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No remedy for failure to prove bad faith at time of domain name registration

International - [Hogan Lovells](#)

- The complainant, which licenses the trademark AIZEL in various territories, sought the transfer of 'aizel.com' under the UDRP
- The panel found that the complainant had established a *prima facie* case of absence of legitimate interests
- However, the panel held that the complainant had failed to establish registration in bad faith, noting that the domain name was registered almost 15 years before the complainant registered its mark

In a recent [decision](#) under the [Uniform Domain Name Dispute Resolution Policy](#) (UDRP) before the World Intellectual Property Organization, a panel has refused to transfer the disputed domain name 'aizel.com', finding that the complainant had failed to prove that the domain name had been registered in bad faith.

Background

The complainant was Art-Four Development Limited, a company incorporated in the British Virgin Islands which licensed the trademark AIZEL, registered in 2015, mostly for marketing and sale of luxury fashion merchandise in various territories.

The respondent, Tatiana Meadows, was an individual resident in the United States who had registered the domain name in 2000. At the time of the decision, the domain name did not resolve to an active website.

The complainant initiated proceedings under the UDRP for a transfer of ownership of the domain name. The respondent had never responded to any communications from the complainant and she did not respond to the complaint.

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) of the UDRP, the panel found that the requirement was satisfied because the domain name was identical to the trademark registered by the complainant.

As regards the second element of Paragraph 4(a), the panel found that the complainant had established a *prima facie* case of absence of legitimate interests and that the respondent had failed to rebut the *prima*

facie case as she had not seized the opportunity to demonstrate her rights or legitimate interests. The panel, confirming the complainant's arguments, held that:

- there was no evidence that the respondent had been using or preparing to use the domain name in connection with a *bona fide* offering of goods or services, whereas the domain name had never contained any information related to the respondent and it had never been used and had been parked since its registration;
- the complainant had never consented to the use of the trademark;
- there was no evidence that the respondent had been commonly known by the domain name, or that she had trademark rights in relation to the domain name; and
- the respondent had not been making a legitimate non-commercial or fair use of the domain name without intent for commercial gain and that no active website was associated with the domain name.

As regards the third element of Paragraph 4(a) of the UDRP, the complainant claimed that the respondent had registered and used the domain name in bad faith on the grounds that the registration constituted passive holding and cybersquatting for the purpose of selling domain names to the owners of trademarks for valuable consideration or preventing trademark owners from reflecting their trademarks in the domain names.

The complainant indicated that the respondent had registered approximately 30 domain names not connected or used in connection with the respondent or any *bona fide* offering of goods or services. The complainant added that it had endeavoured, in vain, through numerous methods, to contact the respondent and that the phone numbers were not correct.

However, the panel held that the complainant had failed to establish that the domain name had been registered in bad faith. The panel noted that the respondent had registered the domain name in 2000, almost 15 years before the trademark registration by the complainant, which had not provided evidence that it was operating its business or that it had any registered or common law trademark rights prior to 2000. The panel specified that the only instance where bad faith could be established in such a situation was when evidence was provided that the respondent's intent in registering a domain name was to unfairly capitalise on a complainant's nascent trademark rights.

In addition, the panel considered that the passive holding arguments invoked to demonstrate the absence of legitimate interests were too weak to successfully prove bad faith use and that, in any event, the third element of Paragraph 4(a) of the UDRP could not be satisfied if bad-faith registration was not established.

Comment

This decision is an illustration of the importance of proving bad faith at the time of registration of a domain name, especially when the complainant's trademark did not yet exist at that time.

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