

UDRP panel shuts door on refiling in first element denial

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INTERNATIONAL

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- The complainant sought the transfer of 'bodynetic.com' under the UDRP, relying on trademark applications for BODYNETIC in Australia and Singapore
- The panel found that the trademark applications were, by themselves, insufficient to establish trademark rights for purposes of the first element of the UDRP
- The panel entered a finding on the merits under the third element, effectively preventing any potential refiling

In a recent <u>decision</u> under the <u>Uniform Domain Name Dispute Resolution Policy</u> (UDRP) before WIPO, a panel denied a complaint for the disputed domain name 'bodynetic.com', finding that the complainant did not have relevant trademark rights for purposes of the first element of the UDRP, and entering a finding on the merits under the third element, effectively preventing any potential refiling.

Background

The complainant was The Posture Lab Pte Ltd, a Singaporean company that provided fitness centres, gyms and related health and fitness training. The complainant had adopted the name Bodynetic in mid-2021, and had submitted trademark applications for BODYNETIC in Australia and Singapore, neither of which had proceeded to registration at the time of submission of the complaint. The complainant also owned the domain name 'bodynetic.com.au'.

The disputed domain name was registered on 18 December 2018 using a privacy service. The domain name was listed for sale for \$2,175 and was described on the associated webpage as "a combination of 'body' and 'kinetic' that suggests activity, health and movement. Possible uses: A heart rate monitor. A fitness class. A personal trainer. An activity tracker. A running program." No underlying registrant details for the respondent were disclosed by the registrar, and the respondent did not come forward to submit a response.

In order to prevail, a complainant must demonstrate, on the balance of probabilities, that it has satisfied the requirements of Paragraph 4(a) of the UDRP:

- 1. the disputed domain name 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 the disputed domain name; and
- 3. the disputed domain name was registered and is being used in bad faith.

Decision

Under Paragraph 4(a)(i) of the UDRP, the panel found that the complainant did not possess UDRP-relevant rights in a registered trademark. The panel held that the complainant's trademark applications for BODYNETIC were, by themselves, insufficient to establish rights in a trademark for purposes of the first element of the UDRP. The panel further noted that it was open to the complainant to attempt to establish unregistered trademark rights, in light of its assertion that it had adopted the Bodynetic brand in mid-2021, but that it had chosen not to do so. Accordingly, the complainant failed to satisfy the requirements of Paragraph 4(a)(i) of the UDRP, and the complaint had therefore failed.

In light of the findings under the first element of the UDRP, the panel did not consider it necessary to address the issue of whether the respondent had rights or legitimate interests in the domain name under Paragraph 4(a)(ii) of the UDRP.

Under Paragraph 4(a) (iii), the panel observed that, save for in instances of nascent unregistered trademark rights, UDRP panels will not normally find bad faith where the registration of a domain name predates the accrual of a complainant's trademark rights. In this regard, the complainant had only adopted the Bodynetic brand name in mid-2021, some two-and-a-half years after the respondent had registered the disputed domain name. There was no evidence to support a finding that the respondent knew of the complainant's plans to adopt the Bodynetic brand name when the domain name was registered in December 2018. The fact that the domain name was being offered for sale did not alter the panel's findings. Indeed, a review of the historic WHOIS report, provided by the complainant, indicated that the Bodynetic name had been adopted by various third parties in the past, and the disputed domain name had been registered on at least three prior occasions in 2011, 2016 and 2017.

The panel further held that had the complainant been able to establish its case under the first element of the UDRP, the complaint would have ultimately failed under the third element, as it did not appear that the domain name had been registered in bad faith. The panel therefore stated that it would be inappropriate to suggest that the complainant could consider a refiling upon the registration of UDRP-relevant trademark rights.

Comment

There are a number of key elements that a prospective UDRP filer can take away from this decision:

- 1. The burden of proof is on the complainant even in cases where a respondent does not come forward to participate in the proceedings in any way, it is incumbent on the complainant to prove its case under all three elements.
- 2. While a complainant may successfully bring a UDRP complaint based on claims of unregistered trademark rights, a trademark application alone is insufficient to give rise to standing to bring a UDRP complaint.
- 3. It is well established that merely parking a domain name and offering it for sale does not amount to bad faith per se circumstances indicating that a domain name was registered with a view to selling it to the complainant or to otherwise trade off the goodwill associated with a complainant's trademark through the sale of the domain name will be highly fact-specific.
- 4. Even where a complaint fails on the first element, a UDRP panel may effectively 'close the door' on a prospective refiling by entering a substantive finding under the second and/or third elements, so as to prevent a further unsubstantiated complaint being brought in the future.

A frank and objective appraisal of the strengths and risks associated with filing is required in any UDRP proceeding. Where a domain name is listed for sale, in the absence of evidence supporting an inference that a domain name registrant has sought to target a trademark holder through a domain name, purchase of the domain name may instead be warranted.

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