

### Real Madrid obtains transfer of domain name under '.tienda' gTLD International - Hogan Lovells LLP

### Cybersquatting

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In a [recent case](#) under the [Uniform Domain Name Dispute Resolution Policy](#) (UDRP) before the [World Intellectual Property Organisation](#) (WIPO), well-known sports team [Real Madrid Club de Futbol](#) has obtained the transfer of a domain name identically reproducing its trademark under the new generic top-level domain (gTLD) '.tienda', which means 'store' in Spanish.

The '.tienda' gTLD is intended to provide a space online for retailers, shops and consumers. It was delegated into the root on January 23 2014 and became available for general registration following a sunrise period for trademark holders that opened on March 25 and closed on May 24 2014.

The complainant was Real Madrid, the renowned Spanish football team. Founded in 1902, the complainant was the owner of numerous REAL MADRID marks, including community trademarks, for a variety of goods and services.

The respondent was an individual based in Spain. No further details were known about the respondent. The disputed domain name was 'realmadrid.tienda', which was registered by the respondent on June 4 2014. The domain name was not resolving to a website.

The complainant decided to file a complaint to recover the domain name. To be successful in a complaint under the UDRP, a complainant must satisfy 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 and is being used in bad faith.

As for the first requirement, the panel found that the complainant had established trademark rights in the term '*Real Madrid*', which had been used extensively and had acquired considerable renown. The panel noted that the domain name identically reproduced the complainant's trademark and that it was a well-established practice under the UDRP to discount the TLD when assessing whether a domain name is identical, or confusingly similar, to a trademark. However, the panel noted that, even if the '.tienda' gTLD were to be taken into account, the domain name would still be confusingly similar to the complainant's trademark as the complainant sold a variety of products under the REAL MADRID brand. Thus the panel rejected the respondent's claim that the '.tienda' gTLD removed any likelihood of confusion with the complainant's trademark.

The panel therefore found that the first requirement of the UDRP had been met, in accordance with Paragraph 4(a)(i).

Turning to the second requirement under the UDRP, a complainant must establish *prima facie* that a respondent does not have rights or legitimate interests in the disputed domain name. In this regard, Paragraph 4(c) of the UDRP sets out the following non-exhaustive list of circumstances which may indicate that a respondent has rights or legitimate interests in a domain name:

- before any notice of the dispute, the respondent's use of, or demonstrable preparations to use, the domain name was in connection with a *bona fide* offering of goods or services;
- the respondent has been commonly known by the domain name, even if it has acquired no trademark rights; or
- 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 trademark at issue.

The panel found that the fact that the complainant had not authorised the respondent to use its REAL MADRID mark was sufficient to establish a *prima facie* case that the respondent did not have rights or legitimate interests in the domain name. Thus, the burden then shifted to the respondent. The panel noted that the respondent mainly relied on the fact that he had not made any use of the domain name, and that the respondent did not invoke and was not able to rely on any of the circumstances set out under Paragraph

4(c) of the UDRP. The panel thus found that the second requirement was satisfied, in accordance with Paragraph 4(a)(ii) of the UDRP.

Turning to the third requirement, a complainant must demonstrate that the respondent both registered and used the disputed domain name in bad faith. In this regard, Paragraph 4(b) of the UDRP sets out the following list of non-exhaustive circumstances that may be invoked by a complainant to illustrate the respondent's registration and use in bad faith:

- the respondent registered or acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring it to the complainant or to a competitor, for valuable consideration in excess of documented out-of-pocket costs directly related to the domain name;
- the respondent registered the domain name in order to prevent the owner of the trademark from reflecting the mark in a corresponding domain name, provided that the respondent has engaged in a pattern of such conduct; or
- the respondent registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- the respondent is intentionally using the domain name in an attempt to attract, for commercial gain, internet users to its website by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of the respondent's website.

As for bad-faith registration, the panel noted that the complainant's trademark was well-known not only in Spain, but also throughout the world. Thus, the panel inferred that the respondent was aware or should have been aware of the complainant's REAL MADRID mark at the time of registration of the domain name. The panel thus found that the domain name had been registered in bad faith.

Regarding bad-faith use, the panel relied on the landmark decision *Telstra Corporation Limited v Nuclear Marshmallows* (WIPO Case No D2000-0003), and held that the respondent's "passive use" of the domain name incorporating a well-known trademark did not prevent a finding of bad faith. The panel found that the domain name was both registered and used in bad faith, in accordance with Paragraph 4(a)(iii) of the UDRP.

The panel therefore ordered the transfer of the domain name to the complainant.

This decision is another example of the impact that the introduction of almost 1,400 new gTLDs will have for brand owners across the globe and so trademark holders are well advised to seek assistance to define a suitable strategy to protect their brands from cybersquatters under the new gTLDs, particularly those TLDs that are descriptive of, or closely-related to, their brands. The decision also confirms that, whilst there are other rights protection mechanisms, such as the Uniform Rapid Suspension System (URS), that have been put in place specifically to assist brand owners to protect their online brands under the new gTLDs, the UDRP has often proven to be a more appropriate mechanism, particularly for trademark owners seeking to obtain the transfer of a domain name (as the URS may lead only to suspension, as opposed to transfer).

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