Domain Name Dispute Resolution: A battle of trademarks vs. domain names

by Manel Ben Said - m.bensaid@tamimi.com - Dubai International Financial Centre

July – August 2014

The World Intellectual Property Organisation (WIPO) Arbitration and Mediation Center’s domain name dispute resolution services for generic top-level domains (‘gTLD’) and some country code top level domains (‘ccTLD’) resolves disputes concerning domain names through the Uniform Domain Name Dispute Resolution Policy (‘UDRP Policy’) issued in 1999.

This policy has been adopted by the Internet Corporation for Assigned Names and Numbers (ICANN), which has the role of managing the Internet’s global Domain Name System.

The article examines how disputes are resolved under the UDRP Policy. This is an increasingly important topic for native business in the Middle East whose brands are starting to become well known internationally. These businesses need to be better informed about the UDRP Policy so that they can better protect their brands.

Registering Domain Names

Domain names can be registered through many different companies – known as “registrars” that compete with one another. All ICANN-accredited registrars follow a UDRP Policy. Under that policy, disputes over entitlement to a domain-name registration are ordinarily resolved by court litigation between the parties claiming rights to the registration. Once the courts rule who is entitled to the registration, the registrar will implement that ruling. In disputes arising from registrations allegedly made abusively (such as “cybersquatting” and “cyberpiracy”), the uniform policy provides an expedited administrative procedure to allow the dispute to be resolved without the cost and delays often encountered in court litigation. In these cases, you can invoke the administrative procedure by filing a complaint with one of the dispute-resolution service providers.

The UDRP Policy applies to .com, .net and .org, extensions as well as to a number of more recently introduced gTLDs, such as .aero, .asia, .biz, .cat, .coop, .info, .jobs, .mobi, .museum, .name, .pro, .travel and .tel. Since commencing its UDRP service, WIPO has processed some 27,000 UDRP and UDRP-related cases. For the ccTLD .AE and the Dispute Policy adopted by the registration authority is the ‘UAE Domain Name Dispute Resolution Policy’, also called the aeDRP, which only has slight differences with the UDRP Policy.

In several cases decided under the UDRP Policy, panels from the WIPO ordered the transfer or cancellation of the infringing domain name.

The UDRP Policy Process

The process under the UDRP Policy is straightforward. Complaints are filed with the WIPO Arbitration and Mediation Center. The Complainant, who should be the trademark owner, is required to provide evidence of the ownership of the trademark. The Respondent, who is the registrant of the domain name has to prove a legitimate interest for using the domain name.

The Complainant has the option of choosing the panel. The number of panelists can be either 1 or 3, with the identity of the panelist to be elected from the official list available on the WIPO website.
In addition the Complaint at the time of filing has the choice of the remedy sought and can choose between the transfer of the domain name from the Respondent to the Complainant or the cancellation of the domain name registration (in case the Complainant has no interest in the domain). However, the Complainant must monitor the cancelled domain name as it becomes free and available to any other party seeking to register the domain name.

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

1. The domain name registered 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 interest in respect of the domain name; and
3. The domain name has been registered and is being used in bad faith.

These conditions are cumulative, meaning the complainant must prove each of the three elements in order to be successful in its claim.

To satisfy the first requirement of the UDRP, the complainant must prove that it has acquired rights, including trademark rights, over the disputed name or part of the name that constitute the litigious domain name.

The second element is in relation to any potential relationship that may exist between the parties or any legitimate interest that the Respondent could have in the name (for example, an individual may wish to register a family name, in which case an argument can be made that the registrant has a legitimate interest in the name and potentially the domain name).

The third element, bad faith, is often the easiest to satisfy and can usually be demonstrated with the content of the website which may show that it is merely a “parking domain” for instance, or any other lucrative domain.

Often, companies or individuals who have no legitimate interest in the domain name purposely use trademarks that are not yet registered domains, and seek monetary value form the trademark owners who would like to register the domain names. This practice is commonly referred to “cyber squatting”. Although the URDP is taking efforts to monitor and prevent such activity, unfortunately brand owners are often left with the reality that they can be faced with paying out for domain names which contain their trademarks. Brand owners must therefore be aware of the importance of domain names. At the time of launching a new brand, care should not only be provided to associated trademarks but also to domain names and registration of these. In order to avoid contentious matters that may arise through the URDP, brand owners can be proactive and register the domain names under their trademarks and any variations of it in order to protect themselves against cyber squatting.

Although the URDP complaint is a faster and cheaper process than court proceedings, it is far from being a ‘one size fits all’ alternative to Court Proceedings, as complaints filed under the UDRP are reviewed with a high level of scrutiny. The principles and requirements of the UDRP must be observed and respected by complainants and their legal counsel in order to succeed.