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UDRP complainant obtains transfer - but outcome could have been very different **Cybersquatting International - Hogan Lovells LLP**

October 11 2013

In a [decision](#) issued by a three-member panel from the [World Intellectual Property Organisation \(WIPO\)](#) under the [Uniform Domain Name Dispute Resolution Policy \(UDRP\)](#), complainant [Opera National de Paris](#), a French public utility company managing the Opéra Garnier and the Opéra Bastille in Paris, France, was granted the transfer of the domain names 'operaparis.com' and 'parisopera.com'. However, one member of the panel dissented and would have denied the transfer.

The domain names were registered in 2006 and 2004, respectively, in the name of a company based in Barbados, Vertical Axis Inc. The complainant was the owner of the registered word trademark OPERA DE PARIS in France, and the figurative trademarks OPERA NATIONAL DE PARIS in France and other countries. The first of the complainant's trademarks was filed on October 4 1994. The complainant had also registered several domain names, including 'operadeparis.fr', 'operaparis.info' and 'operaparis.net'.

The domain names 'operaparis.com' and 'parisopera.com' resolved to a web page including links to websites proposing the purchase of tickets for the shows hosted by the complainant's opera houses.

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

- The domain name registered is identical, or confusingly similar, to a trademark or service mark in which the complainant 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.

Prior to examining these three elements, the panel examined the laches defence invoked by the respondent, as the domain names were registered more than nine years prior to the filing of the complaint. A majority of the panel recognised that there were certain UDRP precedents considering that such defence should apply to UDRP cases. However, it stated that it concurred with recent precedents holding that it was not justified to apply the doctrine of laches as such in UDRP proceedings.

In this respect, the [WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Second Edition \(WIPO Overview 2.0\)](#) states as follows:

"Panels have recognised that the doctrine or defence of laches as such does not generally apply under the UDRP, and that delay (by reference to the time of the relevant registration of the disputed domain name) in bringing a complaint does not of itself prevent a complainant from filing under the UDRP, or from being able to succeed under the UDRP, where a complainant can establish a case on the merits under the requisite three elements. Panels have noted that the remedies under the UDRP are injunctive rather than compensatory in nature, and that a principal concern is to avoid ongoing or future confusion as to the source of communications, goods, or services.

However: Panels have also noted that a delay in bringing a complaint under the UDRP may make it more difficult for a complainant to establish its case on the merits, particularly in relation to the second and third elements requiring the complainant to establish that the respondent lacks rights and legitimate interests and that the respondent registered and used the domain name in bad faith. A small number of panels have also begun to acknowledge the possible applicability, in appropriate and limited circumstances, of a defence of laches under the UDRP where the facts so warrant."

However, the dissenting panellist was of the opinion that it was the effect of any delay that was important and that, in this case, if the complainant had stood by for years without taking any action, this suggested that there may in fact have been nothing to complain about.

The first element of the UDRP concerns whether a domain name is identical, or confusingly similar, to a mark in which a complainant has rights. This element is a low-threshold requirement that is generally satisfied by demonstrating trademark rights in a name, whether registered or unregistered, and regardless of where or when the trademark was registered or first used, although all of these factors may be relevant for the third element of the UDRP.

In the present case, the complainant relied on the French, international and Community trademarks OPERA DE PARIS and OPERA NATIONAL DE PARIS. The complainant argued that the terms 'opera' and 'Paris'

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were the two distinctive elements of its trademarks and that the only difference between its trademarks and the domain names was the absence of the preposition 'de'. In the complainant's view, this was insufficient to remove the likelihood of confusion with the complainant's trademark. The respondent, in turn, argued that, under the UDRP, small differences were sufficient to remove any confusion between a domain name and a trademark. Furthermore, the respondent argued that the domain names consisted of merely generic terms.

A majority of the panel held that the complainant had rights in the word mark OPERA DE PARIS and several figurative trademarks that contained the words '*opera national de Paris*', and considered that the domain names were identical, or confusingly similar, to the complainant's trademarks. Whilst recognising that the terms 'opera' and 'Paris' were generic terms when taken separately, a majority of the panel held that together these terms may be "perceived as source identifier or become a trademark if they acquire secondary meaning". A majority thus held that in the present case, the combination of the terms 'opera' and 'Paris' were "source identifiers" of the two operas administered by the complainant.

According to a majority of the panel, neither the preposition 'de' (in English, 'of') nor the term 'national' were distinctive elements sufficient to prevent a risk of confusion with the complainant's OPERA DE PARIS or OPERA NATIONAL DE PARIS marks. Finally, a majority noted that the only difference between the domain names was the order of the terms 'Paris' and 'opera', and held that this was irrelevant, given that the meaning was the same. Thus, the complainant satisfied the first element of the three-prong test.

It should be noted that the dissenting panellist found to the contrary and stressed that the complainant did not have any trademark rights, whether registered or unregistered, in the terms 'opera Paris' or 'Paris opera' and so it could not be said that the domain names were identical to the complainant's trademarks. As regards confusing similarity, the dissenting panellist noted that it was far too simplistic to suggest that the absence of the preposition 'de' was insufficient to remove any confusing similarity with the domain names, given that 'de' was precisely indicative of the complainant's opera houses. In addition, the dissenting panellist pointed out that the complainant had failed to provide evidence, such as press articles from the international media or opera publications, to show that the terms 'opera Paris' or 'Paris opera' were distinctive of the complainant, and underlined the fact that the complainant had changed names over 27 times since it was founded. Thus the dissenting panellist held that it was more likely than not that a large proportion of internet users would take the words of the domain names to "mean exactly what they say, namely that they are referring to opera in Paris rather than to the single company known as the Opera de Paris", and therefore neither of the domain names were confusingly similar to the complainant's trademarks.

Turning to the second requirement, the complainant argued that the respondent had no rights or legitimate interests in the domain names. It highlighted that no license or authorisation had been given to the respondent to use the OPERA DE PARIS mark. Furthermore, both domain names resolved to websites with various links to competing third-party websites.

The respondent rebutted the complainant's arguments and stated that the domain names were merely generic English words that no party had exclusive rights to use. Furthermore, the respondent claimed that:

"the public understands that a domain name referencing the Opera National de Paris with the English words 'Paris Opera' may not be the official entity and that 'parisopera.com' is not the same as 'Opera De Paris' or 'Opera National De Paris'."

The respondent also claimed that it had used the domain names to display pay-per-click advertising links related to topics of general interest.

A majority of the panel considered that the respondent had chosen to use domain names that were confusingly similar to the complainant's trademarks without authorisation by the complainant. A majority of the panel also stated that there was no evidence before it to show that the respondent was acting in pursuance of any rights or legitimate interests when registering the domain names and relied, in this respect, on [Guerlain SA v Peikang](#) (WIPO Case No D2000-0055), where the panel stated that:

"in the absence of any license or permission from the complainant to use any of its trademarks or to apply for or use any domain incorporating those trademarks, it is clear that no actual or contemplated bona fide or legitimate use of the domain name could be claimed by respondent".

A majority of the panel further noted that the domain names were used to display pay-per-click advertising links for different services, some of them related, others unrelated to the trade marks of the complainant. According to a majority of the panel, no rights or legitimate interests derived from such use of the complainant's trademarks, as demonstrated by UDRP precedents.

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Finally, it should be noted that a majority of the panel observed that the fact that the respondent had registered many other domain names with generic terms, some of them also containing the words 'Paris' or 'opera', did not change this finding. Thus, a majority of the panel concluded that the respondent had no rights or legitimate interests in the domain names.

On the contrary, the dissenting panellist noted that the term 'opera' was generic and 'Paris' a geographical term. According to the panellist, it is a widely accepted principle that the use of a domain name for its descriptive or generic value may generate rights or legitimate interests, provided that it is not used seeking to profit from any trademark value that may be attached to the term. Thus, the key question was whether the respondent was using the domain names in a manner consistent with their ordinary meaning. To this effect, the dissenting panellist examined the websites associated with the domain names and noted that they offered links to generic services, such as opera tickets, that fell within scope of the ordinary meaning of the domain names. In addition, there were links not only to the two opera houses operated by the complainant - Garnier and Bastille - but also to other opera houses or theatres such as Theatres des Champs-Elysees or Salle Pleyel, as well as other services that would be of interest to opera or music lovers. Thus, the dissenting panellist was of the view that the domain names were being used for their ordinary meaning and thus legitimately.

Turning to the bad-faith requirement, the UDRP provides a list of non-exhaustive circumstances that can indicate that a respondent acted in bad faith, which include whether the domain name was acquired or registered primarily for the purpose of:

- (i) selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark, or to a competitor of that complainant, for valuable consideration in excess of the respondent's documented out-of-pocket costs directly related to the domain name;
- (ii) preventing the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that the respondent has engaged in a pattern of such conduct;
- (iii) disrupting the business of a competitor; or
- (iv) attempting to attract, for commercial gain, internet users to the respondent's website or other online location, by creating a likelihood of confusion with the complainant's trademark as to the source, sponsorship, affiliation or endorsement of the respondent's website or location or of a product or service on the respondent's website or location.

The complainant argued that, by using the domain names, the respondent intentionally tried to attract internet users by creating a likelihood of confusion with the complainant's trademarks and thereby generating income.

A majority of the panel observed that, whilst the use of domain names for parking websites containing sponsored links did not *per se* constitute bad faith, in the present case the respondent's use of the domain names displaying links to the complainant's websites as well as to the complainant's competitors showed that the respondent was aware of the complainant and was thus using the domain names to attract traffic to its site. Therefore, given the aforementioned circumstances, a majority of the panel ruled that the respondent had registered the domain names primarily for the purpose of attracting internet users to its websites by using the well-known trademarks of the complainant "obviously with the aim of (also) selling them products of competitors of the complainant". Thus, a majority of the panel decided to transfer the domain names to the complainant.

The dissenting panellist, however, was of the opinion that there was no evidence indicating that the respondent had registered or was using the domain names in bad faith. According to the dissenting panellist, the complainant's OPERA NATIONAL DE PARIS mark, although clearly predating the registration of the domain names, was not useful given that it could not be said to be confusingly similar to the domain names. Moreover, even taking the complainant's OPERA DE PARIS mark, the domain name 'parisopera.com' was registered before said trademark and thus the dissenting panellist was of the view that the respondent could have not had the complainant's trademark in mind as it was inexistent. In respect of 'operaparis.com', whilst this domain name was registered in 2006 and the OPERA DE PARIS mark was registered in 2004, there was still no evidence that the complainant's trademark had acquired secondary meaning.

Furthermore, the dissenting panellist noted that the complainant had never used the expression 'Opera

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Paris' or 'Paris Opera' to designate its services until after the respondent had registered the domain names. Thus, the respondent did not have the complainant in mind at the time of registration of the domain names and, therefore, did not act in bad faith. In addition, the complainant's delay in filing its complaint - when the facts suggested that it was likely that it had been aware of the registration of the domain names for a number of years - was, in view of the dissenting panellist, an additional element in support of a lack of bad faith on the part of the respondent.

The dissenting panellist had very different views to the majority of the panel on all issues raised by this case and considered that the majority's decision to transfer the domain names was a "very serious restriction on the rights of the respondent to its property".

Thus, in difficult cases where the issues may not be clear-cut, it is important to select a three-member panel to maximise chances of success. From a procedural perspective, in the event that either the complainant or the respondent selects a three-member panel, each party has to choose its three preferred candidates and submit them to the provider, as outlined in the UDRP Rules. The provider will then select one panel member from each party's list and then appoint the third panel member itself, in a manner that reasonably balances the preferences of both parties. In this case, had Opera National de Paris been faced with a different combination of panellists, the complaint may well have been denied.

This decision also highlights that complaints attempting to recover domain names consisting of generic or common terms may prove very difficult under the UDRP. Whilst in the present case the complainant was successful, this case may well have been decided very differently by another panel, as demonstrated by the dissenting opinion, particularly in view of the fact that the complainant does not seem to have provided much evidence of awareness of its trademark rights by the respondent at the time of registration of the domain names. This is crucial as evidence of awareness of a complainant's trademark rights by a respondent is a key element for a finding of bad-faith registration of a domain name.

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