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Tribunal orders immediate transfer of domain names due to blatant bad faith France - Hogan Lovells International LLP

Cybersquatting

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In a decision dated December 31 2014, the First Instance Tribunal of Limoges has granted an injunction to a company director for the immediate transfer of two domain names from her ex-husband who had registered them for the company.

The claimant was Mrs Karine P, the director of the company GPR Group, a French company set up in 2005 which sold accessories for motorcycles and quads. The company operated two websites at the URLs 'www.gprquad.com' and 'www.gpr-mx.com' and the corresponding domain names had been registered by the claimant's ex-husband respectively in 2006 and 2007. In addition to her company and trading name, the claimant had registered four French trademarks, including GPR-MX in 2010 and GPRQUAD.COM in 2009.

The defendant was the ex-husband of the claimant, as well as an ex-employee of the company. He initially worked as a partner of the company and then became its employee until November 2013, when he was made redundant.

As the relationship between the claimant and the defendant soured and resulted in the end of their relationship both professionally and personally, the company started facing financial difficulties and was placed under administration for insolvency.

The claimant established that, further to her separation from the defendant, the domain names corresponding to her websites stopped pointing, thus disrupting the claimant's business and resulting in a significant loss of revenue. Therefore, the claimant initiated summary proceedings before the First Instance Tribunal of Limoges to obtain the transfer of the domain names on the grounds of the defendant's bad faith and the resulting disruption to her business. In addition, the claimant sought damages.

The defendant acknowledged that he had registered the domain names after the creation of the company and that he had used them, as well as the websites, as part of his job and until he was made redundant. However, he asserted that he could not be considered to have used the domain names in a blatantly abusive manner, as he owned the domain names and had registered and used them before the claimant's registration of the trademarks GPR-MX and GPRQUAD.COM.

Whilst the tribunal granted the injunction to transfer the domain names, it did not award the claimant damages. The defendant's retention of the domain names was found to be clearly abusive and a blatant disruption of the company's business justifying interim relief. In addition, the tribunal considered that, in the absence of any evidence to the contrary, the domain names had been registered and used solely to serve the company's commercial activities and not to be used by the defendant for his own personal purposes. Under French law, the actions of an employee who is married to his/her employer will be deemed *prima facie* to have been performed for the employer.

This case is an interesting illustration of the possibility to obtain the immediate transfer of domain names when it is blatantly clear that they are being used in bad faith and without a legitimate interest. The key for such an action to succeed is to demonstrate that the use of the domain name(s) is clearly abusive and detrimental to the claimant and that urgent court intervention is necessary. In the present case, the fact that the two websites of the claimant were effectively taken down meant that the claimant's main source of business was blocked.

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