

World Trademark Review Daily

UDRP proceedings are not easy alternative to court action
International - Hogan Lovells

Cybersquatting

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In *Public Storage v Deer Valley Mini & RV Storage* (Case D2011-1397), complainant Public Storage, a California company providing rentable self-storage space business, has lost a complaint under the [Uniform Domain Name Dispute Resolution Policy](#) (UDRP) against respondents Deer Valley Mini & RV Storage and Deer Valley Mini Storage, self-storage space providers based in Arizona, concerning the domain names 'publicstorage-phoenix.com' and 'publicstoragephoenix.com'.

To be successful in a UDRP procedure, a complainant must evidence that:

- the domain name is identical, or confusingly similar, to a trademark or service mark in which it 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 present decision is interesting for two main reasons.

First, it makes clear that a proceeding under the UDRP is not a substitute for court action dealing with IP infringement. This should always be borne in mind when drafting a UDRP complaint, especially when the case at hand does not clearly fit within the ambit of the UDRP.

Second, the decision acts as a reminder that the [WIPO Arbitration and Mediation Centre](#), although not a national court, is a dispute resolution service within which panels judge objectively according to specific rules and procedures, and not simply according to their own subjective viewpoint. Paragraph 15(a) of the UDRP Rules provides that a panel shall decide a complaint on the basis of the statements and documents submitted and in accordance with the UDRP, the UDRP Rules, and any rules and principles of law that it deems applicable. Therefore, drafting a complaint requires a thorough understanding of the UDRP and the necessary facts and evidence to support relevant arguments.

The present panel's point of view was clear. It stated for example that "the panel cannot infer this from the submission, which simply lacks facts or evidence to support the complainant's conclusion", adding that the complainant's conjecture could not stand up to the actual evidence submitted by the complainant. It underlined that the "lack of any evidence that the respondents' aim in registering the disputed domain names at issue was to profit from or exploit the complainant's mark supports a finding of fair use and therefore legitimate interests".

The domain names were registered on August 24 2010 ('publicstorage-phoenix.com') and January 6 2010 ('publicstoragephoenix.com'). The websites to which these domain names resolved provided information to the public about public storage units available in the Phoenix area. Given that the respondents were competitors of the complainant and the domain names incorporated the complainant's mark in its entirety, the complainant decided to file a complaint under the UDRP.

Concerning the first limb of the UDRP, the complainant owned the US federal trademark PUBLIC STORAGE. The proof of the domain names being confusingly similar to the complainant's marks was therefore easily satisfied.

Interestingly, the panel explained that "because the registration is more than five years old, it cannot be attacked on the grounds that it is merely descriptive", although the respondents did not file any response. The panel also stated that:

"the fact that the complainant has rights in the PUBLIC STORAGE mark does not mean that these rights are strong [...] nor does it mean that the registration can be used to bar the fair use of a term that, as is the case with the complainant's mark, consists of common words used for their common meaning".

Although such issues were irrelevant to assess whether the domain names were identical or confusingly similar to the complainant's mark, the panel's remarks hinted at the disappointing decision to come for the complainant.

With regard to the second limb of the UDRP, the panel found that the complainant had failed to establish a

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prima facie case that the respondents lacked rights or legitimate interests in the domain names. The panel stated that the complainant had not provided the facts and evidence necessary to support its conclusion. In addition, the panel stressed that the respondents were using the phrase 'public storage' other than as a mark to describe the services they were supplying, which constituted fair use under US law. The panel was able to have regard to this according to Paragraph 15(a) of the UDRP and Paragraph 4.15 of the [WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Second Edition](#) (WIPO Overview 2.0).

Importantly, the panel explained that prior decisions in the complainant's favour were not determinative of whether the respondents were making fair use of the domain names for the purpose of assessing legitimate interests. Panels must judge cases submitted to them according to the provisions of the UDRP, and previous decisions only constitute evidence to support an argument. The panel made this point explicit by stating that "reliance on prior decisions in the complainant's favour is not proof of bad-faith registration and use in this case".

The panel then referred to subsequent registrations owned by the complainant for the PUBLIC STORAGE mark, and noted that they included disclaimers of the term 'storage'. This constituted, for the panel, an acknowledgement on the complainant's part that its mark had descriptive properties, "properties that the complainant may not prevent third parties from using". The UDRP allows a third party to legitimately register and use a domain name that incorporates a common term that is also a trademark, unless that term is used to capitalise on the goodwill created by the trademark owner. The panel underlined that a domain name which accurately describes a respondent's business constitutes fair use of such domain name.

Finally, the panel indicated that the complainant could not rely on the fact that the term 'self storage' may be more appropriate to describe the respondents' business, explaining that "the fair use defence is not limited to the use of only those descriptive terms that are 'necessary' to describe one's goods or services".

Turning to the third limb of the UDRP, the complainant failed to prove any of the circumstances set out by the UDRP to support a finding of bad-faith use and registration. The complainant merely relied on previous decisions in other cases with different facts to argue that the respondents must have been aware of its rights and must have acted in bad faith.

The complainant did however point to evidence of the possibility that the respondents might have had constructive notice, or perhaps actual notice, of the complainant's rights. On that point, the panel made clear that bad faith was not established merely because the respondents may have known of the complainant's interest in the PUBLIC STORAGE mark (and added that, in any event, the doctrine of constructive notice was not mandatory under the UDRP).

The decision is a good illustration that a certain number of panels are perhaps becoming irritated by complainants taking the UDRP procedure for what it is not: an easy alternative to court action where the outcome will depend largely on the relevant panel's opinion. The UDRP has rules and procedures of its own, and those who ignore them will see their complaint denied. The panel's final sentence before its decision makes this quite clear:

"whatever the respondents' motive was in adopting the disputed domain names, in this particular case and on this record, the panel finds the complainant simply has not provided sufficient proof of bad-faith use and registrations".

This is further demonstrated by the fact that, if the panel thought that the complainant had not submitted sufficient evidence, it could have asked the complainant to make a further submission. As Paragraph 4.5 of the WIPO Overview 2.0 states:

"if the panel feels that it requires supplemental information to make a decision in a proceeding, it can issue a procedural order to the parties requesting the submission of such information".

Therefore, complainants should not reply upon panels to assist them in completing any gaps in their evidence in order to obtain a successful transfer.

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