

Respondent's domain name gains an 'extra life' under the UDRP

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INTERNATIONAL

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- Xtralife Natural Products sought the transfer of 'xtralifeusa.com' from Xtralife Colombia, a former distributor and licensee
- The panel found that it was not clear whether the respondent had registered the domain name in bad faith when by all appearances the parties were still collaborating
- The respondent's motivations would be better suited to discovery and cross-examination in a court proceeding

In a recent <u>decision</u> under the <u>Uniform Domain Name Dispute Resolution Policy</u> (UDRP) before WIPO, a panel has denied the transfer of the domain name 'xtralifeusa.com' because the complainant failed to prove that the respondent had registered the domain name in bad faith.

Background

The complainant was Xtralife Natural Products Inc, a US company operating in the field of nutritional supplements. It owned the domain name 'xtralifemiami.com' and two US trademarks for XTRALIFE NATURAL PRODUCTS, registered respectively in 2002 and 2019.

The respondent was Xtralife Colombia SAS, a Colombian company operating in the field of pharmaceutical products, and two individuals acting as the owners of the company. It owned a Colombian trademark for XTRALIFE registered by one of the company owners in 2008.

The domain name was 'xtralifeusa.com', registered on 25 December 2015. It redirected to a parking page, but had previously resolved to a website referring to the complainant by reproducing its trademark and logo and offering for sale the same products as the complainant. The complainant alleged that they were counterfeit, but this was denied by the respondent.

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

- 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 disputed domain name has been registered and is being used in bad faith.

Decision

First element

The complainant contended that the domain name was confusingly similar to its trademark XTRALIFE NATURAL PRODUCTS, given that it fully incorporated the dominant portion of its mark, namely XTRALIFE. The respondent refuted these arguments by stating that the products in respect of which it registered its trademark XTRALIFE were not the same as those of the complainant, and that the trademark XTRALIFE was descriptive and co-existed with several other identical trademarks belonging to different companies in different fields.

The panel accepted the complainant's contention: it found that the complainant had established rights in the XTRALIFE NATURAL PRODUCTS trademark and that the domain name was confusingly similar to the complainant's trademark.

Second element

The complainant asserted that the respondent had no rights or legitimate interests in respect of the domain name since it had never authorised the respondent to register or use the domain name, nor was the respondent making any *bona fide* offering of goods or services or a legitimate non-commercial or fair use of the domain name. The complainant further submitted that the respondent was a former distributor and licensee of the complainant from 2004 to 2020, and was using the domain name in relation to a website offering counterfeit versions of the complainant's products for sale. The respondent claimed to have rights in respect of the domain name, based on its Colombian trademark registration in 2008, as well as on the name of its company, incorporated in 2018.

The panel found that it was not clear whether the respondent's trademark was obtained primarily to circumvent the application of the UDRP or prevent the complainant's exercise of its rights, given that the respondent was a former distributor of the complainant's products, and noting the claims made by the complainant about the content on the respondent's website. The panel eventually considered that it was unnecessary to decide under the second element, given its findings under the third element.

Third element

The complainant claimed that the respondent had registered the domain name in bad faith, since the complainant's trademark XTRALIFE NATURAL PRODUCTS was distinctive and the respondent was formerly a distributor of the complainant in Colombia. The complainant added that the respondent had begun using the website at the domain name in 2020 after the termination of the licence, intentionally attempting to attract, for commercial gain, internet users to its website by creating a likelihood of confusion with the complainant's trademark as to the source, sponsorship, affiliation or endorsement of the respondent's website and products. The respondent argued that there was no bad faith in registering and using the domain name, since it was registered in 2015 and not in 2020, and was used based on the respondent's acquisition of trademark rights in XTRALIFE in 2008.

The panel found that it was not clear whether the respondent had registered the domain name in bad faith when by all appearances the parties were still collaborating in 2015. Regarding the use of the domain name, the panel found that, while the parties were no longer collaborating, the respondent's motivations would be better suited to discovery and cross-examination in a court proceeding. In the panel's opinion, the fact that the respondent might currently be infringing on the complainant's trademark did not by itself result in a determination of the domain name being registered in bad faith, noting that the parties seemed to have been operating on a cooperative basis for a considerable period. The panel therefore found that the complainant had failed to prove that the respondent had registered the disputed domain name in bad faith and denied the complaint.

Comment

This decision underlines that the UDRP does not apply to all types of trademark infringement *per se*, but applies to the badfaith registration and use of a domain name which is confusingly similar to a complainant's trademark and in which the domain name registrant has no rights or legitimate interests. In UDRP proceedings, a panel must make its best assessment of a respondent's motivation based on the evidence placed before it, which differs from court proceedings where discovery of

documents and cross-examination of witnesses are possible. Under the UDRP, it is essential to prove that a disputed domain name was registered *and* is being used in bad faith. Complaints brought under the UDRP will fail when bad-faith registration is not apparent, especially when the respondent is a former distributor or licensee of the complainant and the disputed domain name was registered while the parties were still collaborating.

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