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UDRP complainant fails to prove that domain name was registered for its trademark value

Cybersquatting

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In a recent decision under the Uniform Domain Name Dispute Resolution Policy (UDRP) before the World Intellectual Property Organisation, a panel has denied the transfer of a domain name confusingly similar to a trademark for failure to prove that it was registered for its trademark value, as opposed to its generic or descriptive value.

The complainant was Allglass Confort Systems SL, a company based in Malaga, Spain, that manufactured and sold glass enclosures. The complainant was the owner of the trademark TODOCRISTAL ALLGLASS in several jurisdictions, including Spain, the United States and Mexico, and was also the owner of Community and international trademark registrations covering several jurisdictions, including China, India, Japan, the Republic of Korea, Singapore, Russia and Morocco. The complainant's trademark registrations for TODOCRISTAL ALLGLASS dated from at least October 1 2009. The complainant was also the registrant of the domain name 'allglasstodocristal.com', which resolved to a website where it offered its products and services.

The respondent was Semi Arirang C&T, based in the Republic of Korea.

The disputed domain name was 'todocristal.com', which is Spanish for 'all glass'. It was registered on October 19 2014 and was resolving to a parking page containing pay-per-click links and also offering the domain name at issue for sale.

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

- (i) the domain name is identical, or confusingly similar, to a trademark or service mark in which the complainant has rights;
- (ii) the respondent has no rights or legitimate interests in respect of the domain name; and
- (iii) the domain name has been registered and is being used in bad faith.

With regard to the first requirement under the UDRP, the panel was satisfied that the complainant owned relevant trademark rights which predated the registration of the domain name.

The panel further found that the domain name was confusingly similar to the complainant's trademark. The complainant's trademark consisted of a Spanish component ('todocristal') and an English component ('allglass'). Whilst the domain name reproduced only the Spanish component of the complainant's trademark, the panel found that this was sufficient for a finding of confusing similarity.

The panel therefore found that the domain name was confusingly similar to a trademark in which the complainant had rights, and thus found that the complainant had satisfied the first requirement under the UDRP.

Moving on to the second requirement under the UDRP, the complainant argued that the respondent did not have any rights or legitimate interests in the domain name, as the respondent was not licensed or otherwise authorised by the complainant to use its trademark and neither did the respondent own any trademarks in the term 'todocristal'. The complainant also argued that there was no evidence suggesting that the respondent was involved in the glass industry and the fact that the domain name was put up for sale on the website associated with the domain name was a strong indication of the respondent's lack of rights or legitimate interests.

The respondent did not submit a response. However, a respondent's default does not automatically result in a decision in favour of the complainant (although a panel may draw appropriate inferences therefrom).

The panel noted that 'todo cristal' translated into 'all glass' in English and was therefore arguably descriptive of the complainant's business. The panel conceded that domain name registrants may have rights or legitimate interests in domain names consisting of common or descriptive terms where the domain name was chosen for its generic meaning. The panel thus found that it was conceivable that the respondent could have a legitimate interest in the domain name. However, the panel did not reach a conclusion in this regard in light of its findings under the third requirement of the UDRP.



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Turning to the third requirement under the UDRP, a complainant must demonstrate the conjunctive requirement that the respondent both registered and used the disputed domain name in bad faith. In the present case, however, the panel found that the complainant had failed to prove bad-faith registration. The panel considered the overall circumstances of the case and, on balance, did not find sufficient evidence to demonstrate that the respondent registered the domain name with the purpose of exploiting the complainant's rights. The panel noted that the complainant's mere reference to Paragraph 4(b)(iv) of the UDRP was insufficient to establish bad faith.

The panel also found that the evidence submitted was insufficient to demonstrate that the respondent registered the domain name primarily for the purpose of selling, renting or otherwise transferring the domain name registration to the complainant, in accordance with Paragraph 4(b)(i) of the UDRP. Rather, the panel found that it was more likely that the respondent intended to sell the domain name for its descriptive value as opposed to any trademark value derived from the complainant's trademark. The panel held that "neither mere registration, nor general offers to sell, a domain name which consists of generic, common or descriptive terms can be considered acts of bad faith in the absence of evidence that the respondent was targeting the complainant".

The panel therefore found that the complainant had failed to satisfy the third requirement under the UDRP.

Given that the complainant must prove all of the three requirements set out in Paragraph 4(a) of the UDRP, the panel denied the complainant's request to order the transfer of the domain name.

The decision highlights how, in the case of domain names consisting of dictionary terms, a complainant has a higher burden to prove that the respondent lacks rights or legitimate interests and/or registered and used the domain name in bad faith, even if the domain name is confusingly similar to its trademark. In such cases, it is crucial that a complainant demonstrates the respondent's awareness of the complainant's rights and that the domain name was chosen (and used) for its trademark value as opposed to its generic or descriptive value.

Mere allegations of lack of rights or legitimate interests and/or bad-faith registration and use are therefore insufficient in order to be successful under the UDRP. Complainants should therefore ensure that they provide sufficient evidence to support their claims in order to increase their chances of successfully recovering the domain name in question, particularly if it consists of dictionary or generic terms.

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