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No UDRP remedy for failure to renew

International - Hogan Lovells

- The complainant, which owned several TITONI marks, sought the transfer of 'titoni.com' under the UDRP; the domain name had lapsed in 2018 due to the complainant's failure to renew it
- The panel found that the complainant had not established that the respondent had registered the domain name in order to sell it to the complainant
- The UDRP was not primarily designed to make up for the mistakes of complainants

In a recent <u>decision</u> under the <u>Uniform Domain Name Dispute Resolution Policy</u> (UDRP) before the World Intellectual Property Organization (WIPO), a three-member panel has refused to transfer the disputed domain name 'titoni.com', finding that the complainant had failed to prove that the domain name had been registered in bad faith.

Background

The complainant was Titoni AG, a company with its headquarters in Grenchen, Switzerland, specialised in the manufacture and supply of watches and jewellery worldwide. The complainant had used the brand Titoni since the 1950s and owned many trademarks in TITONI, including a Swiss trademark registered in 1991. The domain name had been registered in 2000 by the complainant and used for its English-language websites. It had been regularly renewed until it lapsed in 2018 due to the complainant's failure to renew it as a result of an administrative error.

The respondent, Synergy Technologies LLC, a company registered in Saint Kitts and Nevis, was a domain name dealer. It acquired the domain name by auction and used it to point to a website with pay-per-click links related to names and genealogy, such as 'Ancestry', 'Change Names', 'Family Heritage', 'Family Portrait' and 'Family Tree'.

On 15 February 2019 the complainant attempted to regain ownership of the domain name by emailing the respondent to request a transfer. To support its request, the complainant asserted trademark rights and explained that the domain name had been used for a website for many years and that the non-renewal of the registration was due to a mistake. A domain name broker immediately replied that at least \$10,000 would be required to engage with the respondent.

The complainant then initiated proceedings under the UDRP. To be successful under the UDRP, a complainant must satisfy the requirements of Paragraph 4(a) of the UDRP, namely:

- the disputed domain name 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 the disputed domain name; and
- the disputed domain name was registered and is being used in bad faith.

Decision

Under the first element of Paragraph 4(a), the panel found that the requirement was satisfied because the domain name, without its suffix, was identical to the trademark registered by the complainant.

The panel considered it was not necessary to comment on the second element of Paragraph 4(a) due to its findings under the third element.

As regards the third element of Paragraph 4(a), the complainant claimed that the respondent had intended to benefit from the complainant's trademark and reputation in order to sell the domain name at an unreasonably high price. The panel considered that, with regard to bad faith, this was a finely balanced case.

The complainant argued that 'Titoni' was a fanciful word without any common meaning. The panel however found that the respondent had established that 'Titoni' was a first name, a surname and a business name used in some countries and was not exclusive to the complainant.

The complainant also contended that the respondent's website simulated active content, whereas in fact its main purpose was to sell domain names. The complainant added that the respondent was not commonly known as 'Titoni' and that it had not registered any trademarks under that name, but had instead engaged in unauthorised use of the complainant's trademark in a domain name without establishing any legitimate non-commercial or fair use. To the complainant, the respondent could only have been aware of its trademark, which was unmistakably linked to its marketing activities, and of the fact that only the complainant was known by the word 'Titoni'. The complainant came to the conclusion, from the broker's response and from the respondent's refusal to transfer the domain name after receiving the complainant's notice, that the respondent's bad faith was established.

The panel reminded the complainant that it had itself mentioned that the respondent was aware of the name and trademark "[at the] latest since respondent received a notice from complainant about its erroneous lapse", thus acknowledging the possibility that the respondent may not have had such knowledge prior to receiving the complainant's notice. The panel found that the complainant's allegations that the respondent had intended to target its business were unsubstantiated. For example, there was no evidence that:

the respondent had any knowledge of the trademark's high degree of fame;

- the respondent had used the domain name in relation to watches; or
- the respondent had engaged in cybersquatting activity.

The panel pointed out that the broker's response was not an unsolicited attempt to sell the domain name, but it came as a response to an enquiry and, therefore, the complainant had not established that the respondent had registered the domain name in order to sell it to the complainant.

To support its claims, the complainant cited a WIPO decision that it considered similar to the case at hand, namely <u>IDR Solutions Ltd v Whois Privacy Corp</u> (WIPO Case No D2016-2156), and which was rendered in favour of a party that had omitted to renew its domain name (the *IDR* case).

The panel, however, noted some determining differences in that the respondent in the *IDR* case operated in the same industry as the complainant and that it had registered the disputed domain name in full knowledge of the complainant's use and mark. The panel went on to specify that the *IDR* case had not disregarded the complainants' general obligation to establish bad-faith registration and use of disputed domain names.

Still referring to the *IDR* case, the panel highlighted a section of the decision that had been omitted by the complainant and in which the *IDR* case panel had declared that not all erroneously lapsed domain name registrations were evidence of bad-faith registration by the new registrant, and that the UDRP was not primarily designed to make up for the mistakes of complainants.

As a consequence, the panel denied the domain name transfer.

Comment

This case is an illustration of the importance for domain name registrants to rigorously manage their portfolios to avoid missing any expiry dates. It is also a clear reminder that the UDRP has, *per se*, no remedies for registrants who negligently fail to renew their domain names.

David Taylor

Hogan Lovells

Aissatou Sylla

Hogan Lovells

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