

World Trademark Review Daily

Greater connection between domain name and complainant required to find bad faith

Cybersquatting

International - Hogan Lovells International LLP

July 12 2012

Natura Cosméticos S/A, a Brazilian-based manufacturer and distributor of cosmetics and other beauty products, has lost a case filed under the [Uniform Domain Name Dispute Resolution Policy](#) (UDRP) in relation to the domain name 'natura.tv'.

The domain name was first registered on June 28 2000 by a family member of the respondent and was then transferred to the latter on September 18 2004. The domain name was associated with a 'free' Sedo parking page which contained only a link unrelated to cosmetics or perfumes. A single-member panel ruled that the respondent, Jarno Vastamaki, a founding member of a Finnish environmental and nature conservancy group called Dodo, was allowed to retain ownership of the domain name.

To be successful under the UDRP, a complainant must 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.

The panel was satisfied that the complainant had established the first requirement. It was undisputed that the complainant held registered NATURA marks in Brazil and other countries. The addition of the country-code top-level domain '.tv' in 'natura.tv' did not alter the fact that the domain name was identical to the complainant's trademarks.

Turning to the second requirement of the UDRP, Paragraph 4(a)(ii) lists several factors that may prove that a respondent has rights or legitimate interests, including the following:

"(i) Before any notice to you of the dispute, your use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a bona fide offering of goods and services; or

(ii) You (as an individual business, or other organisation) have been commonly known by the domain name, even if you have acquired no trademark or service mark rights; or

(iii) You are making a legitimate non-commercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue."

The panel focused on (iii), and especially on the word 'making', while considering the existence of rights or legitimate interests on the part of the respondent. The panel alleged that 'making' normally required some active use of a disputed domain name, but was of the opinion that there were circumstances where passive holding could actually suffice in the establishing of rights and legitimate interests. The panel noted that, in *Pfizer v Van Robichaux* (Case D2003-0399), a previous panel had found that the passive holding of a domain name incorporating a pharmaceutical brand name for prospective use to inform potential clients could be considered fair commercial use.

The respondent made it clear that he had owned the domain name for 10 years and had never had an active website (nor did he indicate any plans to have one), but he asserted that he had a general right to retain the domain name because of the fact that it related to his personal interests.

Despite this, the panel refrained from deciding whether, in this case, the respondent actually had rights or legitimate interests, as the third element relating to bad faith was not fulfilled, so this was unnecessary

In relation to the third prong of the UDRP, the complainant argued that, although the respondent did not register the domain name for the purpose of selling it to the complainant or to another party, and nor did he attempt to disrupt its business, the respondent registered the domain name with a view to taking advantage unfairly of the goodwill associated with the complainant's well-known trademark. The complainant asserted that the respondent was aiming to capture revenues from sponsored links and advertisements on the parking page to which the domain name was pointing.

World Trademark Review *Daily*

However, the panel did not agree with the complainant's allegations. First, the 'free' parking page to which the domain name was pointing contained a very general list of commercial subject matter headings that had no connection with the complainant. Therefore, the panel could not find that the complainant had incurred any damage as a result of this use by the respondent.

The panel noted that the case was complicated because the registrar, Sedo, may have received some revenue from the free parking page based on click-through links and the respondent was completely responsible for that. However, the respondent provided sufficient evidence that, when the domain name was accessed from his country, it pointed to a website with a single sponsored link with no connection to the complainant.

Moreover, the panel explained that, although the four decisions provided by the complainant were in its favour, they were not at all relevant in the present situation. For example, in *Natura Cosméticos SA v Belize Domain Whois Service Lt* (Case D2007-1165), the respondent had registered domain names expressly referring to the complainant's products and offered products competitive with those of the complainant for sale on its website, which the respondent in this case did not do.

In the present proceeding, the free parking page was associated with a general list of products and services that had absolutely no connection with the complainant and its business. Therefore, the panel was unwilling to attribute bad-faith registration and use to the respondent on the basis of such slender potential for third-party profit. The panel also reached this decision because the respondent had registered two more domain names meaning 'nature' in Finnish at the same time that he registered the domain name. For the panel, this was further proof of the fact that he was reserving the domain names for future use in connection with the environment.

The panel therefore denied the complaint. It emphasized that it was unwilling to infer from these facts that the respondent was attempting to take unfair advantage of the goodwill of the complainant for commercial gain. In effect, there needed to be a greater connection between the domain name and the Complainant in order to assume that the respondent had registered and used the domain name in bad faith for commercial gain.

David Taylor and Jane Seager, Hogan Lovells LLP, Paris

World Trademark Review (www.worldtrademarkreview.com) is a subscription-based, practitioner-led, bi-monthly publication and daily email service which focuses on the issues that matter to trademark professionals the world over. Each issue of the magazine provides in-depth coverage of emerging national and regional trends, analysis of important markets and interviews with high-profile trademark personalities, as well as columns on trademark management, online issues and counterfeiting.