

**Complainant's case fails to stick in UDRP decision
International - Hogan Lovells**

**Examination/opposition
Domain names**

September 13 2017

- **Entertainment Technology Investments applied for transfer of domain name 'gloo.com'**
- **Panel found that complainant's trademarks did not exist at time of respondent's registration**
- **WIPO denied transfer as complainant failed to demonstrate bad faith**

In a recent Uniform Domain Name Dispute Resolution Policy (UDRP) decision, a three-member panel from the World Intellectual Property Organisation (WIPO) Arbitration and Mediation Centre denied the transfer of a domain name because the complainant failed to demonstrate that the domain name was registered and used in bad faith.

The complainant, Entertainment Technology Investments, Inc, d/b/a Gloop, LLC based in Colorado, United States, offered cloud-based software known as 'Gloop'. It owned three US trademarks incorporating the term 'Gloop', all used for the first time on March 15 2012. The respondents were Contact Privacy Inc of Toronto, Canada and K Blacklock of Workington, United Kingdom.

The disputed domain name was 'gloop.com' which was registered on October 30 1998, most likely by the respondent (the WHOIS history confirmed that the respondent had been the registrant of the domain name since 2005). The domain name pointed to a pay-per-click (PPC) site at the time the complaint was filed.

The complaint was filed with the WIPO Arbitration and Mediation Centre on March 27 2017.

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

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

For the first limb, the panel is required to assess whether a complainant has relevant trademark rights, regardless of when and where the trademark was registered and, also, whether the domain name at issue is identical or confusingly similar to the trademark.

In this case, the complainant owned three US trademark registrations for the word 'Gloop'. The panel held that the first requirement was satisfied and that the domain name and the complainant's trademarks were identical.

As for the second limb, a complainant must prove that the respondent has 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 the present case, the complainant argued that since its registration the domain name had been used only for commercial purposes – either as a PPC site, or as a search portal website displaying links to various third-party sites. The complainant therefore argued that the respondent had never made any legitimate offering of goods and services using the domain name. Further, it noted that the domain name had 33 distinct historical ownership records. Finally, it claimed that the respondent had tried to sell the domain name but had always rejected the complainant's offers, making significantly higher counter-offers.

The respondent first argued that it had rights and legitimate interests in the domain name as it was registered in 1998, before the complainant's trademark registrations. The respondent also noted that even if the WHOIS historical records had 33 different ownership records, this only implied administrative changes (eg, changes to contact details and server name) but not a change in the identity of the registrant. Further, the respondent was objectively listed as the registrant of the domain name since 2005, eight years before the date of the complainant's trademark registrations. Finally, the respondent justified the registration of the domain name in 1998 because the term 'Gloop' was similar to the English word 'glue'. This reflected the respondent's concept which was to create a 'glue' to connect various internet resources. Moreover, the respondent had registered other domain names related to the word 'glue' in 1999 and 2000.

The panel noted that it was unnecessary to assess this second limb as the complainant had failed to satisfy the third UDRP requirement.

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

The complainant first pointed out that the various changes within the WHOIS historical records and the use of a privacy service by the respondent for eight years made it impossible to prove that the registration of the domain name occurred before the establishment of the complainant's trademark rights. Further, the complainant argued that the respondent held the domain name passively, therefore the general rule that registration of a domain name before the registration of a trademark precluded a finding of bad faith did not apply.

The complainant also argued that the domain name was registered and used in bad faith as it pointed to a PPC site. Moreover, according to the complainant, the respondent tried to sell the domain name to the complainant at an inflated price in response to the complainant's offers.

Further, the complainant argued that a finding of bad faith registration could be found retroactively, referring to several WIPO cases from 2009 (the 'Octogen cases'). Finally, the complainant asserted that the respondent knew about the trademarks at the time it renewed or reregistered its domain name and that it had no rights in the domain name or trademarks.

The respondent noted that since the domain name was registered before the complainant's trademarks, it could not have been registered and used in bad faith. Further, the respondent argued that it registered the domain name because it was similar to the generic word 'glue' and also asserted that the use of the domain name was unrelated to the complainant's activities. The respondent also noted that the complainant engaged anonymous agents to offer to buy the domain name, and a counter-offer did not demonstrate bad faith. According to the respondent, the complainant filed a complaint only because it was unhappy with the purchase negotiations. Finally, the respondent underlined the fact that it was located in the United Kingdom and had no duty of notice of US trademark registrations.

The panel noted that the date of registration of the domain name was a "critical question". Even if the WHOIS historical records confirmed that the respondent was the listed registrant only since 2005, there was no evidence that a different entity owned the domain name before that date. The panel also held that the complainant's other arguments were unconvincing – the existence of 33 distinct historical ownership records did not show that the respondent had registered the domain name after the first use of the trademarks and the fact that the respondent had made higher counter-offers did not prove bad faith. The panel therefore held that the complainant did not hold any trademark rights at the time of the domain name registration and there was no evidence that the respondent knew about the complainant or its activities at the time.

Since the complainant's trademarks did not exist at the time of the registration, the panel found that the respondent could not have registered the domain name to sell it to the complainant "for valuable consideration in excess of the Respondent's out of pocket costs" (Paragraph 4(b)(i) of the UDRP), nor to intentionally "attract, for commercial gain, Internet users to its website, by creating a likelihood of confusion with the Complainant's mark" (Paragraph 4(b)(iv)). The panel also pointed out that the respondent did not even mention the complainant or its activities on its website, and it would have been impossible for the respondent to have such an intention as the domain name was registered 14 years before the date of first use of the trademarks.

Further, the panel rejected the Octogen cases and referred to the new WIPO Jurisprudential Overview 3.0 which considered that these "retroactive" bad faith cases had not been followed in subsequent cases. The panel considered that even if the respondent became aware of the complainant's trademarks after the domain name registration, the complainant had failed to demonstrate that the respondent had tried to take advantage of the complainant's reputation by changing its use of the domain name. The panel also held that passively holding a domain name did not show bad faith and referred to the WIPO case *Telstra Corporation Limited v Nuclear Marshmallows* (WIPO Case D2000-0003).

Therefore, the panel found that the respondent had not registered and used the domain name in bad faith and the complaint was denied.

The decision is available [here](#).

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