Turkey;
- 2. the lack of distinctiveness of the term '*iste gelsin*' in Turkish, which was a common phrase used by many different entities; and
- 3. the lack of any evidence showing that the respondent had the complainant's trademark in mind when acquiring the domain name.

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Furthermore, the respondent did not hesitate to ask the panel to make a finding of reverse domain name hijacking against the complainant (on the basis that the complainant had used the UDRP in bad faith to attempt to deprive the respondent of the domain name).

The panel's analysis on bad faith based on the two parties' allegations and evidence constitutes the most interesting part of this decision.

It is generally held by UDRP panels that the practice of registering a domain name for subsequent resale (including for a profit) would not by itself support a claim that the respondent falls with the scope of Paragraph 4(b)(i) of the UDRP (which refers to registering a domain name in bad faith with the primary purpose of selling it to a trademark owner or its competitor). As mentioned in Section 3.1.1 of the WIPO Overview 3.0, circumstances indicating bad faith under Paragraph 4(b)(i) can be highly fact-specific and may notably take into account:

- 1. the respondent's likely knowledge of the complainant's rights;
- 2. the distinctiveness of the complainant's trademark;
- 3. a pattern of abusive registrations by the respondent;
- 4. threats to "sell to the highest bidder" or otherwise transfer the domain name to a third party.

In this decision, the panel noted that the complainant had not submitted any evidence showing the alleged well-known character or reputation of its ISTE GELSIN trademark. In the panel's view, the submission of such evidence was quite critical given the fact that the term '*iste gelsin*' was very commonly used by retail operators in Turkey. In fact, a Google search by typing the key words '*iste gelsin*' brought up a huge number of retail services instead of the complainant's own services. In the absence of any other additional evidence provided by the complainant in this regard (even at the request of the panel through a Panel Order), the panel was therefore not persuaded by the complainant's allegations about the fame and goodwill of its trademarks and, on this basis, held that the respondent should not be considered to have had knowledge of the complainant's trademark when acquiring the domain name through an auction.

It is worth noting that, although the panel noted with concern that the respondent had been named as a respondent in at least two previous UDRP transfer decisions, the fact that the respondent may be engaged in a pattern of abusive registrations could not be used to infer, without other evidence, the respondent's prior knowledge of the complainant's trademark, notably when such trademark could not be evidenced as a highly distinctive or famous mark at the time of registration.

The panel, based on the evidence submitted by the two parties, held that the complainant had failed to establish on the balance of probabilities that the respondent had registered and was using the domain name in bad faith. The third limb was therefore not satisfied. However, given the circumstances of this case, the panel refused to make a finding of reverse domain name hijacking against the complainant.

This case illustrates again how important it is for trademark owners to substantiate all their allegations in a UDRP proceeding. This is particularly the case when the disputed domain name incorporates a common phrase or non-distinctive term that may not be exclusively associated with the complainant. From a procedural perspective, it is clear that failure to respond to a Panel Order may have serious consequences on the outcome of any decision.

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