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## **Intellectual Property - France**

#### Court rules domain name is too generic to be protected

Contributed by Hogan Lovells International LLP

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Facts Appeal Comment

The Court of Appeal of Versailles has decided that while a domain name without a supporting trademark can be protected under the rules of unfair competition, it must be sufficiently distinctive. Applying this principle, the court refused to grant protection to the domain name 'chambres-et-literie.fr' and thus refused to sanction the registrant of 'chambres-et-literie.com'.

#### Facts

Mobilier et Agencement specialises in the sale of mattresses and bedding accessories through a shop and a website under the domain name 'chambres-et-literie.fr', which it registered on September 24 2003. In addition, the claimant had been granted a licence to use the French trademark CHAMBRES ET LITERIE by its registered owner Tahrrat. This was registered on September 7 1995 but not renewed when it expired 10 years later. However, Tahrrat subsequently filed a new application for the French trademark CHAMBRES ET LITERIE by Et LITERIE trademark CHAMBRES ET LITERIE to provide the trademark chamber 7 1995 but not renewed when it expired 10 years later. However, Tahrrat subsequently filed a new application for the French trademark CHAMBRES ET LITERIE on May 20 2009, which was granted.

In the meantime, the defendant, Groupe Matelsom, a competitor of Mobilier et Agencement, registered the domain name on March 16 2005 and used it to redirect traffic to its main website at www.matelsom.com. Upon discovering this, the claimant sent a cease and desist letter to the defendant on May 23 2006. The defendant failed to cooperate, so the claimant initiated court proceedings against it for trademark infringement and unfair competition, with Tahrrat as a joint claimant. In its defence, Groupe Matelsom applied for the cancellation of the trademark CHAMBRES ET LITERIE. On November 25 2010 the Nanterre Court of First Instance ruled in favour of the defendant and ordered the trademark's cancellation.

The claimant then decided to appeal this decision before the Versailles Court of Appeal relying solely on the protection of the domain name 'chambres-et-literie.fr' under the rules of unfair competition, given that the trademark CHAMBRES ET LITERIE had been cancelled. Tahrrat withdrew from the proceedings.

### Appeal

On appeal, the claimant argued that the registration and use of the domain name constituted an act of unfair competition and that it was an attempt to benefit from the claimant's goodwill, investments and reputation, to its detriment.

In response, the defendant highlighted the fact that the domain name redirected traffic to its website www.matelsom.com and was thus not capable of creating confusion. The defendant further contended that in any event the term CHAMBRES ET LITERIE was mundane and generic and thus not capable of being protected or reserved.

The court of appeal noted that the domain name 'chambres-et-literie.fr' was indeed too generic as it merely described the claimant's activity and website content: the words 'chambres' and 'literie' were thus akin to keywords. On this basis the court ruled that while a domain name could be protected through the tortious rules of unfair competition, it must be distinctive, which was not the case here. The court added that 'chambres et literie' did not indicate a particular source or affiliation so that this term could be freely registered under the top-level domain (TLD) '.com'.

### Comment

This decision clearly articulates the principle applicable to the protection of domain names under French law – namely, that they can be protected alone (without a supporting trademark) under the rules of unfair competition provided that they are

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distinctive.

After the Nanterre Court of First Instance ordered the trademark's cancellation, it would not have been possible to bring a complaint successfully under the Uniform Domain Name Dispute Resolution Policy (UDRP) as a trademark (registered or otherwise) is always necessary for a successful UDRP complaint. However, the claimant could likely have brought a successful complaint under the UDRP instead of initiating court proceedings in the first instance, as it would have been able to rely on trademark rights reproduced in the domain name. In addition, given that the defendant used the domain name to redirect traffic to its website, which was in direct competition with that of the claimant, it is conceivable that the claimant could also have succeeded in substantiating the defendant's lack of rights or legitimate interests as well as registration and use in bad faith, as required under the UDRP.

Indeed, the registration by a competitor of a domain name string (used by a trademark owner to point to its identically branded website) under a different TLD is generally viewed as cybersquatting. This is because it is usually designed to divert internet users looking for a well-known website to a different competing website, thus causing damage to the brand owner's goodwill and reputation and unjust enrichment to the competitor. It thus seems that the claimant's initial choice of French court litigation to deal with the later identical domain name registration by the defendant under '.com' may not have been the most appropriate course of action; filing a UDRP complaint may have been more advisable, not to mention quicker and cheaper.

This goes to show that one must tread carefully when choosing a strategy to prevent the use of a domain name, as making the wrong choice could result in losing trademark rights and future chances to obtain the cancellation or the transfer of an abusive domain name registration.

This decision is not publicly available.

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