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UDRP panel refuses to transfer domain name consisting of common surname International - Hogan Lovells

Cybersquatting Internet issues

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- Owner of OLSEN mark sought transfer of 'olsen.com' under UDRP
- . Panel found that respondent had not registered and used domain name in bad faith
- Fact that domain name was offered for sale for sum in excess of out-of-pocket costs insufficient to demonstrate bad faith

In a recent decision under the Uniform Domain Name Dispute Resolution Policy (UDRP) before the World Intellectual Property Organisation (WIPO), a panel has refused to order the transfer of a domain name that exactly matched a complainant's trademark because the complainant failed to prove that the respondent registered and used the domain name in bad faith.

The complainant was Olsen Holding GmbH of Hamburg, a German clothing company.

The respondent - who did not reply to the complainant's contentions - was Domain Admin, Whois Privacy Group of Nassau, Bahamas/Domain Admin, Mighty Products Inc of Wilmington, Delaware, United States.

The disputed domain name - 'olsen.com' - was registered in 1996. It was not being used and was offered for sale.

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

- the domain name registered by the respondent is identical, or confusingly similar, to a trademark or service mark in which the complainant has rights;
- the respondent has no rights or legitimate interests in respect of the domain name; and
- the domain name has been registered and is being used in bad faith.

With regard to the first limb, the complainant contended that the disputed domain name was identical to the OLSEN mark, in which it had owned rights since 7 July 1995, so before the registration of the disputed domain name. The panel agreed with the complainant, noting that it was widely accepted that the gTLD '.com' was generally irrelevant for the purpose of assessing identity or confusing similarity between a trademark and a domain name. As a consequence, the panel concluded that the complainant had satisfied the first limb.

As far as the second requirement under the UDRP was concerned regarding the respondent's rights or legitimate interests, the complainant pointed out that the respondent was not associated with the complainant or authorised to use its mark. It also submitted that the respondent was not commonly known by the disputed domain name. Moreover, according to the complainant, an inactive use of the domain name could not be a *bona fide* offering of goods or services or a legitimate non-commercial use. The panel disagreed with the complainant on this last point. Making a reference to previous UDRP decisions, the panel found that aggregating and holding domain names, including for resale, consisting of acronyms, dictionary words or common phrases could be *bona fide* and was not *per se* illegitimate under the UDRP. Nevertheless, the panel did not consider it necessary to make a finding concerning the second requirement under the UDRP in light of its considerations as to the third limb relating to registration and use in bad faith.

Turning to the third requirement, the complainant asserted that the disputed domain name had not been used, but had been offered for sale for a sum in excess of out-of-pocket costs, which constituted bad-faith registration and use. The panel considered that this argument was not sufficient to demonstrate the respondent's bad faith. First of all, the panel expressed regret at the lack of reply from the respondent and noted that a response would have been of great assistance in establishing the background to the registration of the disputed domain name. Further, the panel found that 'Olsen' is a common surname in certain parts of Europe and that this registration was an early one and had been extant for over 20 years. In the panel's opinion, the complainant had not shown on the balance of probabilities or provided any evidence that it or its competitors had been targeted by the registration. The panel was persuaded that it could therefore be a registration of a common surname for sale to anyone with an interest it - in which case not using it and offering it for sale for a sum substantially above the out-of-pocket costs of registration of the disputed domain name would not contravene the UDRP. Accordingly, the panel found that the respondent had not registered and used the disputed domain name in bad faith and so the complainant had not satisfied



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the third requirement under the UDRP. Therefore, the panel denied the transfer of the domain name to the complainant.

This decision highlights how having a trademark does not necessarily mean that the rights holder will succeed in obtaining the transfer of a domain name - even if it is identical to such trademark - and notwithstanding that the respondent does not reply to the complainant's contentions. In cases where a complainant is relying on a trademark that consists of an acronym, dictionary word, common phrase or even a common surname, as underlined by this decision, the complainant has a heavier burden to establish that the domain name in question was registered and used in bad faith, even if such registration postdates the complainant's trademark rights. This is particularly the case when a disputed domain name was registered a long time ago. It must therefore be evidenced that the respondent registered the domain name for its trademark value, which generally requires a complainant to demonstrate not only awareness of such trademark rights, but also that the domain name was registered in order to take advantage of them.

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