

World Trademark Review Daily

Prior trademark rights not required under UDRP... but still quite useful
International - Hogan Lovells LLP

Cybersquatting

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In a [decision](#) issued in accordance with the [Uniform Domain Name Dispute Resolution Policy](#) (UDRP), Elektra Trading & Consulting Group SA de CV, a Mexican company selling and maintaining motorcycles, has been denied the transfer of the domain name 'italika.com'. The domain name was registered in 2001 via a proxy provider by a US company, [LeaseDomains.com](#).

The complainant held seven ITALIKA trademarks in Mexico for products and services relating to motorcycles. The first of these trademarks was registered on November 26 2004.

The domain name resolved to a parking page automatically generating sponsored links.

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

- The domain name 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 first requirement of the three-prong test is a low-threshold requirement that is generally satisfied by demonstrating trademark rights in a name, whether registered or unregistered, and regardless of where or when the trademark was registered or first used, although all of these factors may be relevant for the third element of the UDRP.

In the present case, the complainant relied on Mexican trademark registrations for ITALIKA.

The panel held that the complainant had rights in the name Italika, given that it had registered trademark rights in Mexico, and considered that the domain name was identical to the complainant's trademark. Thus, the complainant satisfied the first element of the three-prong test.

Turning to the second requirement, a complainant must establish that a respondent does not have rights or legitimate interests in the disputed domain name and, once a complainant makes a *prima facie* showing in this regard, the burden shifts to the respondent.

The complainant argued that the respondent had no rights or legitimate interests in the domain name. It highlighted that the respondent did not have any trademark rights in the name Italika and was not commonly known by said name. Furthermore, the complainant pointed out that it had not authorised the respondent to own or use any domain name incorporating the ITALIKA mark. In addition, the complainant stated that the domain name was being used to point to a website containing hyperlinks advertising third-party websites, including websites of companies unaffiliated with the complainant selling motorcycles and their parts.

The respondent did not reply to the complainant's contentions.

The panel observed that, since the term 'italika' had nothing to do with motorcycles, the fact that the hyperlinks were in relation to the complainant's products made clear that the links were based on the value on the complainant's trademarks. Although this was not mentioned by the complainant, the panel observed that there was a hyperlink on the bottom of the website at the domain name indicating that the domain name was for sale and that the hyperlink resolved to the website 'www.godaddy.com' announcing that the domain name was for sale.

According to the panel, such use of the domain name was evidently for commercial gain. Thus, the panel concluded that the respondent had no legitimate interest in the domain name.

To demonstrate that the respondent registered the domain name in bad faith, the complainant relied only on the fact that the respondent used a privacy or proxy registration service. Regarding bad-faith use, the complainant argued that, by linking the domain name to third-party websites which related to motorcycles and their parts, the respondent had been using the domain name to intentionally attempt to attract, for commercial gain, internet users to its website, by creating a likelihood of confusion with the complainant's trademark as to the source, sponsorship, affiliation or endorsement of the respondent's website.

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The panel accepted the complainant's argument regarding bad-faith use, but noted that the complainant had not submitted any evidence to show that it had been using the ITALIKA mark prior to its trademark registration in 2004. Therefore, it had failed to demonstrate that the respondent could have been aware of the complainant's then non-existent trademark and registered the domain name in bad faith back in 2001, three years before the complainant's first trademark was registered.

The panel thus denied the transfer of the domain name to the complainant.

This decision demonstrates that, when a domain name consists of a term which was registered as a trademark after the domain name was registered, one must tread carefully when assessing chances of success of a complaint under the UDRP, even with a trademark identical to said domain name. This is particularly the case where the complainant does not submit any evidence to show that it had been using the trademark in question prior to its trademark registration. A distinction is thus made between situations where the respondent could not have been aware of the complainant's trademark, and situations where, although the trademark was not registered at the time of registration of the domain name, the respondent could not have ignored its existence.

In addition, the decision also highlights that use of a privacy or proxy registration service does not by itself constitute evidence of bad faith, but that the overall circumstances of the case must be examined.

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