

WIPO panel finds that neither registration nor transfer of domain name was clearly Cybersquatting made in bad faith

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In a recent decision under the Uniform Domain Name Dispute Resolution Policy (UDRP), a panel from the WIPO Arbitration and Mediation Centre has denied the transfer of a domain name because the complainants had failed to demonstrate that the initial registration was made in bad faith, and neither was the subsequent transfer.

The complainants were two Dutch companies, Quintaz BV and Hooooked BV. They managed a business in Portugal which involved recycling old textiles into yarn. Their products had been distributed worldwide under the names Hooooked Zpagetti and Hooooked Fuzzili since 2008. They were the owner of various trademark registrations, including the EU trademark registration No 015112022 for HOOOOKED, registered in July 2016. The complainants also owned various domain names, including 'hooooked.nl', registered in October 2008.

The respondent was listed initially as the Whoisguard Protected service in Panama, and the complainants filed the complaint against this entity. However, the registrar subsequently revealed that the underlying details were that of a Mr Terry Lee of California, United States, and so the complainants amended the complaint accordingly. Mr Lee then filed a response.

The disputed domain name was 'hooooked.com'. It was originally registered on October 4 2007 and transferred to the respondent at some point before the complaint was filed on December 6 2016. The domain name had never resolved to an active website. However, the respondent alleged that he was planning to use the domain name for a portal for a gaming website.

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

- (i) The domain name 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.

The first requirement under the UDRP is two-fold, and requires a panel to assess, first, whether a complainant has relevant trademark rights, regardless of when or where the trademark was registered (although these factors may be relevant for the purpose of the third limb under the UDRP, namely bad-faith registration) and, second, whether the disputed domain name is identical or confusingly similar to a complainant's trademark.

In the present case, the panel found that the complainants owned the EU trademark registration No 015112022 for the word mark HOOOOKED, registered in July 2016. The panel therefore found that the domain name was identical to this trademark and, thus, the complainants had satisfied the first element set out in Paragraph 4(a) of the UDRP.

As for the second limb and a respondent's rights or legitimate interests (or lack of them), a complainant must prove that the respondent had no rights or legitimate interests in respect of the domain name in question. A complainant is normally required to make out a *prima facie* case and it is for the respondent to demonstrate otherwise. If the respondent fails to do so, then the complainant is deemed to satisfy Paragraph 4(a)(ii) of the UDRP.

In this case, the complainants argued that the respondent was neither making a good-faith use of the domain name, nor providing any goods or services. The complainants also argued that the respondent did not own any trademark registration for HOOOOKED and that the domain name did not resolve to an active website. The panel agreed that the complainants had made out a *prima facie* case that the respondent had no rights or legitimate interests in the domain name. However, the panel found that it was unable to ascertain that the initial registrant had no rights or legitimate interests at the date that the domain name was first registered in 2007, nor that the current respondent had no rights or legitimate interests at the date of the domain name transfer. The panel therefore found that the complainants had not satisfied the second requirement set out in Paragraph 4(a)(ii) of the UDRP.

In relation to the third limb, a complainant is required to demonstrate that the domain name in question has both been registered and is being used in bad faith.

In the present case, the complainants argued that they had tried to contact the original owner of the domain name with no success, and that the domain name had subsequently been transferred to the respondent. The complainants thus considered that the transfer was intended to prevent them from reflecting their trademark in a corresponding domain name, and that the respondent had acquired the domain name in order to sell it to the complainants or to disrupt their business.

The respondent argued that the domain name could not have been used and registered in bad faith since it was registered in 2007, one year before the complainants started their business in 2008. The respondent also pointed out that, since he was living in the United States and the complainants were based in Netherlands, there was nothing to prove that he was aware of the complainants' business.

The panel noted that the complainants admitted themselves that they started their business under the HOOKED mark in 2008, and their domain name was registered in October 2008, a year after the disputed domain name in 2007. The panel therefore found that nothing suggested that the original registrant knew about the complainants and their trademarks at the date of the registration. Furthermore, the panel noted that the complainants had not provided evidence of their correspondence with the original owner, meaning that there was no proof that such correspondence had ever been received. In view of this, the panel was not prepared to infer that the transfer of the domain name from the original registrant to the respondent amounted to cyber flying in bad faith.

In addition, the panel found that the word 'hooked' was a common word in English and could, together with variations, be very attractive and used for numerous purposes, including for a gaming website as suggested by the respondent. The panel also found that there was insufficient evidence to make a finding of passive holding in bad faith, given that the domain name had not been used for any active purpose.

Finally, the panel found that evidence to suggest that the transfer from the original registrant to the respondent was made in bad faith was limited at best and that the mere use of a privacy service was not necessarily indicative of bad faith. Given the lack of apparent targeting of the complainants, the panel found that that it was not possible to infer bad faith. However, under the circumstances, the panel refused to make a finding of reverse domain name hijacking (in other words using the UDRP in bad faith to attempt to deprive a registrant of a domain name), as requested by the respondent. The panel concluded that the complainants had failed to satisfy the third requirement set out in paragraph 4(a)(iii) of the UDRP and denied the transfer of the domain name.

Under the UDRP, it is generally accepted that registration in bad faith must normally occur at the time that the current registrant took possession of the domain name, whether that be as a result of the initial registrant or of a subsequent transfer, except where evidence clearly establishes an unbroken chain of underlying ownership by a single entity, despite any subsequent transfer(s). In short, domain name registrants cannot escape the UDRP by simply transferring a domain name to another entity to avoid the consequences. However, in this case there was no evidence to suggest that the original registrant and the new underlying registrant were connected and that the change of ownership was made to try and frustrate the UDRP, although nothing was particularly conclusive. As a result of this lack of clarity, the panel considered both the date of initial registration and the date of transfer, and found that neither the registration nor the transfer was clearly made in bad faith. The date of initial registration was quite simply prior to the complainant's business, and there was nothing to indicate bad faith at the time of the transfer either, such as a suggestion that the parties were acting in concert. With no clear evidence of bad-faith registration at any point, a denial was unavoidable.

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