

# World Trademark Review Daily

## Decision illustrates flexible nature of burden of proof under UDRP International - Hogan Lovells

## Cybersquatting

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In *Government Employees Insurance Company v Gonzalez* (Case D2011-1130, August 5 2011), a single-member panel has ruled that the registration and use of a disputed domain name incorporating a trademark without any reasonable justification was sufficiently strong evidence of bad faith.

As the panel duly noted, the complainant, *Government Employees Insurance Company*, often known as GEICO, was no stranger to the *Uniform Domain Name Dispute Resolution Policy* (UDRP) process, having had to initiate proceedings on a regular basis in order to protect registered trademark rights in its acronym, surprisingly popular with registrants.

The respondent, a certain Michael Gonzalez from Florida, registered the domain names 'geicohosting.com' and 'geicohosting.net' on March 28 2009 and January 14 2011, respectively. The outcome of this proceeding was less predictable for the former, which resolved to a website promoting the respondent's alleged web hosting services, but yet was riddled with typographical errors, incorrect contact details and other unprofessional anomalies. The latter pointed towards a sponsored links page.

The complainant filed a complaint with the *World Intellectual Property Organisation* on July 5 2011. To be successful in a UDRP procedure, the complainant must provide evidence that:

- the 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 respect of the domain name; and
- the domain name has been registered and is being used in bad faith.

In respect of the first limb of the UDRP, the complainant asserted that it had registered the trademark GEICO in 1964, and that it had common law rights going back to 1936. It further contended that the disputed domain names were confusingly similar to the GEICO mark.

These two arguments were readily accepted by the panellist, who noted that the establishment of trademark rights had long preceded registration of the domain names, whose dominant and identifying feature was the GEICO mark, incorporated in its entirety. Thus, the addition of 'hosting', a non-source identifying term, was immaterial and did not obviate the likelihood of consumer confusion.

As for the second limb, it was submitted that the respondent was in no way associated with the complainant, and had not acquired any licence or prior consent. It was further alleged that the respondent was not commonly known under the aforementioned mark, and that available evidence strongly implied that the respondent could not be pursuing any legitimate or good-faith interest. Remarking that the burden of proof was incumbent upon the complainant, and that the mark GEICO was exclusively associated with the complainant's insurance services, the panellist agreed that the respondent had no legitimate reason to make use of the domain names in connection with both the website displaying sponsored links and the web hosting site. In the panellist's view, the latter's unprofessional nature belied any possible evidence of serious activity likely to fall into the scope of a "*bona fide* offering of goods or services".

The last limb proved to be more difficult. As the panellist noted, the complainant had easily established bad faith in relation to the domain name which was pointing to a website with links to competing insurance services. However, the unprofessional content of the website to which the second domain name resolved did not yield any substantial evidence of bad-faith use. The complainant based its allegation of bad faith on a pattern of bad-faith conduct, arising from the existence of two domain names incorporating the trademark in its entirety, the first of which clearly evidenced commercial interest.

Confronted with such evidentiary difficulties, the panellist proved to be particularly clement and considered that bad faith may arise from "*the very domain name itself*", even if none of the four circumstances listed under Paragraph 4(b) of the UDRP as examples of bad-faith registration and use were established in the case at hand. The panellist laid emphasis on the distinctive nature of the acronym in question, which was a coined term associated with the complainant's services and products.

In the panellist's opinion, three conditions must be fulfilled in order to prove that the respondent had registered and was using the domain name in bad faith:

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- the complainant had to evidence that there was no reason for the respondent to use the domain name;
- there was no relationship between the parties; and
- there was no possible connection between the respondent's business on the website and the GEICO mark.

The panellist held that all three conditions were fulfilled, and concluded that the respondent's intention was to create a false sense of origin or sponsorship.

This case illustrates the specific burden of proof under the UDRP and its flexible nature, as it explicitly provides that the circumstances evidencing bad faith under Paragraph 4(b) are "in particular, but without limitation" and, therefore, not the sole means of establishing the third limb. This detail was paramount to the success of the complaint in this instance.

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