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Beating head against the wall - UDRP panel finds reverse domain name hijacking of 'deskwall.com'

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- Owner of DESKWALL mark sought transfer of 'deskwall.com' under UDRP
- Complainant failed to prove that respondent could have been aware of its rights at time of registration of domain name
- Panel described complainant's strategy as "highly improper" and made finding of RDNH

In a [recent decision](#) under the [Uniform Domain Name Dispute Resolution Policy](#) (UDRP) before the World Intellectual Property Organisation, a panel has refused to order the transfer of a domain name that exactly matched a complainant's trademark because the complainant failed to prove that the respondent registered and used the domain name in bad faith. The panel also made a finding of reverse domain name hijacking (RDNH), finding that the complainant's claim was artificial and untethered to facts or the plain wording of the UDRP.

Background

The complainant was Gesab SA of Barcelona, a Spanish company that had developed a system called 'DeskWall' for virtual platforms and operators. The respondent was Domain Admin of Oslo, Norway/Oyo AS of Oslo, Norway. The disputed domain name 'deskwall.com' was registered in 2015. It was not being used and was offered for sale.

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

With regard to the first limb, the complainant contended that the disputed domain name was identical to the DESKWALL mark in which it owned rights since 10 May 2017. The respondent did not challenge the complainant's contention that the disputed domain name was identical to the DESKWALL mark, but underlined that the disputed domain name consisted of the ordinary descriptive English words, 'desk' and 'wall'. The panel noted that the complainant had established trademark rights in DESKWALL by virtue of its trademark registration and found that the disputed domain name was indeed confusingly similar to the complainant's mark. As a consequence, the panel concluded that the complainant had satisfied the first limb.

As far as the second requirement under the UDRP was concerned regarding the respondent's rights or legitimate interests, the complainant pointed out that the respondent was not associated with the complainant or authorised to use the complainant's mark. The complainant also submitted that the respondent had registered the disputed domain name for "speculative and commercial reasons", as evidenced by the fact that the respondent was in the business of buying and selling domain names, and was not known by the disputed domain name. These arguments were rebutted by the respondent, who argued that it had registered the disputed domain name because it was an attractive combination of dictionary word. However, the panel did not consider it necessary to make a finding concerning the second requirement under the UDRP in light of its considerations as to the third limb relating to registration and use in bad faith.

Turning to the third requirement, the complainant asserted that the disputed domain name had not been used but had been offered for sale for an inflated sum of \$6,399, which constituted bad-faith registration and use. Moreover, the complainant argued that the fact that the respondent registered the disputed domain name before the complainant's trademark registration should not sway the panel's analysis considering the respondent's business strategy. In its defence, the respondent submitted that it had registered the disputed domain name before the complainant's registration of its DESKWALL mark and that the complainant had presented no evidence to show that the respondent knew or should have known of the complainant's DeskWall system at the time of the registration and had therefore targeted the complainant's rights.

The panel considered that the complainant's arguments were not sufficient to demonstrate the respondent's bad faith. First of all, the panel found that the complaint was entirely devoid of evidence supporting the complainant's use or preparation to use its DeskWall system in commerce before the respondent had registered the disputed domain name. Furthermore, in the panel's view, the complainant did not allege or offer evidence that it had acquired trademark rights before the respondent registered the disputed domain name or that the respondent could have been aware of the complainant's rights at the time of the registration of the disputed domain name. Accordingly, the panel found that the respondent had not registered and used the disputed domain name in bad faith and so the complainant had not satisfied the third requirement under the UDRP.

Therefore, the panel denied the transfer of the domain name to the complainant.

Finally, the panel also considered whether a finding of RDNH was appropriate. RDNH is 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". In this case, the panel made a finding of RDNH because of two factors. First of all, the panel emphasised that the complainant knew, or at least should have known, that it could not prove the respondent's registration and use in bad faith. Secondly, the panel condemned the manner in which the complainant contacted the respondent before engaging in UDRP proceedings. The complainant had offered to buy the disputed domain name for \$500 without offering any arguments that it possessed a legal claim to it. The panel commented on the complainant's behaviour by referring to previous UDRP cases in which a frustrated buyer had resorted to the filing of a UDRP and described this strategy as "highly improper", noting that it had often contributed to findings of RDNH.

Comment

This decision highlights how having a trademark does not necessarily mean that the rights' holder will succeed in obtaining the transfer of a domain name, even if it is identical to such trademark. This is particularly the case when a disputed domain name consisting of a descriptive or generic term was registered before a complainant's registration and use of a trademark. The decision also serves as a reminder of the importance of a complainant's good faith and diligence prior to the submission of a complaint, even if a respondent registered the disputed domain name for speculative and commercial reasons.

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