

## UDRP complaint will not resolve trademark dispute

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### INTERNATIONAL

Legal updates: case law analysis and intelligence

- Future Inns, the owner of the mark FUTURE INN, sought the transfer of 'thefuturehotels.com' under the UDRP; the parties were involved in parallel cancellation actions
- The panel found that the respondent's ownership of a registered UK trademark for FUTURE HOTELS constituted a decisive factor
- The owner of the FUTURE HOTELS mark had a *prima facie* right to make use of this term; therefore, the second limb of the UDRP was not satisfied

In a recent [decision](#) under the [Uniform Domain Name Dispute Resolution Policy](#) (UDRP) before WIPO, a panel has denied the transfer of the domain name at issue, finding that the respondent had rights in the domain name based on its registered trademark, notwithstanding the fact that the complainant had filed a cancellation action.

### Background

The complainant was Future Inns UK Limited, a company operating a chain of hotels in the United Kingdom since 2005. It promoted its hotels through its website using the domain name 'futureinns.co.uk', registered in 2002, and via various online publications. In addition to its online presence, the complainant also held a UK trademark in FUTURE INN, registered in 2003. The respondent was seeking cancellation of this trademark in a parallel trademark action.

The respondent was Sotirios Kopatsaris, the founder and CEO of a company named Future Hotels International Single Member PC, incorporated in Greece in February 2019. He was also the sole director and majority shareholder of Future Hotels Limited, incorporated in the United Kingdom in 2020. Future Hotels Limited owned a UK trademark in FUTURE HOTELS, registered in 2020. The complainant was also seeking cancellation of this trademark in a parallel trademark action.

The disputed domain name was 'thefuturehotels.com', registered on 21 January 2019. Shortly before the complaint was filed, it resolved to a website promoting the respondent's Future Hotels, described as "a global community of award-winning hoteliers, technologists, researchers and travel agents, on a mission to redefine what it means to be an independent hotel in the 21<sup>st</sup> century - and beyond".

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

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

## Decision

### **First limb**

Under the UDRP, a panel is required to address two main issues under the first limb: (1) whether the complainant has sufficiently proven relevant trademark rights, and (2) whether the disputed domain name is found to be confusingly similar to such trademark rights on a straightforward visual and aural comparison - this test being much narrower than the 'likelihood of confusion' test under trademark law. Questions such as the scope of trademark rights and the geographical location of the respective parties are not relevant (although may be considered further under the other limbs, if relevant).

With regard to (1), the panel considered that the complainant had longstanding trademark rights in FUTURE INN, and that such rights should not be presumed to be invalid merely due to the fact that the respondent had initiated cancellation proceedings. As regards (2), the panel found confusing similarity between the complainant's FUTURE INNS trademark and the disputed domain name, 'thefuturehotels.com', despite the fact that the respondent's successful registration of its FUTURE HOTELS trademark implied that there was no confusing similarity. However, the panel underlined the narrower test under the UDRP and found that the domain name did include the dominant element 'future' that distinguished the complainant's hotel services, and agreed that there was a high degree of conceptual overlap between the terms 'inns' and 'hotels'. The panel also referred to the content of the respondent's website offering hotel-related services as an additional factor reinforcing the risk of confusion. The first limb was therefore satisfied.

### **Second and third limbs**

Regarding the second limb, the complainant stated that the respondent was not authorised to use its trademarks and the domain name was not derived from the respondent's own name. Therefore, the respondent's use of the domain name to promote his hotels could not be considered *bona fide* use, nor legitimate non-commercial or fair use under the UDRP. The respondent essentially contended that the domain name was derived from the name of his companies and registered in anticipation of his business expansion in the United Kingdom. The respondent further argued that he was not aware of the complainant and its business when registering the domain name in 2019.

The panel first addressed the issue regarding the respondent's prior knowledge of the complainant's trademarks at the time of registration of the domain name. On the one hand, since the two parties appeared to be in the same or closely related industries, it seemed likely that the respondent may have been aware of the complainant and its business when registering the domain name. On the other hand, given the geographical distance between the locations where the two parties were based (ie, the United Kingdom and Greece), the possibility that the respondent had never heard of the complainant, at least before it sought to expand its business in the United Kingdom, could not be entirely excluded.

Faced with this dilemma, the panel considered that the respondent's ownership of a registered UK trademark for FUTURE HOTELS constituted a decisive factor in this case. The panel underlined that this trademark had been successfully registered in the United Kingdom, despite the complainant's prior trademarks in FUTURE INN, and was valid pending the outcome of the complainant's cancellation action. The panel therefore held that the owner of the trademark, Future Hotels Limited, had a *prima facie* right to make use of this term. Consequently, the respondent, who controlled Future Hotels Limited, could claim the benefit of that right and use the domain name to promote his hotel business.

Given the above, the panel held that the second limb was not satisfied and thus there was no need to address the third limb. The complaint was therefore denied.

## Comment

UDRP panels will not generally consider the validity of existing trademark rights, as this is outside the scope of the UDRP. Brand owners involved in parallel trademark proceedings would therefore be well advised to wait until such proceedings have been finally determined before considering a UDRP complaint.

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