



26 Oct  
2021

## Transferring a parody domain name? Never ever!

International - [Hogan Lovells](#)

- The owner of the mark EVERFX and domain name 'everfx.com' sought the transfer of 'nevereverfx.com' under the UDRP
- The panel found that the respondent had successfully passed the "impersonation test"
- The respondent appeared to be engaged in genuine non-commercial criticism and there was no evidence of cybersquatting intent

In a recent [decision](#) under the [Uniform Domain Name Dispute Resolution Policy](#) (UDRP) before WIPO, a panel has refused to transfer the domain name 'nevereverfx.com', finding that the complainant had failed to prove that the respondent had no rights or legitimate interests and that the respondent had registered and used the domain name in bad faith.

### Background

The complainant was ICC Intercertus Capital Ltd, an international online broker, which provided access to tradable instruments for both retail and institutional investors. The complainant had registered trademarks for EVERFX, including EU trademark No 017995046, registered on 16 March 2019, and was the owner of the domain name 'everfx.com' at which it operated its commercial website, making use of the logo X EVERFX | FOR EVERY TRADE.

The respondent registered the domain name 'nevereverfx.com' on 24 March 2021. At the time of the proceedings, the domain name resolved to a website warning consumers against using the complainant's services and included a parodied copy of the complainant's logo.

The complainant initiated proceedings under the UDRP for a transfer of ownership of the domain name and of another domain name, 'nevereverfx.com', which was passively held by its registrant. After the filing of the complaint, the complainant was alerted to the fact that the two domain names belonged to different owners. The complainant argued for consolidation of the respondents based on the fact that:

- the domain names were registered within eight days of one another;
- they were essentially identical (but for the presence of a hyphen); and
- both used the generic top-level domain '.com'.

The panel rejected these arguments underlining, among others, the lack of strong evidence of common control. As a result, the panel's findings on the merits addressed the domain name 'nevereverfx.com' only.

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

- 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

#### ***Paragraph 4(a)(i)***

The panel found that the complainant had established rights in the EVERFX trademark and that the domain name incorporated the complainant's registered mark in its entirety. The addition of the term 'never' as a prefix did not prevent a finding of confusing similarity between the domain name and the complainant's trademark.

#### ***Paragraph 4(a)(ii)***

The complainant claimed that the respondent had no rights or legitimate interests in the domain name because the latter was used to defame the complainant, implying that it was conducting illegal activities and therefore engaging in extreme criticism, and that it created a risk of confusion for potential customers. The respondent countered that it was exercising its right to freedom of expression in order to warn the public against fraudulent activities and that there could be no risk of confusion for potential customers given that it was not in competition with the complainant.

The panel found that the respondent had successfully passed the "impersonation test", which addressed the question of whether a domain name would be mistakenly perceived by the public as being authorised by, or affiliated with, the trademark holder. The panel found that the addition of the term 'never' to the complainant's trademark created a blended term which was likely to be considered derogatory, such that potential customers were unlikely to perceive the domain name as being affiliated with, or authorised by, the complainant, and served as a sufficient indication that the website at the domain name was critical of the complainant. Moreover, the panel found that the criticism expressed by the respondent seemed genuine and non-commercial and, as such, could not be interpreted as a pretext for cybersquatting or tarnishment of the complainant's trademark. The panel therefore found that the complainant had failed to carry its burden under the second element of Paragraph 4(a) of the UDRP.

### **Paragraph 4(a)(iii)**

The complainant claimed that the respondent had registered and used the domain name in bad faith because its aim was to damage the complainant's reputation and disrupt its business. The complainant also claimed that the respondent's false accusations could be subject to criminal penalties under Liechtenstein law where the respondent resides.

The panel rejected these arguments and reiterated its finding under the "impersonation test", emphasising once again that the respondent appeared to be engaged in genuine non-commercial criticism, and that there was no evidence of cybersquatting intent by the respondent. The panel also underlined that the UDRP was not a substitute for a defamation action, or a criminal action for false claims in its jurisdiction - should the complainant pursue such actions, it should do so in a court of competent jurisdiction. The panel ultimately found that the complainant had not satisfied the third element of Paragraph 4(a) of the UDRP.

### **Comment**

This decision provides a good example of how the UDRP offers a safe harbour protecting freedom of expression. For prospective complainants to rely solely on notions of what amounts to defamation would be misguided, as UDRP panels typically lack the jurisdiction and tools necessary to make such a finding. Merely showing that a domain name is used to heavily criticise a trademark holder often will not be sufficient. More central to the inquiry as to whether the domain name at issue is being used for legitimate non-commercial or fair use will be proving that the relevant public will mistakenly perceive the domain name as being affiliated with, or authorised by, the trademark holder.

This decision also serves as a reminder that clear evidence of common control is required in order to support an argument for consolidation of respondents. The mere registration of domain names a few days apart and apparent similarity between them, even approaching identity, is not enough. Further evidence of common control is often needed, and can include, *inter alia*, registration of the domain names with a common registrar, matching name server delegations or configurations, and/or common features within hosting arrangements or website content.

## **Jane Seager**

Hogan Lovells

## **Gabrielle Creppy**

Hogan Lovells

## TAGS

[Online](#), [Internet and Online](#), [International](#)