

Nirvana LLC obtains transfer of two '.au' domain names - smells like bad-faith use Cybersquatting Australia - Hogan Lovells LLP

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In a recent domain name dispute under the '[.au](#) Domain Name Dispute Resolution Policy (auDRP) before the [World Intellectual Property Organisation](#) (WIPO), an American company has obtained the transfer of two '.au' domain names incorporating its trademark (*Nirvana LLC v Wilcox* (Case No DAU2014-0031); *Nirvana LLC v Willcox* (Case No D2014-1597)). '.au' is the country-code top-level domain (ccTLD) for Australia.

The complainant was Nirvana LLC, the owner of the rights in the name and trademark NIRVANA as used in connection with the world-famous rock band. The complainant owned, amongst other trademark registrations, the Australian trademark NIRVANA registered in February 2004.

The respondent was Darren Marc Wilcox, an Australian citizen, who owned an Australian business name in the term 'Nirvana Drums', as well as five domain names including the words 'nirvana' and 'drums' registered under the '.com.au', '.net.au', '.com' and '.net' extensions. The respondent applied for an Australian design mark featuring the words 'nirvana' and 'drums', but withdrew his application in response to the complainant's cease and desist letter.

The disputed domain names were 'nirvanadrums.com.au' and 'nirvanadrums.net.au'. They were both created on September 15 2012 and resolved to a page stating "site not published" at the time of the decision.

Following settlement negotiations with the complainant, the respondent agreed to restrict his use of the words 'nirvana drums', but wished to retain ownership of the domain names until their expiration or until some financial settlement with the complainant was reached. He later demanded \$1.5 million for all five domain names.

The complainant filed an auDRP complaint on September 17 2014 in order to obtain the transfer of the domain names. To be successful in a complaint under the auDRP, a complainant must satisfy all of 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 or subsequently used in bad faith.

The first prong of the requirement is a low-threshold test and this was easily satisfied. The panel found that the domain names included the complainant's NIRVANA trademark in its entirety and the generic word 'drums'. In the panel's opinion, the addition of a generic noun to a domain name that otherwise incorporated a trademark in its entirety typically did not prevent a finding of confusing similarity. Furthermore, the panel agreed with the complainant's contention that the addition of the word 'drums' may increase the potential for confusion as an internet user may be confused into thinking that the domain names referred to a site relating to Nirvana's drummer Dave Grohl, who enjoys a successful solo career.

Turning to the second requirement of the auDRP, the panel found that the complainant had established a *prima facie* case that the respondent lacked rights or legitimate interests in the domain names. The burden was thus on the respondent to provide evidence of rights or legitimate interests, for example by proving any of the circumstances set out at Paragraph 4 (c) of the auDRP:

- (i) before any notice to the respondent of the subject matter of the dispute, the respondent's *bona fide* use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with an offering of goods or services (not being the offering of domain names that the respondent acquired for the purpose of selling, renting or otherwise transferring);
- (ii) the respondent (as an individual, business, or other organisation) has been commonly known by the domain name, even if the respondent has acquired no trademark or service mark rights; or
- (iii) 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 name, trademark or service mark at issue.

Examining the respondent's response, the panel found that the ownership of a registered Australian business name for 'Nirvana Drums' was insufficient to establish rights and legitimate interests under the

auDRP as the registration process did not require any examination, other than to confirm that no other entity had an identical business name.

Furthermore, the domain names had never hosted an active website and the respondent would have needed to provide documentary evidence - such as business or marketing plans, website design or budgets - to demonstrate preparations to use the domain names.

In addition, if the respondent had, at certain times, maintained an active website at the domain name 'nirvanadrums.com' for the sale of t-shirts, no evidence of sales, marketing or business development arising from the website was provided. Thus, the respondent had provided no evidence that the website was part of an on-going business, as opposed to the complainant's allegation that it was used as part of a ploy to encourage the purchase of several domain names for the price of \$1.5 million.

Finally, the respondent did not provide any evidence supporting his assertion that he chose the domain names in reference to the 2,500-year-old ancient Sanskrit spiritual concept of Nirvana, as opposed to the complainant's submission that it referred to the band Nirvana.

Ultimately, the panel found that the response was not supported by any evidence that the respondent had any rights or legitimate interests with regard to the domain names.

Turning to the third requirement of the auDRP, a complainant must demonstrate that the respondent registered or subsequently used the disputed domain names in bad faith. In this regard, it is interesting to note that the threshold is set lower under the auDRP than under the [Uniform Domain Name Dispute Resolution Policy](#) (UDRP), which applies to generic TLDs such as '.com', as either registration or use in bad faith is sufficient under the auDRP, as opposed to both registration *and* use in bad faith under the UDRP.

Relying on the evidence provided by the complainant showing the considerable prior legal correspondence between the parties, the panel found that the respondent's conduct amounted to bad-faith use. The respondent had undertaken to cease all use of the domain names, but then demanded \$1.5 million for the transfer of all five - when his own estimation of his out-of-pocket costs for the registration, web design and trademark application fees only amounted to A\$2,567. Finally the respondent had threatened to, and effectively did, re-launch a website at '[nirvanadrums.com](#)' selling t-shirts when such compensation was not forthcoming.

Given the requirement for registration or use in bad faith, it was not necessary for the panel to make any finding as to whether the respondent had registered the domain names in bad faith.

It is interesting to note that, in [UDRP Case No D2014-1597](#), decided on November 10 2014 between the same parties (but before another panel), the complainant also obtained the transfer of the other three domain names at issue, namely 'nirvanadrums.com', 'nirvanadrumsfilm.com' and 'nirvandrum.net'. However, in this decision it was necessary for the panel to find bad-faith registration, given the cumulative requirement under the UDRP. This underlines the lighter burden of proof under the auDRP, and in fact many other alternative dispute resolution proceedings adopted by various ccTLDs that also only require registration or use in bad faith.

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