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UDRP: the importance of full disclosure

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- **The complainants, which allegedly owned two BREAK FORTH marks, sought the transfer of 'breakforthcanada.com' under the UDRP**
- **The complainants did not disclose that they were in a complex relationship with the respondent, governed by an agreement that was subject to ongoing litigation in Canada**
- **The panel was of the view that the ongoing litigation was the appropriate forum to explore the complexities of fact and law that had to be determined**

In a recent [decision](#) under the [Uniform Domain Name Dispute Resolution Policy](#) (UDRP) before WIPO, a panel has denied the transfer of the domain name 'breakforthcanada.com' because the complainants did not provide sufficient evidence of their trademark rights and omitted to disclose their relationship with the respondent, including the fact that the trademark rights at issue were in dispute.

Background

The complainants were Break Forth Ministries Society, of Canada, as well as its founder and executive director Dr Arlen Lyle Salte. They allegedly owned a US trademark for BREAK FORTH MINISTRIES and a Canadian trademark for BREAK FORTH, both used in relation to hosting workshops, concerts, trips, conferences and services, and selling songbooks, recordings, podcasts, educational CDs and DVDs, all in connection with the Christian religion and faith (hereinafter the BREAK FORTH trademarks). The respondent was Power to Change, of Canada, presumably operating in much the same field, although the decision is silent on this.

The disputed domain name was 'breakforthcanada.com', registered on 6 September 2002. It was resolving to the respondent's website promoting educational services, including conferences, workshops, and retreats with respect to the Christian religion.

Further to the filing of the complaint, the registrar with which the domain name was registered disclosed the underlying details of the registrant, listed as Tom Lademann, Second Nature Solutions Ltd. The complainants filed an amended complaint, which the respondent replied to, and the panel noted from the parties' submissions that the true underlying respondent was Power to Change. The complainants then submitted an unsolicited supplemental filing in reply to the response.

As stated in Section 4.6 of the [WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition \("WIPO Overview 3.0"\)](#):

Paragraph 12 of the UDRP Rules expressly provides that it is for the panel to request, in its sole discretion, any further statements or documents from the parties it may deem necessary to decide the case.

Unsolicited supplemental filings are generally discouraged, unless specifically requested by the panel.

[...]

In all such cases, panels have repeatedly affirmed that the party submitting or requesting to submit an unsolicited supplemental filing should clearly show its relevance to the case and why it was unable to provide the information contained therein in its complaint or response (eg, owing to some "exceptional" circumstance).

In the present case, the panel allowed the complainants to file a supplemental filing, considering it useful to take into account for its decision.

To be successful in a complaint under the UDRP, a complainant must satisfy the following three requirements set out at 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.

Decision

Identity/similarity

With regard to the first requirement, the complainants claimed that the domain name was confusingly similar to the trademarks in which they had rights. The respondent argued that the complainants did not lawfully own the BREAK FORTH trademarks, stating that there was an agreement concluded between the parties in 2015, according to which the complainants were required to convey their rights to the BREAK FORTH trademarks, the Break Forth trade name as well as the disputed domain name to the respondent. It further stated that the complainants did not comply with their obligations to transfer the BREAK FORTH trademarks to it.

In the present case, the issue at hand was to determine who truly owned the trademarks. The panel remarked that it was unhelpful that the complainants did not disclose that they were in a complex relationship with the respondent involving joint activities such as branding and promotions, all governed by the agreement that was subject to ongoing litigation in Alberta (Canada), including the ownership of the BREAK FORTH trademarks. According to the agreement, it appeared that the complainants authorised the transfer of the domain name to the respondent shortly after the agreement was signed in 2015. However, in March 2016, one of the complainants, Dr Arlen Salte, initiated steps to register the BREAK FORTH trademark in Canada in his own name. That mark eventually issued to registration, without the respondent's knowledge.

The panel noted that one of the main issues at stake in the trial was whether the respondent was in fact entitled to ownership of the BREAK FORTH trademarks by virtue of certain transfer provisions in the agreement or whether the complainants were entitled to retain ownership because the respondent was in breach of the agreement. In light of this and the fact that the panel had not been provided with complete information, the panel decided not to rule on the question of ownership of the underlying trademarks. As the complainants had initiated legal proceedings against the respondent, the panel was of the view that the ongoing litigation in Alberta was the appropriate forum to fully explore the complexities of fact and law that must be investigated and determined.

Therefore, the panel found that the complainants did not provide sufficient evidence of their trademark rights in support of their contentions.

Rights/legitimate interests and bad faith

In light of its considerations regarding the first limb, the panel was not obliged to make a finding concerning the second and the third requirements under the UDRP and the complaint was denied. However, the panel expressly noted that the denial did not reflect on the respondent's rights in any way and noted that the decision was without prejudice to the possibility that the complainants may institute a new complaint upon the conclusion of the litigation in Alberta.

Finally, the panel declined to make a finding of reverse domain name highjacking (which consists of filing a complaint in bad faith to harass the domain name holder), as requested by the respondent. As stated in Section 4.16 of the WIPO Overview 3.0:

[...] Reasons articulated by panels for finding RDNH include: (i) facts which demonstrate that the complainant knew it could not succeed as to any of the required three elements – such as the complainant’s lack of relevant trademark rights, clear knowledge of respondent rights or legitimate interests, or clear knowledge of a lack of respondent bad faith (see generally Section 3.8) such as registration of the disputed domain name well before the complainant acquired trademark rights, (ii) facts which demonstrate that the complainant clearly ought to have known it could not succeed under any fair interpretation of facts reasonably available prior to the filing of the complaint, including relevant facts on the website at the disputed domain name or readily available public sources such as the Whois database, (iii) unreasonably ignoring established Policy precedent notably as captured in this WIPO Overview – except in limited circumstances which prima facie justify advancing an alternative legal argument, (iv) the provision of false evidence, or otherwise attempting to mislead the panel, (v) the provision of intentionally incomplete material evidence – often clarified by the respondent, (vi) the complainant’s failure to disclose that a case is a UDRP refiling, (vii) filing the complaint after an unsuccessful attempt to acquire the disputed domain name from the respondent without a plausible legal basis, (viii) basing a complaint on only the barest of allegations without any supporting evidence.

Given the undertakings in paragraphs 3(b)(xiii) and (xiv) of the UDRP Rules, some panels have held that a represented complainant should be held to a higher standard. [...]

In the panel's opinion, it was more plausible that the complainants did not realise the impact of the underlying relationship between the parties on the UDRP proceeding, rather than that they had intended to harass the respondent, especially as they did not benefit from the assistance of counsel.

Comment

This case illustrates the importance of disclosing any relationship between parties and mentioning any ongoing litigation, as a panel may find that the UDRP is not the most appropriate forum in light of insufficient or complex background facts.

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