

World Trademark Review Daily

Owner of descriptive mark cannot bar others from using it in domain name
International - Hogan Lovells LLP

Cybersquatting

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PetMed Express Inc, a Florida-based corporation selling prescription and non-prescription medication for pets, has [lost a case](#) filed under the [Uniform Domain Name Dispute Resolution Policy](#) (UDRP) in relation to the domain name 'petmedsnmore.com'. The domain name itself was registered on May 11 2008 and was being used to point to a website selling pet medications and pet supplies online. A single-member panel ruled that the respondent, Brian Schiffman Inc, based in California, was allowed to retain ownership of the domain name.

To be successful in a complaint under the UDRP, a complainant must evidence that:

- the domain name registered 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 trademarks incorporating its corporate name PetMeds in part or in full. The mere addition of 'nmore', with the letter 'n' having the colloquial meaning 'and', did not eliminate the likelihood of confusion with the distinctive portion of the domain name, which was identical to the complainant's registered mark.

In relation to the second requirement of the UDRP, while the panel agreed that the complainant had never authorised the respondent to use the PETMEDS mark, it noted that Paragraph 4(c) of the UDRP set out various factors which may demonstrate rights and 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 or 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."

The respondent argued that the words 'pet meds' were descriptive and thus used by many retailers in the business. However, the panel found that such use could not be seen to be in good faith if the respondent had selected the domain name with the aim of trading on the complainant's reputation. In this regard, the panel thought that the answer to this question turned on the same facts as bad faith, and so moved on to consider this issue.

As far as bad faith was concerned, the panel found that, although the respondent was definitely aware of the complainant and its PETMEDS marks when he registered the domain name, there was not sufficient evidence to show that the respondent's primary intention was to disrupt the complainant's business or prevent it from using the mark in a corresponding domain name. In fact, as the domain name was not identical to the complainant's mark, the complainant could (and actually did) register a domain name identical to its mark, 'petmeds.com', which it used to direct internet users to its website at '[180petmeds.com](#)'.

The panel concluded that the presence of bad faith would be established if it was probable that the respondent had registered and used the domain name in an effort to create "initial interest confusion" so as to divert consumers seeking the complainant's website. To this end, the panel cited the well-known case of [Telstra Corporation Limited v Nuclear Marshmallows](#) (Case D2000-0003) to illustrate that such a finding would be unavoidable if the complainant's mark was highly distinctive. In that case the panel had concluded that:

"the word 'Telstra' appears to be an invented word and, as such, is not one traders would legitimately choose unless seeking to create an impression of an association with the complainant."

However, in this case the panel concluded that the name Pet Meds was widely used as a descriptive term and found in numerous domain names due to its useful descriptive value, rather than to its trademark value; evidence of that could also be found in an earlier ruling against the same complainant, [PetMed Express Inc](#)

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v JLB (Case D2009-0179).

Interestingly, the panel in that decision had stated that:

"the complainant's 'petmeds' formative United States trademark registrations were obtained under Section 2(f) of the Lanham Act, an indication that the marks were descriptive of the essence of the complainant's business and required secondary meaning for purposes of registration on the USPTO's principal register."

Therefore, while the complainant had gained adequate trademark protection, this could not guarantee that the respondent had registered and used the domain name in bad faith.

The panel therefore denied the complaint. It emphasised once more that:

"[t]he policy was not intended to permit a party who elects to register or use a common or descriptive term as a trademark to bar others from using the common term in a domain name, unless it is clear that the use involved is seeking to capitalise on the goodwill created by the trademark owner."

Based on that, the complaint failed both on lack of rights or legitimate interests and bad faith.

It is clear that the nature of the domain name itself was crucial to this case. The fact that it could be said to be a descriptive term and that the respondent had consistently used it as such was of particular importance. Clearly any entrepreneurs thinking of starting a business would be well advised to settle on a very distinctive, unique brand name and to steer clear of anything that could loosely be said to describe their products or services.

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