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'gainvest.com' decision: one man's loss is another man's gain

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- Gainvest Legal Corporation sought the transfer of 'gainvest.com' under the UDRP
- The panel noted that the domain name was registered 20 years before the complainant obtained trademark rights in GAINVEST and 19 years before it first used this term
- The panel also made a finding of RDNH, finding that the complaint was seriously inadequate and doomed to failure

In a recent [decision](#) under the [Uniform Domain Name Dispute Resolution Policy](#) (UDRP) before WIPO, a panel has refused to order the transfer of a domain name because the complainant had failed to prove that the respondent had acted in bad faith.

Background

The complainant was Gainvest Legal Corporation, a company based in the United States. The respondent was John Sozanski, the owner of Gainvest LLC, also a company based in the United States.

The disputed domain name, 'gainvest.com', was acquired by the respondent in 1999 and was not resolving.

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

- the domain name registered by the respondent 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 respect of the domain name; and
- the domain name has been registered and is being used in bad faith.

Decision

Before proceeding to analyse the three requirements of the UDRP, the panel underlined that, while the parties had put forward multiple allegations, only a few of them were relevant to the WIPO proceedings.

Paragraph 4(a)(i)

When it came to the first limb of the UDRP, the complainant contended that it began using the service mark GAINVEST in 2019 and that it had had trademark rights in GAINVEST with the US Patent and Trademark Office since 2020 for "investment management" services. The complainant added that it was the owner of the domain name 'gainvest.co', pointing to an active website associated with its business services.

The panel found that the domain name was confusingly similar to the complainant's GAINVEST trademark and thus the complainant had satisfied the first limb.

Paragraph 4(a)(ii)

In light of its findings under the third requirement of the UDRP, the panel did not comment on the eventual existence of the respondent's rights or legitimate interests, as per the second limb of the UDRP.

Paragraph 4(a)(iii)

Turning to the third limb, the complainant claimed that the respondent's primary purpose for registering and using the domain name was to disrupt the complainant's business. The respondent rebutted this argument by asserting that he registered Gainvest LLC together with his wife more than 11 years before the complainant ever used GAINVEST as a trademark in any manner. In addition, the respondent had sometimes used this company in connection with his business activities, which included real estate ownership, investments, rentals, land development and construction. This was evidenced by the submission of real estate leases and vendor invoices, among other things. The respondent also asserted that he had only heard of the complainant in 2020, when the latter sent him an unsolicited message proposing to purchase the domain name. During the negotiations, the complainant, who stated that it was "a poor start-up that just started in March 2019", wanted to pay much less than the \$10,000 that the respondent was prepared to agree on.

The panel noted that the domain name was registered 20 years before the complainant obtained trademark rights in GAINVEST and 19 years before the complainant first used this term. The panel therefore made a finding that the complainant had failed to prove that the respondent registered the disputed domain name in bad faith.

In light of the above, the panel refused the transfer of the domain name.

RDNH

Finally, the panel also made a finding of reverse domain name hijacking (RDNH). RDNH is defined in Paragraph 1 of the UDRP Rules as "using the policy in bad faith to attempt to deprive a registered domain-name holder of a domain name".

In this case, the panel considered that the complaint was seriously inadequate and doomed to failure. The panel first underlined that a factor sometimes tending to support a finding of RDNH was a complainant's representation by counsel, which was the case in the present proceedings. The panel then found that there was absolutely no evidence suggesting that the respondent could have been aware of the complainant before receiving the message with the purchase offer. Furthermore, the panel stated that the complainant made "a series of utterly frivolous allegations" without presenting any arguments or evidence. As an example, the panel noted the complainant's assertion that the domain name "was registered by respondent primarily for cybersquatting, to disrupt the business of complainants while obtaining payment for that disruption." The panel also strongly disagreed with the complainant's claim that bad faith was evidenced by the fact that the respondent had registered the domain name in 1999 but only adopted a corresponding business name in 2008. In the panel's opinion, the best that could be said in defence of the complainant's motives was that the respondent had never made much, if any, actual use of the domain name for more than 20 years. Even so, the panel found that the accumulation of frivolous arguments by the complainant was sufficient to tip the balance in favour of a finding of RDNH.

Comment

This decision once again illustrates that complainants should think seriously about bringing a complaint under the UDRP when the date on which the respondent registered or acquired the domain name pre-dates the complainant's rights, especially by some years. It also serves as a reminder that the mere willingness of a registrant to sell a domain name further to receiving an offer does not constitute bad faith when the registrant has a legitimate interest in such domain name and did not obtain it in bad faith.

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