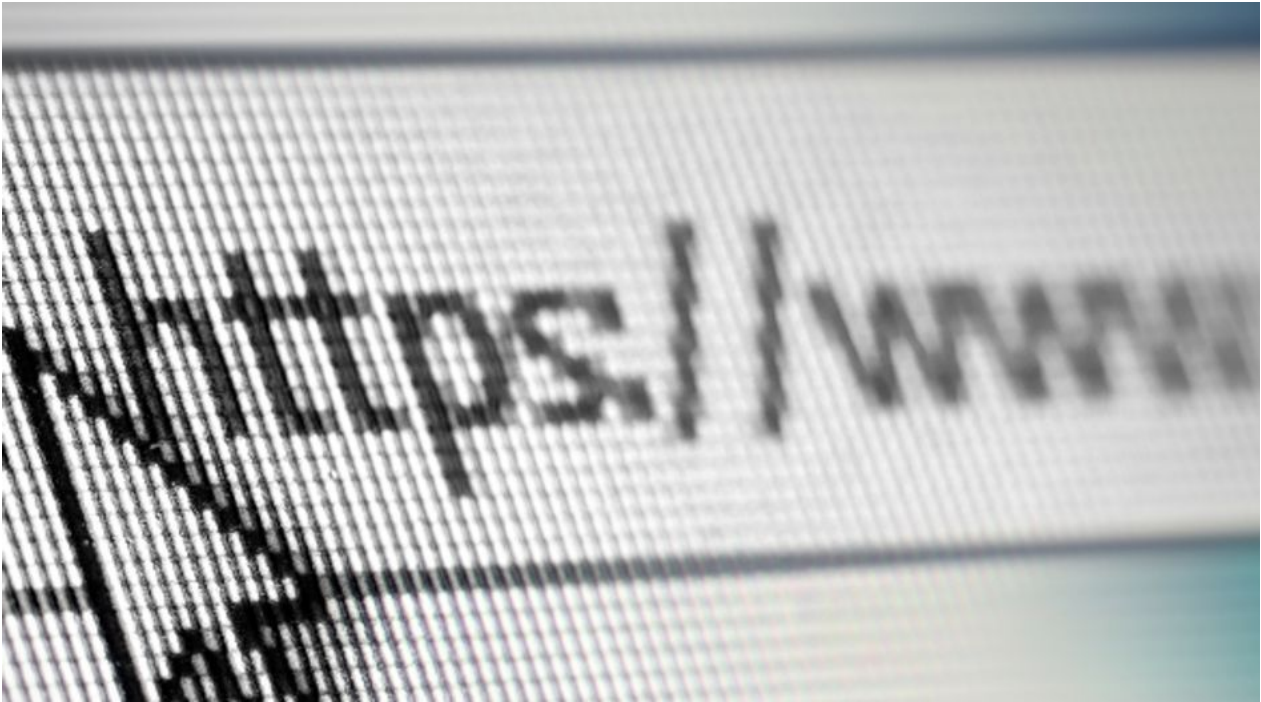


Legitimate use prevails in UDRP case

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- The complainant, owner of the marks BB-HOTEL, BBHOTEL and B&B HOTELS, sought the transfer of 'bboutiquehotel.com' under the UDRP
- The panel found that the respondent carried out legitimate business operations, thus substantiating its rights and interests in the domain name
- There was no substantive evidence indicating that the respondent intended to exploit the complainant's trademarks or reputation

In a recent [decision](#) before WIPO, a panel has examined the interplay between trademark rights and legitimate use under the [Uniform Domain Name Dispute Resolution Policy](#) (UDRP). The panel found that there was no evidence that the respondent must have known of the complainant when it registered and used the disputed domain name, and ultimately declined to transfer it.

Background

The complainant was a French company founded in 1990 which offered hotel, restaurant and related booking services, and operated with a global presence of over 700 hotels and a workforce of 1,000. It was widely recognised in France and in Europe. The complainant owned French trademark registrations for BB-HOTEL and BBHOTEL, both registered on 29 August 2002, and EU and international trademark registrations for B&B HOTELS, registered in December 2006 and November 2007, respectively. The complainant owned the domain names 'bbhotels.com', 'bbhotel.eu', 'bbhotels.fr' and 'bbhotels.net', registered between September 2004 and September 2020, which redirected to its official website.

In contrast, the respondent, an El Salvador-based company, operated the B Boutique Hotel, a boutique hotel with four rooms near San Salvador. The respondent owned trademark registrations for B BOUTIQUE HOTEL in various jurisdictions, including Panama, Honduras, Guatemala and El Salvador, registered between July 2013 and August 2015.

The respondent registered the disputed domain name, 'boutiquehotel.com', on 28 March 2022. It was inactive when the complaint was filed but, at the time of the panel's decision, it was redirecting to the respondent's hotel website.

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.

The complainant argued that the disputed domain name was confusingly similar to its trademarks, with the addition of the descriptive term 'boutique' being likely to be seen as a way of promoting a type of hotel and services. The complainant also contended that the respondent had no rights or legitimate interests in the disputed domain name and that the respondent must have had the complainant's trademarks in mind when registering it. The complainant argued that the respondent's non-use of the disputed domain name constituted typical cybersquatting behaviour and was likely to mislead consumers into believing that the disputed domain name was associated with the complainant and its brand and services.

In response, the respondent highlighted the legitimate use of its trademark B BOUTIQUE HOTEL to operate a four-room boutique hotel in El Salvador.

Decision

First limb

The panel found for the complainant, acknowledging the visual correlation between the complainant's trademarks and the disputed domain name. However, the panel also acknowledged the addition of the distinctive 'boutique' element, which was distinguishable within the disputed domain name and identical to the respondent's B BOUTIQUE HOTEL trademark, a matter that the panel returned to under its subsequent analysis.

Second limb

In scrutinising the second element of the UDRP, the panel undertook a detailed review of the respondent's rights and legitimate interests and found no indication that the respondent had registered its B BOUTIQUE HOTEL trademark primarily to circumvent the application of the UDRP or otherwise prevent the complainant's exercise of its rights. The panel notably referred to the respondent's robust online presence - in particular, its YouTube advertising, which had reached 10,000 views, and its Instagram account (created in 2013), which had 665 posts and over 17,000 followers. The panel's conclusion affirmed the respondent's legitimate business operations, substantiating its rights and interests.

Third limb

Despite finding that the respondent did have rights and legitimate interests in respect of the disputed domain name, which was enough to deny the complaint, the panel went on to consider bad faith. It identified no substantive evidence indicating that the respondent intended to exploit the complainant's trademarks or reputation. The absence of bad-faith indicators, combined with the respondent's proactive efforts to protect its brand, lent substantial support to the panel's decision.

Comment

This UDRP decision underscores the importance of genuine, legitimate use and prior trademark registrations in defending a UDRP case. The decision serves as a reminder to complainants that trademark rights must be balanced with a comprehensive examination of a respondent's history and rights, although this is often problematic at the time of filing if the respondent is essentially unknown, as was the case here.

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