

Preparing UDRP Complaints: Determining Registrant Rights, Providing Evidentiary Support of Bad Faith Registration and Use

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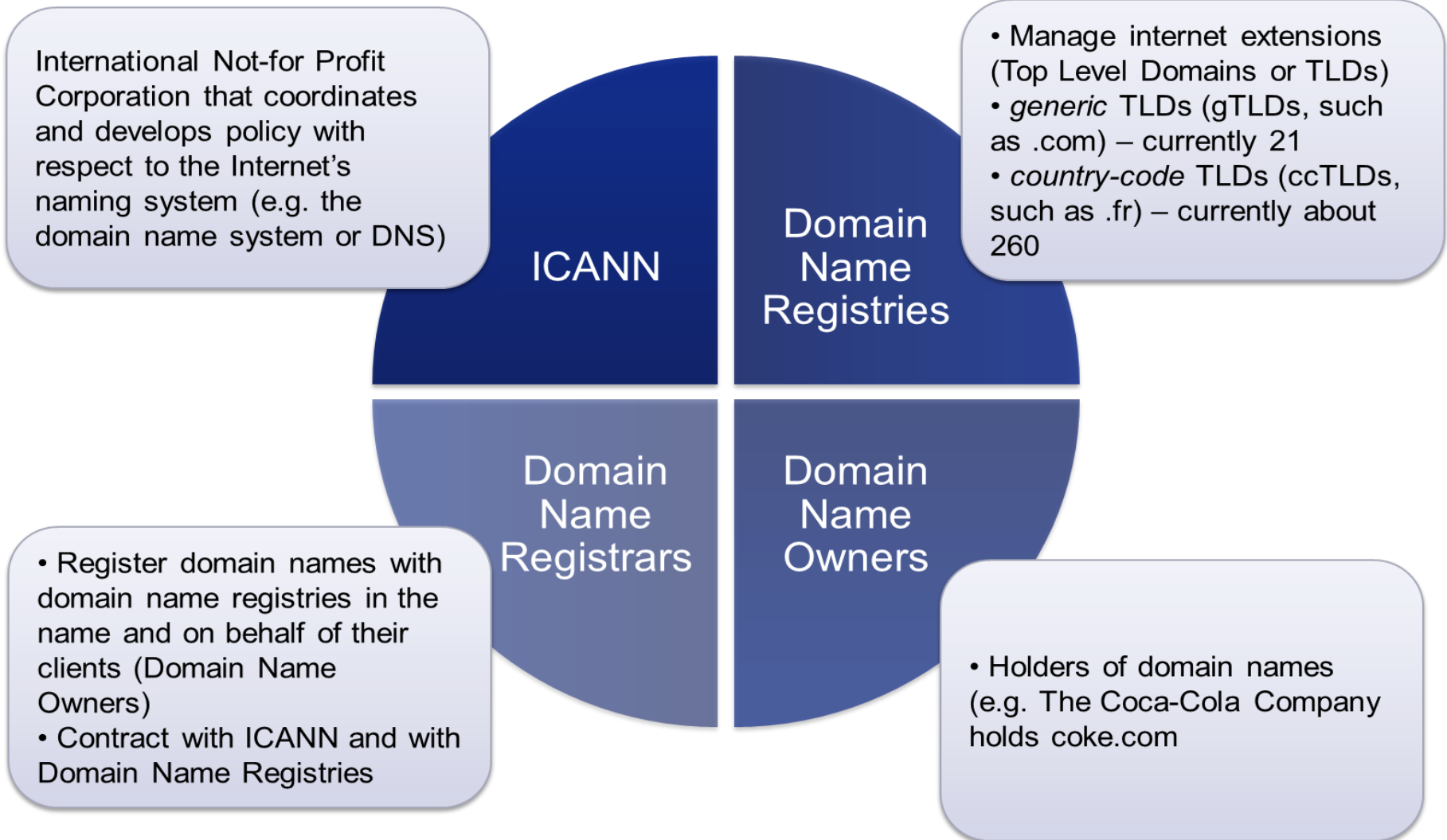
Agenda

- The UDRP
- Considerations when preparing a UDRP complaint
 - Rights and confusing similarity
 - Interests in or bona fide use of a domain name
 - Registration and use of a domain name in bad faith
- Factors to consider when addressing an infringing domain name
- Best practices for maximizing success when filing UDRP complaints

What is the UDRP?

- The Internet Corporation for Assigned Names and Numbers (ICANN) defines policies for how the "names and numbers" of the Internet should run
- In 1999, ICANN implemented the Uniform Domain Name Dispute Resolution Policy (UDRP), which is used to resolve disputes over the rights to domain names
- All registrants must follow the UDRP
 - Under the policy, most types of trademark-based domain-name disputes must be resolved by agreement, court action, or arbitration before a registrar will cancel, suspend, or transfer a domain name

The Domain Name Industry – At a Glance:

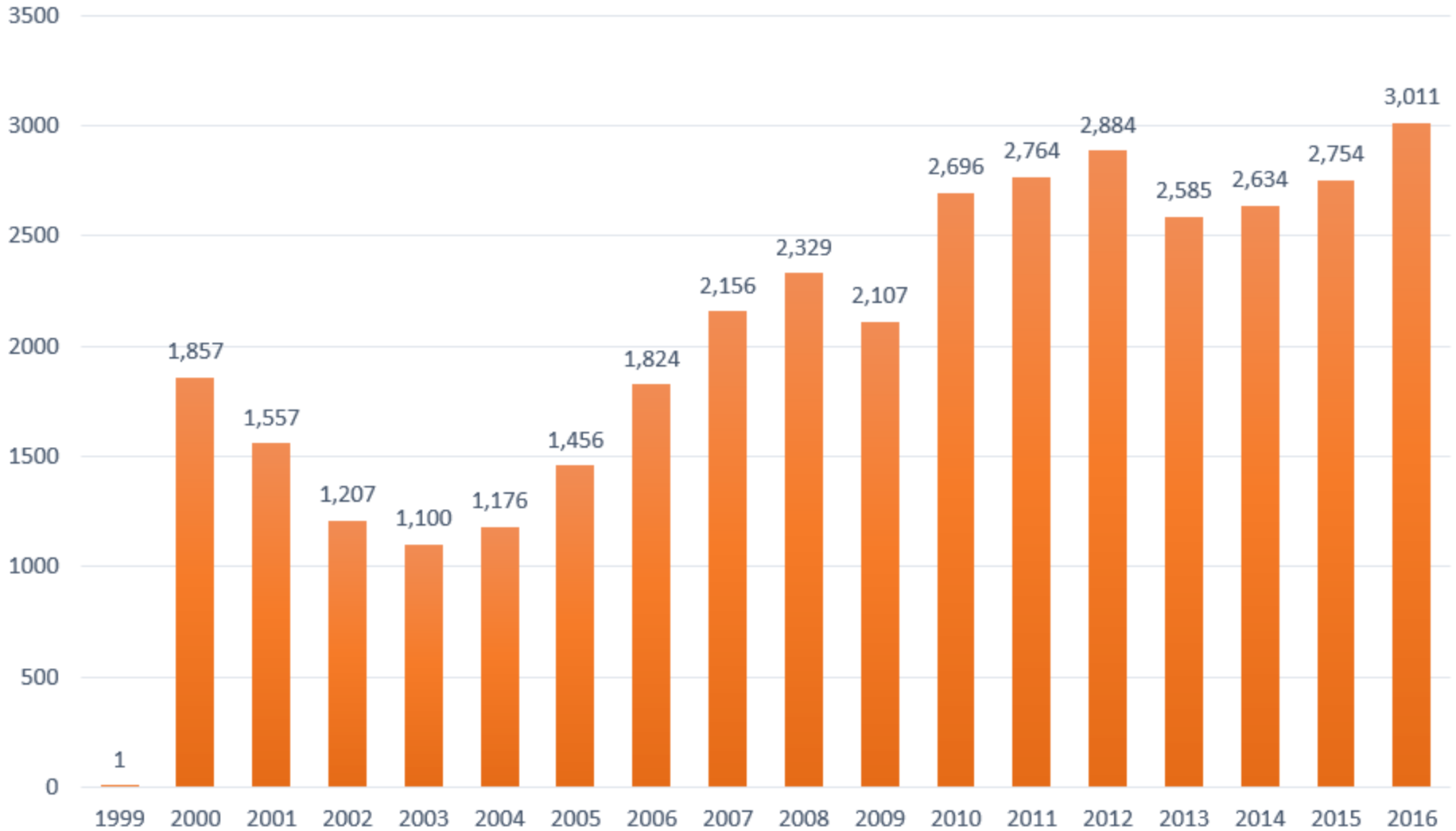


The UDRP

- “The UDRP is an administrative alternative dispute resolution policy which creates a procedure specifically designed to provide a fast and cheap means for resolving domain name disputes. On average, it takes no more than two months to resolve a domain name dispute under the UDRP.”

-- *American Girl, LLC v. Nameview, Inc.*, 381 F. Supp. 2d 876 (E.D. Wis. 2005) (internal citations omitted).

Number of WIPO Domain Name Dispute Cases (2016 Total is Projection as of September 27, 2016)



Evaluating Whether to File UDRP Complaints

- Reserve Domain Names w/ICANN simultaneously w/trademark application filings
- Police trademarks via watch notices
- Prioritize online enforcement by extent of infringement and relative importance of trademark value
- Work with Social Media sites' IP policies
- Take Advantage of copyright logos, designs (in addition to trademark protection)

Evaluating Whether to File UDRP Complaints

- The registrant has taken no action in response to phone calls, letters or other communications, or registrant has communicated that he or she does not intend to take any action
- In some jurisdictions, UDRP actions are the only recourse if the registrant is identity-shielded
- Each of the elements of a UDRP claim can confidently be met by the complainant/mark owner
- The mark owner does not wish to spend money on a court case

ACPA Federal Court vs. UDRP Proceeding

- Looks in more detail as to bad faith factors
- Damages may include actual or statutory damages
- Discovery, Trial
- Potentially high costs
- Months/years
- In Rem Jurisdiction
- More Trademark Owner Friendly
- Remedy limited to cancellation or transfer of the domain name
- One pleading
- Relatively inexpensive
- 60-90 days
- Expanded Jurisdiction

The UDRP

- Paragraph 4(a) of the Policy requires Complainant to prove each of the following three elements to obtain an order that a domain name should be cancelled or transferred:
 1. The domain name is **identical or confusingly similar** to a trademark or service mark in which Complainant has rights
 2. 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**

Rights and Confusing Similarity

- Demonstrating Rights in a Trademark
 - UDRP Rule 3(b)(viii) requires Complainant to specify the trademark(s) or service mark(s) on which the complaint is based and
 - Describe the goods or services with which the mark is used
 - Complainant may also separately describe other goods and services with which it intends, at the time the complaint is submitted, to use the mark in the future
 - The Policy does not require that the mark be registered in the country in which the respondent operates
 - Sufficient for Complainant to demonstrate ownership of a mark in some jurisdiction
 - A trademark registrant may confer rights to a Complainant through a license or by assignment

Rights and Confusing Similarity

- Demonstrating Rights in a Trademark
 - Complainant may rely on **common law** rights in a mark
 - Proof of **secondary meaning** required
 - evidence of use, sales, advertising, interaction that results in the public's recognition of the mark as an indicator of a single source for the goods or services
 - An ITU application is not enough. Merely filing for trademark protection does not confer rights under the Policy
 - Personal names
 - proof of use of the person's name as a distinctive identifier of goods or services offered under that name is typically required

Rights and Confusing Similarity

- Confusing Similarity
 - The mere addition of a generic or descriptive word to a registered mark does not negate the confusing similarity of a domain name
 - The addition of a product name or other term related to the Complainant’s mark / business is likely to compound confusing similarity
 - A combination of marks can increase confusion
 - However, in certain cases, the combination of Complainant’s mark with a third party’s mark is not necessarily confusingly similar (*see: similacvsenfamil.com*)
 - A top level domain (TLD) (“.com”, “.net”, etc.) is disregarded under the Policy because domain name syntax requires TLDs
 - Adding single letters and hyphenation is insufficient in overcoming a finding of confusing similarity
 - Typos / typo squatting

Rights and Confusing Similarity

- Confusing Similarity

- Phonetic similarity is sufficient to find confusing similarity under the Policy
 - *Clickandloan.net / QUICKEN LOANS*
 - *Quicken Loans Inc. v. Domain Admin / Whois Privacy Corp.*
- Translations / Transliterations or other modifications can also be confusingly similar
 - *blueelectroniccigarette.net / BLU ECIGS*
 - *Lorillard Technologies, Inc. v. Aman Singh*
- Internationalized domain names and their PUNYCODE translations are equivalent
 - *xn--riqv9gi8ghlnpte.xn--3ds443g* identical to the Chinese character mark 摩根士丹利 for MORGAN STANLEY in Punycode
 - *Morgan Stanley v. Domain Administrator / Rich Premium Limited*

Rights and Confusing Similarity

- Confusing Similarity

- The addition of negative terms such as “sucks” does not defeat confusing similarity
 - But, the use of “sucks” may impact the analysis regarding the registrant’s rights or interests in the domain and/or the bad faith analysis

Rights or Legitimate Interests in Domain

- Paragraph 4(c) of the Policy outlines how a domain registrant may demonstrate rights to and legitimate interests in the domain name:
 - (i) before any notice to you of the dispute, **your use of**, or demonstrable preparations to use, the domain name or a name corresponding to **the domain name in connection with a bona fide offering of goods or services**; or
 - (ii) you (as an individual, business, or other organization) have been **commonly known by the domain name**, even if you have acquired no trademark or service mark rights; or
 - (iii) you are making a **legitimate noncommercial or fair use of the domain name**, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

Rights or Legitimate Interests in Domain

- Bona fide offering of goods or services
 - *Generally found to confer rights / legitimate interests:*
 - License or Distributorship
 - Respondent has a trademark / concurrent rights
 - Non-competing use
 - Descriptive / generic uses
 - Demonstrable preparations to use the domain name

Rights or Legitimate Interests in Domain

- Bona fide offering of goods or services
 - Generally found *not* to confer rights / legitimate interests:
 - Pay Per Click / Parking / Non-use
 - Viruses / Malware / Pornography
 - Passing Off / Impersonation / Competing Use
 - Illegal use / Phishing
 - Participation in an Affiliate Program

Rights or Legitimate Interests in Domain

- Commonly known by the domain name
 - Whois information
 - Fictitious Whois information
 - Famous / Well-known marks
 - Business Names
 - Personal Names

Rights or Legitimate Interests in Domain

- Non-Commercial or Fair Use:
 - Criticism and Commentary / Free speech
 - Non-commercial
 - Snapchatcheck.com / Snapchat, Inc. v. PRIVATE REGISTRANT
 - Personal site / Blog
 - In the absence of any signs of commercial gain, hyperlinks, etc.
 - Domain Name made up of Descriptive Terms
 - Use in the context of the domain name's ordinary meaning and does not refer to the Complainant's mark

Registration and Use in Bad Faith

- The UDRP Policy Paragraph 4(a)(iii) requires the complainant to prove that the domain name has been registered and is being used in bad faith
- If registrant does not establish that it has rights or legitimate interests in the domain name, this failure does not equate to a finding of bad faith. The registrant can still rebut the four elements of bad faith.

Elements of Registration and Use in Bad Faith

In order to demonstrate registration and use in bad faith, one of the following circumstances must be shown pursuant to UDRP Policy Paragraph 4(b):

- i)** circumstances indicating that the registrant has registered or acquired the domain name primarily for the purpose of 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 documented out-of-pocket costs directly related to the domain name; or
- (ii)** the domain name has been registered in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that the registrant has engaged in a pattern of such conduct; or
- (iii)** the registrant has registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- (iv)** by using the domain name, the registrant has intentionally attempted to attract, for commercial gain, Internet users to his or her web site or other on-line location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of your web site or location or of a product or service on the web site or location.

Element I: Intent to Transfer Domain Name for Valuable Consideration

- Circumstances indicating that the registrant has registered or acquired the domain name primarily for the purpose of 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 documented out-of-pocket costs directly related to the domain name
- A mere offer to sell the domain name does not constitute bad faith if registrant had a legitimate interest in registering the name. See *Wilson Sporting Goods Co. v. Jim Hibbs / Instant Baseball*, FA 1416588 (NAF Jan. 10, 2012).
- If the registrant did not have a legitimate interest, an offer to sell to the general public could be evidence of bad faith. See *Prudential Ins. Co. of Am. v. Konstantinos Zournas*, FA 1392709 (NAF July 26, 2011).

Element I: Intent to Transfer Domain Name for Valuable Consideration

- If complainant initiated negotiations to purchase a domain name, a respondent is may not be acting in bad faith if it continues negotiations or indicates it was willing to sell the name in response to the offer. *See Forex Club Int'l Ltd v. INO.com, Inc.*, FA 1316362 (NAF May 17, 2010).
- Evidence of offers to sell domain names as part of settlement discussions are admissible to demonstrate bad faith
- The renewal of the registration of a domain name is not seen as a “new registration” and therefore does not by itself amount to bad faith unless bad faith occurred at the time the registrant took possession of the domain name.
- Use of a privacy or proxy registration service is not in and of itself an indication of bad faith, unless the privacy shield was manipulated to facilitate cybersquatting.

Element II: Pattern of Registering Infringing Domain Names

- The domain name has been registered to prevent the mark owner from reflecting the mark in a corresponding domain name, provided that the registrant has engaged in a pattern of such conduct.
- A “pattern of conduct” can involve multiple UDRP cases with similar fact patterns or a single case where the registrant has registered multiple domain names that are similar to the trademark at issue.
- A complainant cannot show that the respondent engaged in a “pattern of conduct” when there is only a single prior example of bad faith domain name registration.
- The registration of two domain names in the same case is generally not enough to show a pattern.

Element II: Pattern of Registering Infringing Domain Names

- Registrants who engage in a pattern of registering domain names that bear striking resemblance to famous marks is an indication of bad faith. In *Wikimedia Foundation Inc. v. Kevo Ouz a/k/a Online Marketing Realty*, WIPO D2009-0798 (Aug. 7, 2009), registrant registered the following domain names: <appl-e.com>, <aple.com>, <newyorktime.us>, <wwwworldcupsoccer.com> and <omega-watches.com>.
- The panel found that the respondent's registration of <googlefair.com>, <googlecon.com>, <googlejam.com>, <googleworld.com>, <gmailbox.com>, and <gmailme.com> had prevented the complainant from reflecting its Google mark in those names. See *Google Inc. v. Dyndns*, FA 1405326 (NAF Oct. 6, 2011).

Element III: Disruption of a Competitor's Business

- The registrant has registered the domain name primarily for the purpose of disrupting the business of a competitor. “Competitor” includes parties who divert Internet users to their own website, regardless of whether the goods or services offered are similar to the complainant.
- Panels are split on whether constructive or actual knowledge of complainant's mark is necessary to establish bad faith. A registrant is not required to perform a search to determine if its requested name is infringing.
- Most panels argue constructive knowledge is unfair, while some have held that if the infringer is a sophisticated domain name registrant, its failure to conduct an adequate search can indicate the party acted in bad faith.

Element III: Disruption of a Competitor's Business

- “Knew or should have known” – panels have been more likely to find bad faith based on proof that the registrant “knew or should have known” (constructive notice) if the trademark is well-known or in wide use on the Internet at the time the domain name was registered.
- Even if a domain name is not actively used and registrant has not taken any active steps to sell it, cumulative circumstances can still indicate bad faith. Cumulative circumstances include the involvement of a well-known mark, no response by registrant to complaint filed, and registrant's concealment of its identity.
- Evidence of a disclaimer on a website generally cannot by itself cure bad faith.

Element III: Disruption of a Competitor's Business

- Registrant's use of complainant's mark for paid links or "click through" advertising revenue constitutes bad faith. In *Wikimedia Foundation Inc. v. Kevo Ouz a/k/a Online Marketing Realty*, WIPO D2009-0798 (Aug. 7, 2009), Respondent used <wikipedia.com> and <wikipediia.com> to resolve to websites bearing complainant's logo that listed links to complainant's competitors.
- Registrant "knew or should have known" of complainant's trademark due to worldwide reputation and presence on the Internet of GAP, BANANA REPUBLIC, and OLD NAVY. *Gap, Inc. v. Deng Youqian*, WIPO Case No. D2009-0113 (March 23, 2009) (<babygapclothing.com>, <biggap.com>, <gapcoupon.com>, <gapfashion.com>, <bananarebulic.com>, and <oldnavyreidsystems.com>).

Element IV: Intent to Attract Internet Users by Creating a Likelihood of Confusion

- Registrant has intentionally attempted to attract, for commercial gain, Internet users to his or her website by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of the website or of a product or service on the website.
- When the website emulates the look and feel of the complainant's mark or website, usually there is a likelihood of confusion.
- Registrants are normally deemed responsible for third-party or "automated" content appearing on a website at its domain name, especially if they are benefiting financially.
- The mere registration of a domain name, which is obviously connected with a well-known product or service, by someone with no connection with the product or service suggests opportunistic bad faith.

Element IV: Intent to Attract Internet Users by Creating a Likelihood of Confusion

- For example, see *PepsiCo, Inc. v. PEPSI, SRL (a/k/a P.E.P.S.I.) and EMS Computer Industry (a/k/a EMS)*, D2003-0696 (WIPO October 28, 2003) (registration of more than 70 “pepsi” domain names to direct users to sports gaming website); *Telstra Corp. Ltd. v. Nuclear Marshmallows*, Case No. D2000-0003 (WIPO February 18, 2003) (finding even though *telstra.org* passively held by registrant, it was registered in bad faith as a result of complainant’s numerous worldwide trademark registrations, domain name registrations, and long established reputation for TELSTRA).
- If the complainant has not yet developed rights in a mark (whether registered or unregistered), bad faith will not be found, unless the registrant was clearly aware of the complainant (e.g., prior to a publicized merger). See *Glasgow 2014 Limited v. Tommy Butler*, D2012-2341 (WIPO, Jan. 12, 2013).

Factors to Consider When Addressing an Infringing Domain Name

- Research the Whois record for the infringing domain name and save a copy of the record
- Conduct thorough research regarding a domain name registrant's contact information, including on the website at issue, on other websites that may be associated with the registrant (and the Whois records for those websites), on social media, on the Wayback Machine (archive.org). Often you will find additional infringement on other websites associated with the same registrant.
- Save copies of the website associated with the infringing domain name and other relevant websites. Any changes to the websites should also be saved.
- Decide on a strategy – monitoring, phone call, letter, UDRP

Factors to Consider When Addressing an Infringing Domain Name

- Send e-mails and letters to all known contact information for a registrant, including to multiple addresses or e-mail addresses
- Consider the end result, such as having the domain name disabled or transferred to the mark owner
- If disabled, the registrant should agree not to transfer the domain name to a third party or to renew the domain name
- If the domain name is transferred, negotiations could begin with the price the domain name registrant paid
- Meticulously document and save all communications with domain name registrant to potentially attach to a UDRP complaint

Maximizing Success in a UDRP Complaint

- Assess the Nature and Level of Cybersquatting/Infringement
- Exhaust the cease and desist route
- Be Thorough With the Complaint (it is a one-shot deal)
- Keep Track of the Process, including any cyber-flying

Maximizing Success in a UDRP Complaint

- Allege and attach evidence demonstrating the strength of the complainant's mark at issue, including relevant trademark registrations in the country of interest, global trademark registration portfolios, domain names registered by the mark owner, advertising and sales figures, advertisements, awards, media references
- Include all known contact information for the registrant
- Discuss the chronology of events leading up to the filing of the UDRP complaint
- Allege and attach all communications with the registrant supporting the elements of a UDRP claim (e.g., registrant's offer to sell the domain name for a profit)
- Include citations to relevant, supporting NAF and WIPO cases
- Allege that registrant violated the relevant registrar's registration agreement by registering the domain name at issue, if applicable

Thank you

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