



11 Dec 2020 'picture.com' case: transfer is out of the picture under the UDRP

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- **Picture Organic Clothing, which owned several PICTURE marks, sought the transfer of 'picture.com' under the UDRP**
- **The panel found that the domain name constituted a valuable asset, which explained its acquisition by the respondent**
- **The panel entered a finding of RDNH, concluding that the complainant knew or ought to have known that its complaint was doomed to fail**

In a recent [decision](#) under the [Uniform Domain Name Dispute Resolution Policy](#) (UDRP) before WIPO, a three-member panel has refused to transfer the domain name 'picture.com', finding that the complainant had failed to prove that the respondent had no rights or legitimate interests and had registered and used the domain name in bad faith, and entering a finding of reverse domain name hijacking (RDNH).

Background

The complainant was Picture Organic Clothing, a French clothing company producing eco-friendly clothes and accessories. The complainant registered several trademarks for PICTURE between 2011 and 2012. Prior to filing the complaint, the complainant had received an unsolicited offer from a domain name broker offering the domain name for sale with an asking price of \$350,000.

The identity of the respondent was an issue in this case. The respondent was initially identified as a privacy service. The complainant also asserted that the respondent "could also be" the domain name broker who had contacted them previously. The registrar then disclosed registrant information and identified James Booth, an individual, as the respondent. However, in the submitted response, it was asserted that the actual true and beneficial owner was a company named Booth.com Ltd, an internet business dealing in buying, selling or leasing domain names.

The panel found that Booth.com Ltd could also be treated as a respondent, as there was evidence linking this company to James Booth. However, the panel refused to include the domain name broker as a respondent, finding that the complainant had failed to provide evidence linking the domain name broker and the respondent, and had also failed to rebut evidence provided by the domain name broker showing that there was no link between them.

The disputed domain name was originally registered in September 1994 by a third party and was acquired by the respondent in 2019 from the same domain name broker who had originally approached the complainant. The domain name resolved to a web page offering it for sale.

The complainant initiated proceedings under the UDRP for a transfer of ownership of the domain name. The respondent submitted a response requesting the panel to enter a finding of RDNH.

To be successful under the UDRP, a complainant must satisfy the requirements of Paragraph 4(a) of the UDRP:

- 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

Paragraph 4(a)(i)

The panel found that the complainant had established rights in the PICTURE trademark, and that the domain name incorporated the textual elements of the complainant's registered mark in their entirety.

Paragraph 4(a)(ii)

The panel considered that the complainant had failed to establish a *prima facie* case that the respondent had no rights or legitimate interests. Specifically, the panel found that the complainant had failed to provide evidence that the respondent registered the domain name in order to profit from it at the expense of the complainant. The panel further stressed that the domain name consisted of a commonly-used dictionary word and, as such, constituted a valuable asset which explained its acquisition by the respondent.

Paragraph 4(a)(iii)

The panel held that the complainant had failed to establish bad-faith registration and use by the respondent. The complainant had based its argument solely on the fact that the domain name did not resolve to an active website and that the respondent only sought to sell it. The panel again underlined the fact that the domain name consisted entirely of the dictionary term 'picture' and thus had an inherent value which could be exploited legitimately as long as the registrant did not take advantage of, or exploit, the trademark rights of another party. The panel held that the

complainant had failed to submit evidence to the contrary. Indeed, the panel found that the complainant had not provided evidence of its use of the PICTURE trademark, its reputation or fame. Nor did the complainant establish that the respondent had acquired the domain name to target the complainant's trademark rights or to use the domain name in connection with a website aimed at goods and services associated with the complainant.

RDNH

The majority of the panel concluded by entering a finding of RDNH, considering the filing of a complaint regarding a domain name that fully consisted of a common dictionary word without providing any evidence of registration or use in bad faith, added to the fact that the complainant persisted in asserting that the domain name broker could be the respondent. In the panel's opinion, this indicated that the complainant knew or ought to have known that its complaint was doomed to fail.

It should be noted that one panel member disagreed with the majority on the finding of RDNH and found that the complainant did not use the UDRP in bad faith to attempt to deprive the respondent of the domain name. The dissenting panel member noted that the complainant had merely failed to meet the UDRP criteria, which should not necessarily entail a finding of RDNH. In the dissenting panel member's opinion, the "domainer world" was difficult for trademark holders, as having a valid trademark and being asked for a substantial amount of money for a domain name which consisted exclusively of this trademark was not necessarily abuse, which could be difficult to grasp from a classic trademark perspective.

Comment

This decision illustrates an essential difference between the rules applicable to trademarks and those applicable to domain names - namely, the lack of use of a domain name, as opposed to the lack of use of a trademark, or the registration of a domain name just to sell it, will not preclude the registrant from prevailing in UDRP proceedings. Domain names operate on a "first come, first served" basis and simply registering a domain name consisting of a descriptive word (which could also be registered as a trademark) with the intention of selling it for a profit later is not necessarily prohibited. On the contrary, such practices are common and trademark owners should be mindful of this. In the event of UDRP proceedings, trademark owners should tread carefully and gather reliable and convincing evidence of bad faith, otherwise their complaint will almost certainly be denied.

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