

UDRP panel finds that respondent had competing legitimate interests - but dissenting panellist disagrees
International - Hogan Lovells

**Cybersquatting
Internet issues**

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- **Owner of PRONTOPRO mark sought transfer of 'prontopro.com'**
- **Majority of panel found that domain name's legitimacy was founded on respondent's early adoption of PRONTO**
- **Dissenting panellist found that respondent sought to profit from reputation of complainant's mark**

In a [recent decision](#) under the [Uniform Domain Name Dispute Resolution Policy \(UDRP\)](#) before the World Intellectual Property Organisation (WIPO), the majority of a three-member panel has denied the transfer of a domain name identically reproducing a complainant's trademark as the respondent had competing legitimate interests.

The complainant was Prontopro srl, a company based in Milan, Italy, founded in 2015, that was in the business of providing professional services. The complainant was the owner of registered trademark rights in the term 'Prontopro', namely EU trademark registration (figurative) No 13846621, filed on 18 March 2015 and registered on 1 July 2015, and had pending trademark applications in Brazil and Chile, both filed in December 2016. The complainant also owned a number of domain names consisting of the trademark PRONTOPRO, including 'prontopro.it', 'prontopro.net' and 'prontopro.info', all registered in 2014. The complainant began using its PRONTOPRO trademark through its website 'www.prontopro.it' in March 2015.

The respondent was Erik Stadler, of Pronto, based in Atlanta, Georgia (United States). The respondent was one of the principals and founders of Pronto Technologies LLC. The respondent's company was incorporated on 7 February 2015 to develop a professional referral service in the Atlanta area. The respondent originally acquired the domain name 'prontoapp.com' from a reseller on 9 February 2015, and subsequently migrated his website to 'www.prontopro.com' upon acquiring the disputed domain name 'prontopro.com' on 29 December 2015. The domain name was used to resolve to a website offering home repair services in the Atlanta area.

To be successful in a complaint under the UDRP, a complainant must prove each of the following cumulative requirements:

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

With regard to the first requirement, the panel found that the complainant had relevant trademark rights by virtue of its trademark registration for PRONTOPRO in Europe. The panel also found that the domain name was confusingly similar to the complainant's trademark as it reproduced the complainant's trademark in its entirety. Therefore, the complainant satisfied the first requirement under the UDRP.

Turning to the second requirement under the UDRP, Paragraph 4(c) of the UDRP provides a non-exhaustive list of circumstances that may indicate that a respondent has rights or legitimate interests in a domain name, including "before any notice to [the respondent] of the dispute, [the respondent's] use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a *bona fide* offering of goods or services". In this regard, Section 2.2 of the [WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition](#) ("WIPO Jurisprudential Overview 3.0") provides examples of prior use in connection with a *bona fide* offering of goods or services:

As expressed in UDRP decisions, non-exhaustive examples of prior use, or demonstrable preparations to use the domain name, in connection with a bona fide offering of goods or services may include: (i) evidence of business formation-related due diligence/legal advice/correspondence, (ii) evidence of credible investment in website development or promotional materials such as advertising, letterhead, or business cards (iii) proof of a genuine (ie, not pretextual) business plan utilising the domain name, and credible signs of pursuit of the business plan, (iv) bona fide

registration and use of related domain names, and (v) other evidence generally pointing to a lack of indicia of cybersquatting intent. While such indicia are assessed pragmatically in light of the case circumstances, clear contemporaneous evidence of bona fide pre-complaint preparations is required.

In the present case, the majority of the panel found that the respondent had provided a detailed account of the origins of his business, his choice of corporate name and his decision to register and use the domain name. The majority of the panel was of the view that the respondent's explanation was consistent and supported with evidence showing that he had begun using the name PRONTO in February 2015. In contrast, the panel found that the complainant's rights in PRONTOPRO had arisen in March 2015, a month after the respondent, on the basis that the complainant's registration of 'PRONTOPRO'-formative domain names in 2014 were insufficient by themselves, in the absence of use, to establish trademark rights. The panel therefore found that the respondent had begun using the PRONTO trademark independently before the complainant had acquired trademark rights in PRONTOPRO.

However, the panel also noted that the respondent did not actually begin using the PRONTOPRO trademark until 2016. The respondent had explained that his initial plans for an app-based referral platform did not perform satisfactorily and so he subsequently adopted a website platform which was built on the domain name, based on the combination of his name 'pronto' with the suffix 'pro', which the respondent explained referred to his deployment of "professionals" to provide the referral services. The majority of the panel therefore found that the "legitimacy of the disputed domain name is ultimately founded on the respondent's early adoption of PRONTO itself as the principal element of his business name, for a portal-based referral service".

In the panel's majority view, the respondent had provided credible evidence in connection with the factors (i), (ii), (iii), and (iv) set out in Section 2.2 of the WIPO Jurisprudential Overview 3.0, all of which supported a conclusion that the respondent had rights or legitimate interests in the domain name, in accordance with Paragraph 4(b)(i) of the UDRP.

Therefore, the majority of the panel found that the complainant had not satisfied Paragraph 4(a)(ii) of the UDRP and, consequently, it was not necessary to consider bad faith under Paragraph 4(a)(iii) of the UDRP. Therefore, the majority of the panel denied the transfer of the domain name to the complainant.

However, in a dissenting opinion, one of the members of the panel was of the view that the respondent had failed to provide credible evidence in connection with a legitimate interest in the domain name as the respondent's original name was ProntoApp and he had not applied for any trademarks for PRONTO or PRONTOPRO, or similar trademarks. In the dissenting panellist's view, the respondent had registered the domain name with the intent to profit from the reputation of the complainant's trademarks "by choosing a domain name that is confusingly similar to the complainant's marks, company name and domain names, circumstance which was easy to check through internet searches". The dissenting panellist was of the view that the respondent must have been aware of the existence of the PRONTOPRO trademark and that a mere declaration that the domain name was a simple evolution from Pronto Technology and ProntoApp could not justify that the domain name was registered and used in good faith. Consequently, the dissenting panellist considered that the domain name should have been transferred to the complainant.

This decision shows how having a trademark by itself is insufficient to convince a panel to transfer a domain name under the UDRP, even if it identically reproduces the complainant's trademark. Complainants must also demonstrate that the respondent does not have rights or legitimate interests in the domain name in question, and that the respondent had awareness and intended to take advantage of the complainant's rights. The decision also highlights how panellists can reach different results and, so, in certain more difficult cases (eg, where a respondent may appear to have competing legitimate interests), it is well worth considering the selection of a three-member panel.

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