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# Descriptive trademark registered on US Supplemental Register insufficient to satisfy UDRP's first element

International - Hogan Lovells International LLP

- Efiling LLC, which asserted trademark rights in ONLINE VITALS, sought transfer of 'onlinevitalus.com' under UDRP
- Panel stated that mark registered on US Supplemental Register does not by itself provide evidence of distinctiveness to support trademark rights
- Complainant had not presented sufficient evidence to prove that its asserted mark had acquired sufficient secondary meaning to confer unregistered trademark rights

In a recent <u>decision</u> under the <u>Uniform Domain Name Dispute Resolution Policy</u> (UDRP), a UDRP panel has refused to transfer the domain name 'onlinevitalus.com', finding that the complainant had failed to establish the first element of the UDRP and further finding that the respondent had established rights or legitimate interests in the domain name.

### **Background**

The complainant, Efiling LLC, was a US corporation providing services related to the preparation, acquisition and filing of so-called 'vital records' in the United States (ie, records of life events subject to governmental authority, such as birth and death certificates). The complainant had operated its business via the website 'www.onlinevitals.com' since August 2016. The complainant asserted trademark rights in the mark ONLINE VITALS, for which it had obtained a US trademark, registered on the US Patent and Trademark Office Supplemental Register on 2 October 2018 (applied for on 13 April 2018 and with a date of first use in commerce of 15 August 2016). In addition to its registered trademark, the complainant asserted common law trademark rights in the ONLINE VITALS mark, claiming that the mark was well known in the United States such that it had acquired secondary meaning.

The respondent, Vital Records Direct SL, was a Spanish company that also provides services related to the preparation, acquisition and filing of vital records in the United States. The respondent provided such services via its website at the disputed domain name. For use in connection with its vital records

services, the respondent had registered a US figurative trademark, O.V.U.S. ONLINE VITAL US, registered on the US Patent and Trademark Office Principal Register on 11 June 2019 (applied for on 8 August 2018 and with a date of first use in commerce of 30 July 2018).

Prior to filing the UDRP complaint, the complainant sent a cease-and-desist letter to the respondent alleging infringement of the complainant's copyrighted website content, requesting that the respondent rewrite the text appearing on its website at the disputed domain name. The respondent replied to the complainant denying that it had infringed any copyrighted content, and informing the complainant that, in any event, it had updated the content of its website to render it as distinctive as possible. The complainant sent a further notice to the respondent alleging that the respondent's use of the disputed domain name had caused confusion amongst its customers. The respondent replied, informing the complainant that it was open to finding an amicable solution to the issues before the parties, and maintaining its position that it had not infringed any IP rights of the complainant. In subsequent communications, the complainant suggested that the respondent enter into a licensing agreement for continued use of the disputed domain name in return for the payment of royalties to the complainant. The respondent did not agree to the proposal.

To be successful under the UDRP, a complainant must satisfy the requirements of Paragraph 4(a) of the UDRP, namely:

- the disputed domain name is identical, or confusingly similar, to a trademark or service mark in which the complainant has rights;
- the respondent has no rights or legitimate interests in the disputed domain name; and
- the disputed domain name was registered and is being used in bad faith.

#### **Decision**

Under Paragraph 4(a)(i) of the UDRP, the panel noted that the complainant had relied on its trademark registration on the Supplemental Register for ONLINE VITALS. The panel followed the approach applied by previous UDRP panels, stating that, under US law, a trademark registered on the Supplemental Register does not by itself provide evidence of distinctiveness to support trademark rights.

Turning to the question of the complainant's alleged common law trademark rights, the panel noted that, to establish such rights in the mark, the complainant had to show that its mark had become a distinctive identifier which consumers associated with the complainant's goods or services. In support of its claim of common law trademark rights, the complainant had provided evidence of its online advertising expenditure together with figures regarding its number of customers and its revenue from the previous three years.

The panel commented that, while the complainant's evidence did show growth in the market in which it operated, it was not of a nature to indicate recognition of the complainant in the market. The panel found that the ONLINE VITALS trademark was descriptive in nature, in light of its use in connection with services relating to vital records. As such, there was a greater onus on the complainant to provide evidence in support of its claim that its trademark had acquired distinctiveness. The panel went on to note that the complainant had been operative only for three years, while several competing service providers had successfully operated businesses making use of the terms 'online vitals' for longer periods. In the panel's view, the complainant had not come forward with any evidence that the relevant public would associate the terms 'online vitals' with the complainant over any of the other competing service providers, including the respondent. In light of the above, the panel concluded that the complainant had not presented sufficient evidence to prove that its asserted ONLINE VITALS mark had acquired sufficient secondary meaning to confer unregistered trademark rights. Accordingly, the complaint failed on the first element of the UDRP.

Notwithstanding the fact that the complaint had failed on the first element, the panel went on to make some observations under Paragraph 4(a)(ii) of the UDRP. Notably, the panel held that the respondent had, to the satisfaction of the panel, provided evidence that, before notice of the dispute, it had used the disputed domain name in connection with a *bona fide* offering of goods and services, having offered vital records filing services under the name 0.V.U.S. Online Vital U.S. since 2017. The respondent's use of the disputed domain name predated the complainant's trademark application by over a year and supported a finding that the respondent was commonly known by the disputed domain name. Moreover, the respondent's US trademark registration for 0.V.U.S. ONLINE VITAL US, registered on the Principal Register, further supported a finding that the respondent had rights or legitimate interests in the disputed domain name.

The panel also noted that there was no clear evidence that the disputed domain name had caused actual confusion amongst consumers as to the source of the services offered by the respondent. The complainant's evidence in support of such an allegation consisted of inquiries from dissatisfied internet users requesting a refund or status update for their vital records service; however, there was no demonstrable connection between these inquiries and the respondent. For the foregoing reasons, the respondent was found to have rights or legitimate interests in the disputed domain name, and the complaint also failed on the second element of the UDRP.

The panel considered it unnecessary to make a finding under the third element.

Turning to the issue of reverse domain name hijacking (RDNH), the panel noted that RDNH is defined in the UDRP Rules as "using the policy in bad faith to attempt to deprive a registered domain name holder of a domain name". The panel commented that a lack of success alone is insufficient for a UDRP panel to enter a finding of RDNH. While the complainant may have been misguided in believing that the use of a nearly identical domain name to provide identical services was sufficient to prove bad faith, it did not, in the panel's view, amount to knowledge on the part of the complainant that it could not succeed with its complaint based on the information that was reasonably available to it at the time of filing. Accordingly, the panel did not enter a finding of RDNH.

#### Comment

This case highlights a fundamental consideration for UDRP complainants contemplating filing a complaint: standing. The complainant relied on its rights as registered on the US Patent and Trademark Office Supplemental Register. However, marks registered on the Supplemental Register are descriptive by nature. Such registrations do not serve to provide any objective evidence that the concerned mark has acquired distinctiveness, but rather that such words are capable of becoming a mark. As noted by the panel in the present case, the jurisdiction of UDRP panels is limited. UDRP panels will be reluctant to find common law trademark rights on the basis of a registration on the Supplemental Register, unless it can clearly be shown that the mark has acquired distinctiveness and/or secondary meaning beyond its descriptive value. As noted by the panel, the array of issues raised in this case, including trademark rights and usage, trademark infringement, unfair competition, deceptive trade practices and copyright infringement, are more appropriately determined before a competent court with the benefit of a more complete evidentiary record.

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