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UDRP complainant recovers domain name reproducing trademark despite its generic meaning **Cybersquatting**

International - Hogan Lovells LLP

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In a recent domain name dispute under the Uniform Domain Name Dispute Resolution Policy (UDRP) before the World Intellectual Property Organisation, a French company has obtained the transfer of a domain name identically reproducing its trademark in full, even though the trademark also had a generic meaning that the respondent claimed he wished to exploit.

The complainant was Carrefour, a world-renowned retailer which has been operating hypermarkets, supermarkets, convenience stores and cash-and-carry shops in 34 countries around the world over the last 50 years, although not in the United States or Canada (where the respondent was based). The complainant evidenced that it owned a number of international and EU trademarks in the term '*carrefour*' (although none were effective in Canada).

The respondent was Joseph Azuka, a computer systems technologist and service technician at the Toronto Zoo. The respondent also claimed to own a business offering domain names for sale, together with computer repairs and website design, under the name TechDelegate.

The disputed domain name was 'carrefour.company', registered on March 20 2014. The '.company' generic top-level domain (gTLD) was launched on December 31 2013. It became available for general registration (after the sunrise period giving priority to trademark holders) on March 12 2014. The '.company' gTLD has no eligibility restrictions and is thus targeted at a very wide audience - so far it is proving quite popular, with over 30,000 registrations.

The disputed domain name resolved to a website at which a number of domain names were offered for sale. However, after the receipt of the complaint by the respondent and up to the time of the decision, it resolved to an "under construction" page.

To be successful in a complaint under the UDRP, a complainant must satisfy all of 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.

The panel found that the disputed domain name was identical to the complainant's trademarks under the first limb above. The panel easily came to this conclusion given the incorporation in full of the complainant's CARREFOUR mark in the domain name.

The panel pointed out that the analysis under the first limb required only a simple comparison of the disputed domain name with the complainant's trademarks and that it was generally permissible to disregard the gTLD component of the domain name (namely '.company') as a functional aspect of the DNS. However, the panel accepted the general proposition that the use of the '.company' gTLD did tend to reinforce the potential for confusion and gave the impression that the domain name really was that of the company called Carrefour (although it was not necessary to decide the issue on this basis, given that the domain name wholly incorporated the complainant's trademark and so was identical without the additional need to consider the gTLD).

Turning to the second requirement of the UDRP, the panel stressed that it is usually sufficient for a complainant to raise a *prima facie* case against the respondent and that the evidential burden will then shift to the respondent to rebut that *prima facie* case.

In this particular case, the complainant had not authorised the respondent to use the disputed domain name, and nor were they affiliated. Furthermore, the panel accepted prior decisions highlighting the renown of the CARREFOUR mark and recognised the complainant's longevity and large-scale operations. Although the complainant did not have any business operations in Canada, the panel further recognised that it was likely that the complainant's reputation extended to circles in Canada as well.

The respondent contended that the word ‘*carrefour*’ was the French word for ‘crossroads’, and that, as such, it was a generic or descriptive word that the respondent intended to use on the Internet in relation to his business. To support his response, the respondent provided the panel with a list of domain names encompassing or composed of the term ‘*carrefour*’ and used by legitimate associations and businesses unrelated to the complainant, some of which were based in Canada.

However, the panel took note of several inconsistencies in the respondent's response, namely that:

- the website that the domain name was resolving to changed after the respondent had received the complaint;
- the previous website offered domain names for sale, but none of the other IT services that the respondent claimed to provide;
- although the disputed domain name was not one of the domain names specifically listed for sale on the previous website, a banner featuring the words would likely be seen by internet users as being an offer for sale of the disputed domain name itself; and
- the respondent did not explain why the website that the disputed domain name resolved to at the time of the decision was only “under construction”, given that the domain name was registered in March 2014.

Furthermore, some of the domain names listed as available for sale by the respondent appeared to have trademark significance. Among others, the respondent offered the domain name ‘dlf.estate’ for sale and the panel noted that, whilst three-letter acronyms can have many different meanings, the ‘.estate’ gTLD was used by businesses operating in the real estate field and DLF Limited was one of the largest real estate businesses in India. Another example of a domain name that the respondent was offering for sale was ‘trulia.estate’, whereby ‘trulia.com’ resolved to what appeared to be a very substantial real estate agency business in the United States and the term ‘trulia’ was not, as far as the panel was aware, descriptive of real estate services.

Having found that the respondent had not proved that he had sufficient rights or legitimate interests in the domain name, the panel turned to the third requirement of the UDRP, namely that a complainant must demonstrate that the respondent registered and used the disputed domain name in bad faith. In this regard, the threshold is set high as both of these requirements must be met under the UDRP to establish bad faith.

Considering the above mentioned findings and the fact that the respondent did not deny that he was aware of the complainant’s trademark when he registered the disputed domain name, the panel found that the respondent most likely registered the disputed domain name with knowledge of its significance as the complainant’s trademark and with the intention of offering it for sale. In addition, the offering of the domain name for sale in circumstances where the panel did not accept the respondent's claim to rights or legitimate interests constituted bad-faith use. The panel thus concluded that the disputed domain name had been registered and used in bad faith and ordered it to be transferred to the complainant.

This decision illustrates that each UDRP case turns on its own facts. Given that the domain name could be said to be a generic word and that such generic word was indeed being legitimately used as a domain name by third parties, not just by the complainant, and that the complainant did not have any rights or operations in the respondent's country of residence, the case could have been denied. Indeed the panel remarked that the complainant's claim that there could be no possible legitimate use of the term ‘*carrefour*’ by the respondent was very difficult to sustain. However, the evidence submitted by the complainant as to the respondent's offering for sale of other clearly trademarked domain names was enough to convince the panel, on balance of probabilities, of the respondent's bad faith. Without this crucial evidence, the complaint may not have succeeded.

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