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Tribunal grants interim relief for unauthorised domain name transfer France - Hogan Lovells LLP Cybersquatting Domain names Daily

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In a decision of March 16 2015, the Paris First Instance Tribunal granted an injunction to a French food and tea company for the immediate transfer of six domain names that had been initially registered in its name by a web designer who had then transferred them into its own name without authorisation.

The claimants were Tea Adoro, a French company with a tea shop and delicatessen in Marseille, and its director, Mrs R. In February 2013 and March 2014 the claimants registered two French trademarks for TEA ADORO. They also registered a Community trademark (CTM) and an international trademark for the same term.

The defendant was a Dutch company specialised in distribution, product design and web design, with offices in London and Marseille.

In January 2014 the claimants signed a contract with the defendant whereby the defendant undertook, among other things, to design a website for the claimants and for that purpose, obtain, on the claimants' behalf, six domain names including the term 'Tea Adoro' under different top-level domain name extensions, such as '.eu' (Europe), '.ch' (Switzerland) and '.mobi' (aimed at users accessing the Internet on portable devices).

The relationship between the claimants and the defendant soured as a result of a number of contractual breaches on the defendant's part, including the transfer of the domain names into the ownership of the defendant at its own initiative and without the claimants' consent. On September 17 2014 the claimants notified the breaches to the defendant and their intention to terminate the contract as a result.

Given the fact that the claimants had lost control of the domain names following their transfer to the defendant, the claimants initiated summary proceedings before the Paris First Instance Tribunal to obtain the transfer of the domain names on the grounds of the defendant's bad faith and the resulting business disruption. In addition, the claimants sought damages and compensation in view of the fact that they had to retain another service provider.

In its response, the defendant merely sought to argue that the dispute was not within the tribunal's jurisdiction given that the defendant was established in the Netherlands and in the United Kingdom.

The tribunal rejected the defendant's argument in terms of competent jurisdiction and highlighted that, as the dispute related to the infringement of a CTM on the French territory, the tribunal had exclusive jurisdiction over the dispute.

The tribunal granted the injunction to transfer the domain names, as well as an initial payment of €3,876 in damages as a result of the defendant's breach. The defendant's retention of the domain names was found to be clearly abusive and a blatant disruption of the claimants' business, justifying interim relief.

The key deciding factor for the tribunal was a series of emails exchanged between the parties showing clearly that the domain names were intended to be registered to the claimants and that they had in fact initially been registered to the claimants. Another key piece of evidence was the written statement from the new web designer used by the claimants that the domain names were not pointing to an active website, thus depriving the claimants from a substantial source of business.

This case is an interesting illustration of the possibility that a claimant may obtain the immediate transfer of domain names when it is blatantly clear that their retention is causing manifestly unlawful damage. The key for such an action to succeed is to demonstrate that the retention and/or use of the domain name(s) is clearly abusive and detrimental to the claimant and that urgent court intervention is necessary. Evidence of the intention of the parties in relation to the ownership of the domain names was pivotal in this case. In the present instance, the fact that the claimants had lost control of the domain names and, as a result, the associated website(s) was the deciding factor for the tribunal to grant immediate interim relief.

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