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Daily

Domain name transferred under UDRP restituted by French court in absence of infringement France - Hogan Lovells

Cybersquatting Infringement

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In a recent decision of November 8 2016, the Paris Court of Appeal decided that a domain name that had been transferred following a decision under the Uniform Domain Name Dispute Resolution Policy (UDRP) before the World Intellectual Property Organisation (WIPO) had to be transferred back to its initial owner due to the absence of trademark infringement.

The appellant was a Mr X, based in Yemen and offering communication services in North Africa and the Middle East. The respondents were Team Reager AB, a Swedish telecommunication service provider set up on September 9 2010, as well as Stone Age Limited, Team Reager AB's trademark assignee.

The respondent was the owner of a number of trademarks, including the European Union trademark (EUTM - ex-Community trademark) MOOBITALK, registered on February 10 2011.

The appellant registered the domain name 'moobitalk.com' on April 17 2011; it initially directed to a website purporting to offer online chat services and where it was possible to choose between eight country tabs (Jordan, Kuwait, Iraq, Palestine, United Arab Emirates, Saudi Arabia, Mauritania and Morocco).

The respondent had initially sent a letter to the appellant on February 7 2013 bringing to his attention the existence of the respondent's MOOBITALK trademarks. As the respondent did not hear from the appellant further to its letter, it filed a UDRP complaint with WIPO on May 14 2013.

In a decision dated July 29 2013, the panellist appointed by WIPO ordered the transfer of the domain name.

The appellant then challenged the transfer of the domain name ordered by WIPO before the French courts and issued proceedings against the respondent on August 27 2013 before the Paris First Instance Tribunal. As Team Reager AB subsequently assigned its MOOBITALK EUTM to Stone Age Limited on April 14 2014, Stone Age Limited joined the proceedings voluntarily and attended the hearing on January 15 2015.

Essentially the tribunal decided in favour of the respondent and found that, by registering the domain name, the appellant had infringed the respondent's MOOBITALK EUTM.

The appellant filed an appeal and the Paris Court of Appeal overruled the tribunal's decision, ordered the transfer of the domain name back to the appellant and also awarded him costs.

When assessing whether the appellant's registration of the domain name was infringing, the Paris Court of Appeal took the view that the website associated with the domain name did not target the European Union public and, thus, could not constitute an infringement given the territoriality requirement inherent to trademark infringement.

In line with prevailing precedents from French courts, the Paris Court of Appeal stressed that it was not sufficient for the allegedly infringing website to be accessible from France or the European Union, but that it needed to be aimed at, at least in part, the public of the European Union or at least one of its member states.

Looking at the factual circumstances, the Paris Court of Appeal viewed as particularly relevant the fact that the website associated with the domain name had eight country tabs to choose from, none of which were situated in the European Union. In addition, the Paris Court of Appeal noted that the only available languages were Arabic or English and that, whilst English was the language of two European Union member states, it had been chosen because in the eight countries targeted (Jordan, Kuwait, Iraq, Palestine, United Arab Emirates, Saudi Arabia, Mauritania and Morocco) there were numerous expats who did not speak Arabic but used English instead, as supported by a report from the United Nations from 2006 which the appellant had produced.

The Paris Court of Appeal dismissed arguments from the respondent on territoriality as far-fetched, including the fact that the domain name had been registered through OVH, a French registrar and the fact that the '.com' TLD targeted all countries, including the European Union.

The decision from the Paris Court of Appeal is sound, consistent with precedents and on territoriality the appellant had carefully supported its arguments. It is thus logical that the Paris Court of Appeal found in his favour.

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Whilst some commentators expressed concern at this decision as potentially undermining the UDRP, we believe that this is not the case. Firstly, a UDRP decision does not preclude issuing court proceedings (this is even specifically provided for under Paragraph 4(k) of the UDRP) and, secondly, the assessment of trademark infringement is intrinsically different from the assessment conducted under the UDRP. The UDRP does not include a requirement of territoriality, whilst trademark law does. Territoriality can be relevant under the UDRP as a factor suggesting awareness of a trademark by a respondent and thus bad faith, but it is not a requirement.

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