

# World Trademark Review Daily

## Unsuccessful harvest for champagne producers' representative body under UDRP **Cybersquatting International - Hogan Lovells**

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In *Comité Interprofessionnel du Vin de Champagne v Vickers* (Case DCO2011-0026, June 21 2011), the Comité Interprofessionnel du Vin de Champagne (CIVC), the representative body of French champagne producers, has lost a complaint filed under the [Uniform Domain Name Dispute Resolution Policy](#) (UDRP) with the [World Intellectual Property Organisation](#) (WIPO).

Respondent Steven Vickers operated an IT consultancy and computer sales business in London, and did not trade in champagne or beverages of any kind. Vickers registered the domain name 'champagne.co' on July 21 2010. CIVC, whose statutory purpose includes defending, preserving and promoting the interests of all those involved in the production and marketing of the wines sold under the appellation of origin 'Champagne', filed a complaint with WIPO on April 12 2011 seeking transfer of the domain name.

To be successful under the UDRP, a complainant must prove that:

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

The term 'rights' under Paragraph 4(a)(i) of the UDRP refers to a trademark or service mark which can either be registered or unregistered. As it did not provide any evidence of a registered CHAMPAGNE mark, CIVC tried to establish rights for the purpose of Paragraph 4(a)(i) by other means, but ultimately failed to do so.

Firstly, CIVC sought to rely on its rights in the term 'champagne' as an appellation of origin under French law and a geographical identifier under EU law. The panel highlighted that it was well established that such rights should remain outside the scope of the UDRP, in line with comments made in Paragraph 1.5 of the [WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Second Edition](#). The only exception to this principle is where a complainant shows *that*:

*"it has rights in the term and that the term is being used as a trademark for goods or services other than those that are described by, or related to, the geographical meaning of the term (secondary meaning)."*

As the panel explained, a sign must be capable of distinguishing the goods or services of an individual undertaking from those of other undertakings in order to constitute a trademark. Therefore, a geographical indication such as 'Champagne' did not constitute a trademark, since it did not distinguish the wine of one champagne producer from the wine of another. The panel highlighted the purpose of a geographical identification, which is to protect specific producers of a geographical region from loss caused by traders wrongfully applying the identifier to goods which have not been produced in the particular region, taking profit from the goodwill arising out of the reputation which the producers of the protected products have built up.

Second, the panel rejected CIVC's argument that it had unregistered rights in a mark as a result of succeeding in passing-off actions before UK courts. Referring to the [Nominet decision](#) involving the domain name 'champagne.co.uk', the panel highlighted that "(...) care needs to be taken not to equate this right under the law of passing off to what is sometimes referred to as 'unregistered trademark' rights in a brand name". In this case, CIVC was successful as it established that it had rights in the term 'champagne' protected under English law. However, there was no finding that CIVC had unregistered trademark rights, as required by the UDRP.

The panel also referred to Dr David Lindsay's text book, *International Domain Name Law*:

*"A common law trademark in an English-oriented legal system is an unregistered mark the unauthorized use of which will give rise to an action for passing off.*

*It is not every action in passing off that will amount to common law trademark rights, but only the sub-set of the action for passing off that involves misrepresentations arising from the unauthorised use of a mark."*

In addition, the panel stated that the fact that CIVC had succeeded in having "champagne-related" domain

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names transferred to it under other administrative proceedings in relation to the domain names 'champagne.co.uk', 'champagne.ie', 'champagnes.fr' and 'champagnes.be' was irrelevant. Alternative dispute resolution procedures applicable to domain names registered under '.fr', '.be', '.co.uk' and '.ie' are different from the UDRP and grant protection to a wider variety of names.

Although the panel had no obligation to make any finding on the issue of bad faith, it nevertheless decided to detail this particular point. The panel found that the sole fact of having the intention to rent, sell or otherwise transfer the domain name to a third party, as opposed to CIVC or one of its competitors, did not amount to bad-faith registration and use for the purpose of the UDRP.

Finally, the panel rejected Vickers' claim of reverse domain name hijacking. Vickers had contended that, since CIVC was a complex and legally represented organisation, it could not possibly have thought that it had sufficient grounds for winning this case; the deficiencies in the complaint made it obvious that CIVC knew that it would be denied.

However, in previous WIPO cases, nominated panels had noted that "mere lack of success of the complaint is not in itself sufficient to constitute reverse domain name hijacking". In fact, Vickers would have had to prove that "a respondent's use of a domain name could not, under any fair interpretation of the facts, have constituted bad faith", and that "a reasonable investigation would have revealed the weaknesses in any potential complaint under the policy".

In the present case, the panel was of the opinion that, since CIVC had been involved in many such disputes concerning its IP rights in the name champagne, it must clearly have appreciated whether or not it detained a trademark or service mark in such expression but, even so, there were defects in CIVC's case. The panel then underlined the difficulties of having to decide whether such defects were as a result of bad faith, or whether they were simply due to a wrongful appreciation of the issues and of the relevant evidence. The panel chose to swing the balance in favour of the latter, after listing a series of reasons as to why CIVC could not have acted in bad faith. The most relevant reason was linked to the fact that, if CIVC had managed to establish that it did have a trademark or service mark, it would have been very difficult for Vickers to prove that it registered the domain name for purpose other than to sell it to CIVC. In such a scenario, CIVC's chances of success would have been real.

This decision illustrates how the concept of 'rights' under Paragraph 4(a)(i) is not a loose concept and will be subject to close examination by panels. Many alternative dispute resolution procedures applicable to country-code top-level domains grant protection to a wide variety of names, such as personal names, company names or geographical identifiers. However, the UDRP does not, and is limited to trade or service marks for which there is greater harmonisation than for other types of rights. Trying to make other types of protected names fit into the UDRP will likely result in rejection of the complaint.

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