

July 26 2017

In a recent decision under the Uniform Domain Name Dispute Resolution Policy (UDRP) before the World Intellectual Property Organisation (WIPO), a three-member panel unanimously denied the transfer of a domain name that was identical to the complainant's trademark consisting of two English dictionary words, principally for failing to prove bad faith in the respondent's registration and use of the domain name.

The complainant was Corporación Empresarial Altra SL of Malaga, Spain. The company was established in 1996 and manufactured air conditioning control systems. Originally incorporated under the name Airzone SL, it changed its name in 2009. The company owned an international trademark for AIRZONE.

The respondent, Development Services, Telepathy, Inc of Washington, DC, owned the domain name 'airzone.com' which was registered on September 2 1999. It resolved to a parking page with pay-per-click links.

Pursuant to paragraph 11 of the UDRP Rules, the language of the proceedings will be the language of the registration agreement, unless both parties agree otherwise or the panel determines otherwise.

In the present case, the complaint was originally filed in Spanish, but was subsequently translated into English after the parties were notified that the language of the registration agreement was in English. However, the complainant requested Spanish to be the language of the proceedings while the respondent requested that it be in English. It was therefore for the panel to determine the language of the proceedings. The panel was of the view that the complainant was able to understand English considering that the registration agreement was in English, the complainant had filed its complaint in English and that its website had an English version. Therefore, the panel decided that the language of the proceedings was to be in English.

To be successful in a complaint under the UDRP, a complainant must satisfy the following three 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 should have no rights or legitimate interest in respect of the domain name; and
- The domain name must be registered and being used in bad faith.

As far as the first requirement was concerned, the panel found that the complainant had rights in the trademark AIRZONE and that the domain name was identical to the complainant's trademark in its entirety. The complainant therefore satisfied the first requirement.

Moving on to the second requirement, given its finding as to whether the respondent had registered and used the domain name in bad faith, the panel concluded that there was no need to address the existence of rights or legitimate interests.

With regard to the third requirement, a complainant is usually required to demonstrate that the domain name has both been registered and is being used in bad faith.

In this case, the complainant stated that the respondent registered the domain name in 1999 with the sole intention of selling it, at a time when the complainant's trademark was already known in the trade. The respondent contended that it had registered several other domain names comprised of two generic English words, adding the term 'zone' to common words such as 'latinzone.com' and 'equityzone.com', rather like the domain name. It then used them as advertising portals or sold those domain names for their generic value.

The panel considered that this could be a legitimate business practice and not use in bad faith, to the extent that the respondent's intent was to capitalise on the dictionary value of the words comprising the domain name and not to exploit the value of third-party trademarks.

Further, the respondent provided evidence that it registered the domain name without any knowledge of the complainant at that time or without having any intention to take advantage of the complainant's trademark.

The panel noted that the domain name was comprised of two English dictionary words ('air' and 'zone'), and

that the website associated with the domain name was displayed in English and advertised products apparently mainly targeting the American market, without including links to the complainant or competitors of the complainant.

The respondent further asserted that it received numerous offers to purchase the domain name from third parties which were not related to the complainant, such as a zone control distributor in Texas, a manufacturer of ozone generators in Virginia and a Florida air conditioning company. The respondent submitted that a third party had offered \$10,000 to buy the domain name in March 2001 (ie, two years after it was registered), demonstrating that the domain name was not exclusively associated with the complainant. The respondent further contended that the complainant neglected to mention that it had initiated contact with the respondent many times and made several offers to buy the domain name, however the complainant did not follow up on these offers and filed the complaint over 12 years later.

The panel found in favour of the respondent, assuming that when registering the domain name the respondent's purpose was just to capitalise on the dictionary value of the words in common use and not for any other purpose.

The panel further considered that the respondent's conduct after registration did not reflect an intention to target the complainant and that the evidence submitted demonstrated that it was the complainant which had made overtures to purchase the domain name, at least two years after it was registered. The panel noted that the complainant's representative indicated in subsequent negotiations that it did not assert legal rights in the domain name, and thus concluded that it was difficult to criticise the respondent for entering into such discussions with the complainant.

Given the above, the panel considered that the complainant had failed to establish bad faith in the respondent's registration and use of the domain name. The complaint was therefore denied.

Turning to the issue of reverse domain name hijacking (RDNH) as per the respondent's request, the panel agreed to such a finding, defined in paragraph 1 of the UDRP Rules as "using the Policy in bad faith to attempt to deprive a registered domain name holder of a domain name". As pointed out by the panel, mere lack of success of the complaint is not itself sufficient for a finding of RDNH under paragraph 4.17 of the [WIPO Overview of WIPO Panel Views on Selected UDRP Questions](#), Third Edition (WIPO Overview 3.0).

The panel therefore reviewed the overall circumstances of this case, namely that:

- the complainant was represented by counsel;
- the complainant failed to mention that at all times it was the complainant who approached the respondent to buy the domain name;
- there was no evidence of a bad faith element in this case; and
- the complainant did not provide any explanation for the delay of 17 years in challenging the respondent's registration of the domain name.

In addition, the panel was satisfied that by submitting an offer to the respondent, the complainant expressly disclaimed any legal rights over the domain name.

In the panel's view, the complainant should or at least could have appreciated at the outset that its complaint was unlikely to succeed, adding that previous panels had found a complainant's bad faith and abuse of the administrative proceedings where the complainant or its representative knew at the time of filing the complaint that it could not prove the respondent's bad faith registration. In light of these circumstances, the panel found that the complaint was brought in bad faith in an attempt at RDNH and constituted an abuse of the administrative proceedings.

In such situations the UDRP does not provide for any sanctions such as a prohibition on filing further complaints, and the only potential weapon a panel has is to make a finding of RDNH. It is therefore perhaps not a powerful deterrent, but it is nevertheless a way for a panel to record its displeasure if the circumstances require it.

The decision is available [here](#).

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