

Hotel chain obtains transfer of '.berlin' domain name reproducing its mark International - Hogan Lovells LLP

Cybersquatting

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In a recent case under the [Uniform Domain Name Dispute Resolution Policy \(UDRP\)](#) before the [World Intellectual Property Organisation](#), a well-known hotel chain has obtained the transfer of a domain name identically reproducing its trademark under the new generic top level domain (gTLD) '.berlin'.

The '.berlin' TLD is one of the [many city TLDs launched by ICANN this year](#) and it aims to promote the city of Berlin in Germany. It was delegated into the root on January 8 2014 and became available for general registration following a sunrise period for trademark holders that opened on February 14 and closed on March 16 2014. According to the '.berlin' domain name registration policy, '.berlin' domain names may be registered only by persons or entities that can show that they have "an economic, cultural, historical, social or other connection to the German capital, Berlin". In addition, a domain name registered under the '.berlin' new gTLD must be put to use within 12 months of its date of registration. These requirements however have not thwarted the explosive growth of domain name registrations under '.berlin', as it is currently the second most popular new gTLD with over 150,000 domain name registrations.

In the present case, the complainant was [Starwood Hotels & Resorts Worldwide Inc](#), a leading hotel company based in the United States, together with its affiliated company Westin Hotel Management LP. The complainant was the owner of Westin hotels, a luxury chain of hotels with more than 120 hotels in over 30 countries, including in Berlin. It was the owner of numerous WESTIN marks, including US, German and Community trademarks, used in connection with the hotel and leisure industry.

The respondent was Hyper.Directory Inc (Florida, United States). No further details were known about the respondent.

The disputed domain name was 'westin.berlin', which was registered on June 18 2014 by the respondent. The domain name did not resolve to an active website. The complainant decided to file a UDRP seeking to obtain the transfer of the domain name. The respondent failed to submit a response to the complaint (although it is well established under the UDRP that a respondent's default does not automatically result in a decision in favour of the complainant).

To be successful in a complaint under the UDRP, a complainant must satisfy the following three requirements:

1. the domain name is identical, or confusingly similar, to a trademark or service mark in which the complainant has rights;
2. the respondent has no rights or legitimate interests in respect of the domain name; and
3. the domain name has been registered and is being used in bad faith.

As for the first requirement, the panel found that the complainant had established trademark rights in the term 'Westin' based on the complainant's numerous trademark registrations. The panel then noted that the domain name was identical to the complainant's WESTIN mark, with the exception of the extension '.berlin'. The panel made reference to the well-established principle that a gTLD is generally insufficient to distinguish a domain name from a trademark. However, the panel recognised that, in certain circumstances, the TLD may increase confusion with a complainant's mark and found that in the present case the TLD '.berlin' did increase the confusing similarity with the complainant's WESTIN mark as the complainant owned a Westin hotel in the city of Berlin (with its website available at '[westingrandberlin.com](#)').

The panel therefore found that the complainant had satisfied Paragraph 4(a)(i) of the UDRP.

Turning to the second requirement, a complainant must establish that a respondent does not have rights or legitimate interests in the disputed domain name. In this regard, Paragraph 4(c) of the UDRP sets out the following non-exhaustive list of circumstances which may indicate that a respondent has rights or legitimate interests in a domain name:

- before any notice of the dispute, the respondent's use of, or demonstrable preparations to use, the domain name was in connection with a *bona fide* offering of goods or services;
- the respondent has been commonly known by the domain name, even if it has acquired no trademark

rights; or

- the respondent is 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 at issue.

The panel found that the complainant had exclusive rights in the WESTIN mark, that there was no connection between the complainant and the respondent, and that the respondent was not authorised by the complainant to register or use the WESTIN mark, in a domain name or otherwise. Furthermore, the panel found that none of the circumstances set out in Paragraph 4(c) of the UDRP appeared to assist the respondent. The panel concluded that the complainant had made a *prima facie* case that the respondent had no rights or legitimate interests in the domain name and that, in view of its default, the respondent had failed to rebut this showing. The panel thus found that the respondent did not have rights or legitimate interests in the domain name and the complainant therefore satisfied Paragraph 4(a)(ii) of the UDRP.

Turning to the third requirement, a complainant must demonstrate that the respondent both registered *and* used the disputed domain name in bad faith. In this regard, Paragraph 4(b) of the UDRP sets out the following list of non-exhaustive circumstances that may be invoked by a complainant to illustrate the respondent's registration and use in bad faith:

- the respondent registered or acquired the domain name primarily for the purpose of selling, renting or otherwise transferring it to the complainant or to a competitor, for valuable consideration in excess of documented out-of-pocket costs directly related to the domain name;
- the respondent registered the domain name in order to prevent the owner of the trademark from reflecting the mark in a corresponding domain name, provided that the respondent has engaged in a pattern of such conduct;
- the respondent registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- the respondent is intentionally using the domain name in an attempt to attract, for commercial gain, internet users to its website by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation or endorsement of the respondent's website.

As for bad-faith registration, the panel found that, given the renown of the complainant's WESTIN mark, it was highly unlikely that the respondent was unaware of the complainant or its WESTIN mark at the time of registration of the domain name. The panel thus found that the only reasonable conclusion was that the respondent registered the domain name seeking to misappropriate the complainant's goodwill for some type of financial gain. In addition, the panel found that the respondent's registration of the domain name prevented the complainant from registering its own trademark in the corresponding domain name, in accordance with Paragraph 4(b)(ii) of the UDRP.

Regarding bad-faith use, the question was less evident, given that the domain name had not been used by the respondent. However, given the overall circumstances of the case, and in particular, the renown of the complainant's WESTIN mark, the panel found that the respondent's passive holding of the domain name constituted use in bad faith. The panel therefore found that the complainant had met Paragraph 4(a)(iii) of the UDRP.

The complainant satisfied the three requirements under the UDRP and so the panel ordered the transfer of the domain name to the complainant.

This decision highlights the impact that the introduction of almost 1,400 new gTLDs will have for brand owners across the globe - trademark holders are well advised to seek assistance to define a suitable strategy to protect their brands from cybersquatters. The decision also confirms that, whilst there are other rights protection mechanisms, such as the Uniform Rapid Suspension System (URS), that have been put in place specifically to assist brand owners in protecting their online brands under the new gTLDs, the UDRP is often a more appropriate mechanism, particularly for trademark owners seeking to obtain the transfer of a domain name (as the URS may lead only to suspension, as opposed to transfer).

David Taylor and Soraya Camayd, Hogan Lovells LLP, Paris

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