

AN ANTHOLOGY of  
COMMENTARIES ON  
Cybersquatting Claims – 2014

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For this anthology I have selected ten commentaries that give a good introduction to the evidentiary demands on both trademark owners and domain name holders in asserting and defending against claims of cybersquatting.

# UDRPs Evidentiary Demands

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The UDRP is essentially composed of three blocks of checklists that lay out the evidence each party is expected to offer on its claim or defense. Paragraphs 4(a)(i – iii) detail the requirements a trademark owner must satisfy to prove its claim: it has to have standing to maintain the proceeding; it has to demonstrate respondent lacks rights or legitimate interests in the domain name; and it has to prove respondent registered and is using the domain name in bad faith. Paragraphs 4(b) (i – iv) detail the “shalt nots” and paragraphs 4(c) (i – iii) detail the defenses to a cybersquatting claim. The 4(b) and 4(c) lists are nonexclusive although in practice they essentially cover the world of possibilities. It is not unlawful *per se* to have registered a domain name identical or confusingly similar to a currently (or allegedly) existing trademark if complainant acquired its trademark after registration of the domain name.

Several recent cases from the Asian Dispute Name Resolution Centre nicely illustrate the various aspects of the evidentiary demands: time lapse (is there a laches or estoppel defense?), [Television Broadcasts Limited v. Shen, Ying-Wei/The Vacation Bacchic Studio, Perfect Privacy, LLC](#), HK-1400665 (ADNDRC December 11, 2014) (<tvbs.com>, Transferred); trademark right (does a domain name lessee have trademark rights?), and [Asia Charts Pte. Ltd., Singapore v. Neuronet Systems Pte. Ltd., Singapore](#), KL-1400018 (ADNDRC December 11, 2014) (<asiacharts.com> Complaint dismissed). A third case [Adodis Technologies Private Limited v. Eric Reao](#), KL-1400023 (ADNDRC September 19, 2014) (<adodisfraud.com>, Complaint dismissed) covers a palette of issues ranging from secondary meaning (what needs to be proved for common law trademark rights?) and free speech (what qualifies, the domain name or the content?) to business consequences and tarnishment. According to Complainant “[t]he person who created [the website] has a clear intention to defame the Complainant’s position in the market as a leading web development company. As a result of the Disputed Domain Name, the Complainant is losing clients.”

As a general proposition respondents do not have to prove good faith. Complainant carries the ultimate burden of proving bad faith registration and use. Whether complainant prevails is highly fact specific. For example, equitable defenses are rarely applied but if they are it is not necessarily under a laches or estoppel theory. Complainants fail because they are unable to prove bad faith registration. In the case of *Television Broadcasts*, Complainant prevailed notwithstanding a 16 year lapse because the evidence established that the domain name had been used since its purchase to traffic on Complainant’s reputation and goodwill. Respondent raised an interesting but ultimately frivolous defense that it was not bound by the UDRP since the domain name was registered before the implementation of the UDRP.

This “not bound defense” was raised and rejected in a number of early cases (2000 and 2001) and thereafter slipped from the lexicon of defenses. It is fruitless (as the *Television Broadcasts* Panel points out) for two reasons: first, Respondent’s agreement with the registrar provides that it is bound by any revision or change in the terms of the registration agreement which would have come into effect on renewals; and second because the evidence proved respondent registered the domain name with the complainant “in mind.”

In *Asia Charts* Complainant leased the domain name in exchange for using Respondent as an exclusive provider of “end-of-day” data services. It commenced the UDRP proceeding after it discontinued using Respondent (a breach of contract unless it had no further use of the domain name) and Respondent repointed the domain name to its own website. Although not clearly expressed Complainant based its argument on an estoppel theory. It contended that “It was an implicit understanding between the Complainant and the Respondent that the Domain Name was for the exclusive use and business of the Complainant.” Unsaid is that the domain name was registered prior to the creation of Complainant’s business. In any event it had no trademark right to support standing to complain and, therefore, no actionable claim for cybersquatting.

*Adodis* presents a range of issues. The decision makes interesting reading in part because the Panel decided to discuss each of the issues even though it could have abridged the decision after finding Complainant failed on the standing element: “[W]hile the Disputed Domain Name is found to be identical or confusingly similar, the Complainant has ultimately failed the first element given the absence of any evidence to establish the presence of secondary acquired distinctiveness of the ‘ADODIS’ trademark.” I will limit my comments only to the business and tarnishment issue.

Panelists have different views about applying a respondent’s free speech rights. There is a split on whether the free speech protects the domain name or content. In *Adodis* the domain name, <adodisfraud.com> qualifies for protection because it adds an appropriate qualifier and the content is consistent with the semantic expectation for the website. Thus,

*Whilst the Complainant alleges that the Respondent is hampering its business and has a clear intention to defame the Complainant’s position in the market as a leading web development company, the Complainant has failed to put forward any evidence to support this stance. On the contrary, emails from the Complainant to the Respondent sent in September 2013 appear to admit that there is basis to the complaint made by the Respondent with regard to the services rendered by the Complainant.*

To make out a case for tarnishment requires proof not of “hampering ... business” but populating the website with “link[s] [to] unrelated pornographic, violent or drug-related images or information to an otherwise wholesome mark,” citing [Britannia Building Society v Britannia Fraud Prevention](#), D2001-0505 (WIPO July 6, 2001). This kind of reception is not very different from what a plaintiff would expect in a U.S. federal court action.

# Trademark Rights Acquired Before Corresponding Domain Name

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To prevail in a udrp proceeding trademark rights should be acquired before corresponding domain names. Timing in acquiring a trademark is determinative of a party's right to the domain name. Trademarks acquired after registration of domain names cannot prove their claim of bad faith. Nevertheless, there appears to be an uptick in the number of cases brought by owners who acquired their trademarks after the registration of the domain name. These complainants have standing but no actionable claim under the UDRP, for the reasons stated in the WIPO Overview 2.0: "Generally speaking, although a trademark can form a basis for a UDRP action under the first element irrespective of its date ... when a domain name is registered by the respondent before the complainant's relied-upon trademark right is shown to have been first established (whether on a registered or unregistered basis), the registration of the domain name would not have been in bad faith because the registrant could not have contemplated the complainant's then non-existent right." Abusive registration presupposes trademark rights acquired before corresponding domain name.

One of the differences between the UDRP and the Anticybersquatting Consumer Protection Act (ACPA) is the threshold of standing. Under the UDRP the complainant only has to demonstrate that it has a right when it files the complaint. With the ACPA, the mark has to be "distinctive [or, in the case of a famous mark, famous] at the time of registration of the domain name." 15 U.S.C. §1125(d)(1) (A). The timing of distinctiveness was an early issue under the UDRP. Some panelists took the position that the timing of the right determined standing. This is illustrated, for example, in [Firstgate Internet A.G. .v. David Soung](#), D2000-1311 (WIPO January 29, 2001):

*Whilst the Panel agree that this issue [of the timing of distinctiveness] is not necessary to its Decision, given its view on complainant's failure to satisfy the third element of paragraph 4(a) of the Policy, they disagree as to when trademark rights must exist for the requirements of paragraph 4 (a)(i) of the Policy. The Presiding Panelist and Panelist Chrocziel believe that such trademark rights must be in existence at the time the domain name is registered, i.e. here March 6, 2000. Panelist Creel believes that such trademark rights need only exist at the time of the Complaint.*

Panelist Creel's view prevailed as we see in the WIPO Overview.

The losing complainant in a year-plus old decision has just filed a federal complaint alleging as it did in the UDRP proceeding that (in effect) it has a better claim to the domain name than does the holder. [BidPal, Inc. v. InterMediaOne](#), FA121000146833 (Nat. Arb. Forum December 14, 2012). Its federal action was filed February 5, 2014, 14-cv-00168 (S.D. of Indiana). The UDRP decision was by a unanimous three member Panel. Complainant alleged that the "disputed domain name simply resolves to a placeholder page with the Registrar and contain no original content. The Panel's unsurprising response to this is that "even if [the Respondent] had not been able to prove the use of the Disputed Domain Name, [it] finds that it is not considered a violation of the Policy just to register a domain name and not give it an active use."

In the federal action, the plaintiff takes a new tack: "The Infringing Domain Names were Registered and/or Renewed in Bad Faith." The consensus under the UDRP is that renewal does not equal registration but is a continuation of it. There appears to be a split on this issue under the ACPA between the Third and Ninth Circuits. See [Twitter, Inc. v. Geigo, Inc.](#), D2011-1210 (WIPO November 2, 2011) (3-member Panel). The Panel observed that

*A UDRP panel owes great deference to the national courts. Their rulings may well be part of “applicable law” that a panel must consider (Rules, paragraph 15(a)), may become directly relevant in relation to mutual jurisdiction in the event of a court challenge (Policy, paragraph 4(k)), and are forged upon a record developed through full adversary proceedings. Nevertheless there are occasions when a Policy panel may decline to follow a court’s interpretation. The Schmidheiny case [Schmidheiny v. Weber, 319 F.3d 581 (3<sup>rd</sup> Cir. 2003)] cited but not followed by the Ninth Circuit and its reasoning [in GOPETS Ltd. v. Hise, Digital Overture, Inc., 657 F.3d 1024 (9<sup>th</sup> Cir. 2011)] offer grounds for this Panel to follow the Third Circuit’s holding. These two courts are co-equal; any difference in their rulings can only be resolved by the Supreme Court of the United States or superseding legislation. This Panel finds the Third Circuit’s reasoning in Schmidheiny more convincing than the Ninth Circuit’s in GoPets.”*

An unresolved issue is whether the renewal of a domain name initially registered before the existence of a trademark—therefore no bad faith—is subject to forfeiture after renewal of registration for subsequently using the domain name in bad faith. There are several circuit decisions that have found for the owner where the trademark predated a disputed domain name that was originally registered and used in good faith but was subsequently used in bad faith, then renewed. The district court in which BidPal has filed its complainant, Indiana, is in the Seventh Circuit. This will be an interesting case to follow!

# Purchase of Lapsed Domain Name

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Registration of a lapsed domain name to a party with equal rights can be an irrecoverable loss. This is so because purchase of lapsed domain name is not a *per se* violation of the UDRP. Trademark owners hold domain names for a term and have renewal rights without end, and in this respect domain names can be thought of as being “owned” rather than “leased,” but loss by lapse can bring an end to domain name ownership. The loss cannot be compared to losing trademark registration for failure to renew because if there is marketplace evidence of continued use there is no abandonment. If there is no abandonment the mark remains protected under common law principles. There is no such comparable principle for domain names. The first question with lapse is whether it was abandoned or inadvertent. The stronger the mark, the likelier a complainant is able to recover its domain name, but this applies only if the new holder’s choice cannot be explained. For example, the new holder operates a business whose trade name happens to correspond to the domain name, [Berenson & Company, Inc. v. Berenson Corp. c/o Babij, Terry](#), FA0909001283183 (Nat. Arb. Forum October 23, 2009) (<berenson.com>, another company by the same name).

In [Jeremy Same v. Richard Weston / dreamGEAR, LLC](#), FA1311001531432 (Nat. Arb. Forum January 20, 2014) (<isound>) Complainant alleged that

*On approximately October 2, 2012, Complainant removed the ISOUND website from the Internet to begin work on an updated website and mobile application for the ISOUND brand that would reflect an updated revenue model, which had not been changed in over eight years. While Complainant worked on an updated business model, the Domain Name was linked to a one page website which continued to use the Trade Mark and informed former users of Complainant’s service that Complainant’s business model was moving to a new form.*

*On April 30, 2013, the Domain Name was wrongfully transferred to Respondent when the domain name expired and Complainant was not informed of its expiration.*

Respondent appeared with the following counter-story:

*Respondent owns registrations for the I.SOUND Mark in several jurisdictions worldwide, including a registration in the US with a filing date of September 3, 2004, registration date of June 20, 2006 and first use in commerce date of October 7, 2004, and an international registration registered on April 26, 2005.*

Complainant offered to sell the Domain Name to Respondent two years ago, citing a valuation akin to Apple’s then-recent purchase of “iCloud.com” for over \$4 million. Respondent was not interested, and Complainant let the Domain Name go abandoned. It was then registered by a third party who subsequently sold it to Respondent.

Assume the lapse was inadvertent, then Respondent has an independent legal right to the domain name as a trademark owner for the term. Respondent is also a purchaser in good faith even though it knew the identity of the former holder. It acquired its registration from a third-party registrant after the lapse:

*[The facts are] more consistent with (1) Complainant's use of the Trade Mark not commencing until several years after Respondent had registered and commenced use of its I.SOUND Mark; and (2) Complainant having abandoned or at least suspended the use of the Trade Mark at the material time.*

The record leaves it unclear whether Complainant abandoned the trademark. As a domain name holder/trademark owner Complainant had every right to sell its asset to a coexisting trademark owner but cannot reclaim the domain name if the registration lapses and it is purchased by a third-party. The fact that the third-party may have used the domain name in bad faith does not stain a purchaser in good faith who uses it legitimately for its business. In assessing alleged facts the offering party is vulnerable to counter-facts that undercut its credibility.

# Outside the Scope of the UDRP

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Disputes declared outside the scope of the UDRP affirms the Policy's limited jurisdiction. The Policy is designed to address claims of cyber infringement of an owner's trademark, not to determine trademark infringement or claims of business disputes. To be sure the demarcation between disputes within and other outside the scope of the Policy can be penumbral. It took a first year or two of cases to establish that breach of fiduciary duty by an employee should be within the scope. It is not the theory that supports an actionable claim but respondent's conduct that is the proper focus for analysis: what the employee did, his or her status, and when and for what purpose while he or she was employed by complainant are the important factors.

A more difficult issue is parsing a dispute between contractually related parties or business partners. If the claim is limited to the domain name it is likely to be within the scope; but if the domain name is incidental to other claims or is so tangled with it the dispute is likely to be outside the scope of the Policy. The Panel in [Insolvency Services Group, Inc., As Assignee for the Benefit of Creditors of BIDZ.COM, INC. v. Leon Kuperman / LGK Consulting](#), FA1409001580768 (Nat. Arb. Forum November 13, 2014) (<bids.com>) notes that the Policy's purpose is to "combat abusive domain name registrations and not to provide a prescriptive code for resolving more complex trade mark disputes ...." He posed the question in this way: "Preliminary Issue: Business/Contractual Dispute Outside the Scope of the UDRP." The dispute is over <bidz.com>. Facts and proof make a case. Allegations alone are not probative of the ultimate question. This is essentially the Panel's point in noting the evidentiary deficiencies of the Complainant's submission:

*[First] [T]he Panel finds that Complainant's own statements suggest the existence of a complicated business dispute underlying the ownership of both the BIDZ.COM mark and the <bids.com> domain name.*

*[Second] The Panel notes that Complainant did not even provide the Assignment document upon which it rests its rights in the BIDZ.COM mark until its Additional Submission. That Assignment document is not straightforward, particularly regarding the <bids.com> domain name, allegedly part of the assets of BIDZ.COM, INC.*

*[Third] Complainant presents a convoluted history regarding who is listed as the registrant of the disputed domain name, and a complicated history of the winding down of BIDZ.COM, INC.*

*[Fourth] Both the listed registrant of the disputed domain name and Daniella Zinberg have ties to BIDZ.COM, INC.; Leon Kuperman was the former President of BIDZ.Com, Inc. and Daniella Zinberg is allegedly the daughter of the founder of the company.*

*[Fifth] Complainant also entertains the argument that it has not abandoned the use of the BIDZ.COM mark.*

*[Sixth] Thus, many issues have been raised which would require proof more suited to the thorough scrutiny afforded in litigation.*

These are not the only issues:

*“[t]here are other intellectual property issues. There are serious contractual issues. There are questions of governing law and proper forum if the matter were litigated. Were all the issues fully ventilated before a Court of competent jurisdiction, there may be findings of implied contractual terms, minimum termination period, breach of contract, estoppels or other equitable defenses. So far as the facts fit within trade mark law, there may be arguments of infringement, validity of the registrations, ownership of goodwill, local reputation, consent, acquiescence, and so on.”*

Moreover, the parties’ submissions make it clear they have a business relationship and the domain name ownership is genuinely in dispute. In its Implementation Report ICANN expressly reserved for a court of law opposing claims to domain names:

*Except in cases involving ‘abusive registrations’ made with bad-faith intent to profit commercially from others’ trademarks (e.g., cybersquatting and cyberpiracy), the adopted policy leaves the resolution of disputes to the courts (or arbitrators where agreed by the parties)....*

The parties are not strangers but neither is the relationship purely employer-employee. The Panel cited [Bracemart, LLC v. Drew Lima](#), FA 1494699 (Mar. 28, 2013) for the proposition that when complainant and respondent act “at some point ... in an official capacity in the management of the company” the dispute moves into the realm best resolved by the court.

# The Forum of Choice for Arbitrating Cybersquatting: The Uniform Domain Name Dispute Resolution Policy

By Gerald M. Levine

What we recognize today as self-evident about the world wide web with its mixture of opportunity and opportunism was hardly visible in the early 1990s when the Internet began its transformation from the online network created by the academy in the 1980s to the commercial marketplace of today. Then as now anyone, anywhere in the world, without oversight or restriction could register a domain name in any language and launch it into cyberspace for anyone, anywhere in the world to access. There are no gatekeepers at the acquisition stage to demand justification for a registrant's choice of domain name. By the mid-1990s business leaders, who had grown increasingly apprehensive about the predatory side of the Internet, began to demand a more efficient legal mechanism for challenging opportunists taking advantage of their intellectual property as an alternative to enduring the costs and delays of civil litigation.

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*"The great benefit of the UDRP is that it is quick (decisions are filed within 40 to 60 days of commencement), efficient (template pleadings and no in-person appearances) and cost-effective (a minimal fee of \$1,300 to \$4,000 [depending on provider and 1 or 3-member Panel for up to 5 domain names] for filing a complaint and a few thousand dollars more if the parties retain counsel)."*

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The turning point came in 1998. In that year the U.S. government created the Internet Corporation for Assigned Names and Numbers (ICANN)<sup>1</sup> and interest groups and governments meeting under the auspices of the World Intellectual Property Organization (WIPO) fashioned an arbitral regime<sup>2</sup> which ICANN adopted in 1999 as the Uniform Domain Name Dispute Resolution Policy (UDRP or the Policy).<sup>3</sup> In the same year the U.S. Congress enacted the Anticybersquatting Consumer Protection Act (ACPA).<sup>4</sup> The two regimes are constructed on different models for combating cybersquatting that reflect the different priorities that brought them into existence.

The UDRP is a *sui generis* alternative dispute resolution procedure that is available to any trademark owner in any jurisdiction in the world. Unlike domestic and international commercial arbitrations it is expressly non-exclusive. Complainants have a choice of fora. Decisions

are not *res judicata* against the aggrieved party commencing a post-hearing action in a court of law. Also unlike commercial arbitrations, the UDRP is a paper only, online regime. Panelists (as UDRP arbitrators are called) have created and apply a functioning jurisprudence specially fashioned to adjudicate claims of "infringement." In the UDRP context, infringement means violation of rights as defined in the Policy, not trademark infringement. The UDRP is not a substitute for the ACPA. Since its inception the UDRP has become the forum of choice to challenge infringing domain names. Astonishingly, through 2013 panelists have issued over 40,000 reasoned decisions, all of them publicly available on providers' databases.<sup>5</sup> This contrasts with two or three dozen decisions from U.S. federal courts of which only a small number have received appellate review.

Every procedural step under the UDRP regime has been simplified, from the contents of pleadings and service on accused domain name holders to issuance of decisions and implementation of requested remedies. These are all important matters and deserve attention, but this article touches lightly only on one procedural feature, namely the agreement that binds respondents to submit to arbitration. The balance of the article focuses more broadly on the UDRP's substantive features, namely its requirements, its evidentiary demands, panelists' achievement in creating a supranational jurisprudence, and briefly the key structural difference between UDRP and the ACPA. The remedy in both fora for cybersquatting is a mandatory injunction to cancel or transfer disputed domain names; in essence, the domain name holder suffers a forfeiture of its domain name if its registration is found to be abusive. The UDRP has no provision for damages although it does have provision for a declaration of reverse domain name hijacking.<sup>6</sup> The great benefit of the UDRP is that it is quick (decisions are filed within 40 to 60 days of commencement), efficient (template pleadings and no in-person appearances) and cost-effective (a minimal fee of \$1,300 to \$4,000 [depending on provider and 1- or 3-member Panel for up to 5 domain names] for filing a complaint and a few thousand dollars more if the parties retain counsel).

One might ask, What compels a domain name holder to arbitrate a claim? The answer lies in the web of contracts between ICANN and registrars on the one hand and registrars and registrants on the other. There are no independent registrars. The registration agreement which all purchasers must execute as a condition for taking possession of a domain name and which binds them to arbitration is drafted to conform with requirements promul-

gated by ICANN in a Registrar Accreditation Agreement (RAA).<sup>7</sup>

The RAA incorporates the UDRP's representation and warranty provision that "(a) the statements that you made in your Registration Agreement are complete and accurate; (b) to your knowledge, the registration of the domain name will not infringe upon or otherwise violate the rights of any third party; (c) you are not registering the domain name for an unlawful purpose; and (d) you will not knowingly use the domain name in violation of any applicable laws or regulations." The provision concludes with the statement that "[i]t is your responsibility to determine whether your domain name registration infringes or violates someone else's rights."<sup>8</sup> "[T]he Policy does not aim to adjudicate between genuine conflicting interests."<sup>9</sup> It is designed only to deal with clear cases of cybersquatting.

There are three separate requirements for proving cybersquatting: a) a trademark "right" by the complainant, b) a lack of right or legitimate interest by the respondent, and c) proof of abusive registration. The term "abusive registration," of which there are four nonexclusive examples, means respondent registered the domain name in bad faith *and* is using it in bad faith. The conjunctive requirement that distinguishes the UDRP from the "either/or" model of the ACPA<sup>10</sup> is also one of the reasons for a substantial number of denied complaints, which average approximately 300 annually.<sup>11</sup>

There are three distinct, although nonexclusive, affirmative defenses to cybersquatting. The first defense is that "before any notice of the dispute" the respondent is making a bona fide offering of goods or services. This is construed to include nominative fair use and a purely UDRP analogy to that doctrine based on commercial fair use. The second defense is that the respondent has been "commonly known by the domain name" which is construed to mean that it was known by the name before it registered the domain. The third defense is that the respondent is using the domain name in a noncommercial or fair use manner which includes uses constitutionally protected under the First Amendment.

A minority of denied complaints involve trademark owners selecting the wrong forum, sometimes purposefully.<sup>12</sup> This purposefulness is apparent where the trademark owner attempts to vindicate an alleged right acquired subsequent to the registration of the domain name for which it has standing but no actionable claim. Proof of a trademark right only gets a complainant to "first base."<sup>13</sup> The reason for this is that the relative timing of domain name registration and trademark acquisition makes it impossible to prove registration in bad faith (that is, the complainant is "fouled out" by the conjunctive requirement).<sup>14</sup> Alleged bad faith use subsequent to

good faith registration is actionable if at all in an ACPA action.<sup>15</sup>

However, the majority of denied complaints involve choices of domain names composed of lexical strings in which respondents either demonstrate a right or legitimate interest (paragraphs 4(a)(ii) and 4(c) of the Policy) or complainants are unable to marshal proof that the domain names were registered in bad faith (paragraphs 4(a)(iii) and 4(b) of the Policy, not holding a domain name for any proscribed purpose). Other reasons include claims found to be outside the scope of the Policy (e.g., personal and trade names that are not eligible for trademark registration) or go beyond UDRP jurisdiction (e.g., disputed rights and interpretation of contract terms). That the naming choices are either identical or confusingly similar to a complainant's trademark (paragraph 4(a)(i) of the Policy) is ultimately irrelevant if complainant is unable to prove that respondent both registered the domain name in bad faith *and* is using the domain name in bad faith (paragraph 4(b)(i-iv) of the Policy).

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*"The UDRP makes significant evidentiary demands on the parties to prove their contentions of good and bad faith registration."*

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What is generally underappreciated about an administrative proceeding is that the UDRP makes significant evidentiary demands on the parties to prove their contentions of good and bad faith registration. In explaining these demands it is useful to begin by pointing out that the Policy requires the parties or their counsel to certify to the truth of any factual statements and that the pleading "is not being presented for any improper purpose."<sup>16</sup> A number of complainants have been tripped up alleging facts contradicted by actual facts that have entered the record through respondent. In still other circumstances, complainants offer conjecture of bad faith rather than demonstrable evidence of abusive registration. All of these situations raise issues of credibility that undermine a complainant's case.

From the beginning there has been criticism of inconsistency in decision making, which is not surprising given that the jurisprudence has developed without appellate review. The point was accepted in an early decision where the Panel warned his colleagues that "[a decision] should consist of more than, '[i]t depends [on] what panelist you draw.'"<sup>17</sup> Some of the inconsistency occurs in areas where there are split views of the law (e.g., does the First Amendment protect the right to register a name identical to the trademark or only the expression within the website?). However, on the whole it can fairly be said that panelists have created and apply a function-

ing and able jurisprudence. It has been achieved (as stated in many UDRP decisions) through “a strong body of precedent” which “is strongly persuasive” even if not binding.<sup>18</sup>

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*“On the whole it can fairly be said that panelists have created and apply a functioning and able jurisprudence.”*

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## Endnotes

1. ICANN is “an internationally organized, non-profit corporation [formed in 1998] that has responsibility for Internet Protocol (IP) address space allocation, protocol identifier assignment, generic (gTLD) and country code (ccTLD) Top-Level Domain name system management, and root server system management functions.” [“Background Points” posted by ICANN on its web site at <[icann.org/general/background.htm](http://icann.org/general/background.htm)>.] Its mission “is to coordinate, at the overall level, the global Internet’s systems of unique identifiers, and in particular to ensure the stable and secure operation of the Internet’s unique identifier systems.”
2. The Management of Internet Names and Addresses: Intellectual Property Issues, Final Report of the World Intellectual Property Organization Internet Domain Name Process (April 30, 1999). The Final Report is available at <http://www.wipo.int/amc/en/processes/process1/report/finalreport.html>.
3. The UDRP and Rules are available at <http://www.icann.org/en/help/dndr/udrp>. ICANN Second Staff Report on Implementation Documents for the Uniform Dispute Resolution Policy (October 24, 1999). Until September 29, 2009 ICANN operated as a quasi-administrative agency under a Memorandum of Understanding with the U.S. Department of Commerce. This relationship changed with the signing of The Affirmation of Commitments effective September 30, 2009. An explanation of the Affirmation and the text is available at <<http://www.icann.org/en/announcements/announcement-30sep09-en.htm>>.
4. The ACPA is a section in the Trademark Act of 1946, 15 U.S.C. §1125(d).
5. There are currently five providers, but two most productive are the World Intellectual Property Organization located in Geneva, Switzerland (WIPO) and the National Arbitration Forum located in Minneapolis, Minnesota (NAF). A consolidated database of decisions is available at <[udrpsearch.com](http://udrpsearch.com)>.
6. Rule 15(e) of the Rules of the Policy.
7. The RAA is available at <http://www.icann.org/en/gsearch/registrar%2Baccreditation%2Bagreemnt>.
8. UDRP, ¶ 2.
9. *Rapido TV Limited v. Jan Duffy-King*, D2000-0449 (WIPO August 17, 2000).
10. 15 U.S.C. §1125(d)(1)(A): “A person shall be liable in a civil action by the owner of a mark...if, without regard to the goods or services of the parties, that person—(i) has a bad faith intent to profit from that mark...and (ii) registers, traffics in, or uses a domain name [in a proscribed manner].”
11. Statistics compiled by WIPO. No comparable statistics from NAF.
12. For decisions filed in 2013, 26 complainants were sanctioned for reverse domain name hijacking (WIPO, 14; NAF 11; ADR.eu 1).
13. *RapidShare AG, Christian Schmid v. N/A Maxim Tsvortsov*, D2010-0696 (WIPO June 22, 2010).
14. WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Second Edition. “Consensus view: Generally speaking, although a trademark can form a basis for a UDRP action under the first element irrespective of its date...when a domain name is registered by the respondent before the complainant’s relied-upon trademark right is shown to have been first established...the registration of the domain name would not have been in bad faith because the registrant could not have contemplated the complainant’s then non-existent right.” The Overview is available at <http://www.wipo.int/amc/en/domains/search/overview/index.html>.
15. See *DSPT International v. Nahum*, 624 F.3d 1213 (9th Cir. 2010) (The Court held that “[e]ven if a domain name was put up innocently and used properly for years, a person is liable under 15 U.S.C. § 1125(d) if he subsequently uses the domain name with a bad faith intent to profit from the protected mark by holding the domain name for ransom”).
16. Paragraph 3(b)(xiv) of the Rules of the Policy: “Complainant certifies that the information contained in this Complaint is to the best of Complainant’s knowledge complete and accurate, that this Complaint is not being presented for any improper purpose, such as to harass, and that the assertions in this Complaint are warranted under these Rules and under applicable law, as it now exists or as it may be extended by a good-faith and reasonable argument.”
17. *Time Inc. v. Chip Cooper*, D2000-1342 (WIPO February 13, 2001) (<[lifemagazine.com](http://lifemagazine.com)>).
18. *Pantaloon Retail India Limited v. RareNames, WebReg*, D2010-0587 (WIPO June 21, 2010).

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# Defense of Free Speech Under UDRP Depends On the Panel You Draw

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It may be surprising to learn that defense of free speech under UDRP depends on the Panel you draw; but there's an explanation, which is that not all panelists' views are harmonized as happens in common law courts that follow a strict precedential regime imposed by appellate authority. "The panel you draw" warning comes from an early case from a split panel that ruled in favor of the trademark owner, [Time Inc. v. Chip Cooper](#), D2000-1342 (WIPO February 13, 2001) (<lifemagazine.com>) ("The majority believes that potential users of the UDRP are entitled to some degree of predictability. Counseling one who is considering filing a Complaint should consist of more than, "It depends what panelist you draw.")

The UDRP is not, as we learn from the WIPO Overview (Second Edition), a precedential jurisprudence:

*Consensus view: The UDRP does not operate on a strict doctrine of precedent. However, panels consider it desirable that their decisions are consistent with prior panel decisions dealing with similar fact situations. This ensures that the UDRP system operates in a fair, effective and predictable manner for all parties, while responding to the continuing evolution of the domain name system.*

This is not to say the mantra of precedence is not generally invoked; the power of precedence weights heavily on UDRP decisions. Nevertheless, there are a number of split views on legal issues with free speech as fair use being one of them. As a footnote, free speech is not specifically named as a defense to a claim of cybersquatting but is subsumed under "fair use" (paragraph 4(c)(iii) of the Policy). The question is, to what does free speech attach? The domain name or site content? While principles are mostly harmonized free speech is one of several for which there is a split of views.

The divide of views is illustrated in two recent cases, [Philip Morris USA, Inc. v. David Delman / David Delman](#), FA140900 1579437 (Nat. Arb. Forum October 27, 2014) (Complaint granted for <phillipmorrisexposed.us>) and [Adodis Technologies Private Limited v. Eric Rem](#), 249-2014 (KLRC/ ADNDRC September 19, 2014) (complaint denied for <adodisfraud.com>). Both decisions come from single member Panels and both rely on precedence for the conclusions.

The domain name in *Philip Morris* is a classic example of the "sucks" type of gripe, <philipmorrisexposed.us>. Complainant's point is that while "Respondent may have the right to develop a website critical of Complainant's products, but he may not co-opt Complainant's proprietary rights for use in this domain name." The Panel noted that "[p]revious panels have generally held that critical speech is protected when used in connection with a non-infringing domain name, but that such protection does not rise to the realm of domain names." In this line of case "[f]ree cannot be used as a defence against the use of a confusingly similar mark as a domain name." The fact the website to which the domain name resolved chastised smoking "does not amount to a bona fide offering of goods or services, or a legitimate noncommercial or fair use pursuant to Policy ¶¶ 4(c)(ii) and (iv), respectively."

*Adodis* is diametrically opposite. In this case Respondent affixed "fraud" to the trademark, <adodisfraud.com>. Complainant outraged argued that the "person who created it has a clear intention to defame the Complainant's position in the market as a leading web development company" resulting in loss of clients which raises two tort claims, defamation and interference with business relations cause damage. Here, the Panel looked to the other side

of authority to rule that Respondent was making fair use of a trade mark: “there is no evidence that the Respondent is, *inter alia*, operating the website for any commercial purpose, a competitor of the Complainant, or attempting to impersonate the Complainant or divert customers away.”

On the tort issues, the Panel held that Complainant’s assertion that the Respondent has “‘defamed the Complainant’s position’ ... [is not] the primary concern of the Policy” which is cybersquatting. “Tarnishment” (the Panel noted)

*refers to “such unseemly conduct as linking unrelated pornographic, violent or drug-related images or information to an otherwise wholesome mark” [citing a 2001 decision].... As such, the Complainant’s assertion that the Respondent was intending to defame the Complainant’s position in the market reflects a misunderstanding of the nature of tarnishment prohibited by the policy. Fair-use criticism, even if libelous, in contrast does not constitute tarnishment and is not prohibited by the Policy. The Complainant can pursue such assertions via other more appropriate legal venues [citing a more recent case from 2013]*

The Adodis Panel also cited [Ryanair Limited v Michael Coulston](#), D2006-1194 (WIPO December 12, 2006) where “the Panel had held that the Respondent’s site criticized the Complainant and its business practices, sometimes in harsh terms, but did not associate the RYANAIR mark with any unwholesome activity.” In trademark cases also criticism claimed to result in pecuniary damage to a plaintiff’s business is not actionable as infringement although it could conceivably be defamation if there is (as is rarely the case in these complaints) factual support.

# “Genuine” Criticism as Defense to Abusive Registration

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Paragraph 4(c)(iii) of the Policy recognizes the free speech defense but this is one of the blurry areas of domain name jurisprudence. The WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Second Edition describes two views on criticism. View 1 states that “The right to criticize does not necessarily extend to registering and using a domain name that is identical or confusingly similar to the complainant’s trademark.” View 2 states that “Irrespective of whether the domain name as such connotes criticism, the respondent has a legitimate interest in using the trademark as part of the domain name of a criticism site if such use is fair and noncommercial.” Whatever their viewpoint panelists agree that the criticism site must be “genuine”. But, the question is, What is genuine?

Everyone can agree when there is no merit to the defense. In [Rolex Watch U.S.A., Inc. v. Spider Webs, Ltd.](#), D2001-0398 (WIPO July 20, 2000) “whilst the disputed domain name resolved to a website which purported to be a site for consumer commentary, this was found to be a sham, devoid of content, which in any event made no reference to the complainant’s watches.” The issue is tighter when there is actual expression of a point of view, except it is not legitimate criticism when the topic is completely unrelated to a complainant or its mark. The speech in [PepsiCo, Inc. v. “The Holy See,”](#) D2003-0229 (WIPO June 18, 2003) expressed an anti-abortion position that had nothing to do with Complainant’s food and beverage business. There is a blurry center to the continuum of speech. Expression may be genuine but not its context.

The most recent illustration is [Challenger Limited and Challenger Group Holdings Limited v. Domain Privacy Service FBO Registrant / Sean Butler](#), D2014-0852 (WIPO July 21, 2014). The majority held the content protected over a vigorous dissent. Citing *PepsiCo* the dissent pointed out that “[l]egitimate criticism on a topic completely unrelated to a complainant or its mark is not bona fide under paragraph 4(a)(ii) of the Policy.” The question is whether the criticism of Challenger’s CEO is too attenuated to be “genuine.” The dissent believed it was not:

*In this case the relationship between the Complainants and the criticism is tangential at best – in my opinion too attenuated to allow. As noted there is no indication that the Respondent’s gripe is with the Complainants, or that the Complainants and Mr. Benari are interchangeable, or that one is the alter ego of the other.*

The majority explained why the criticism of the CEO was not “too attenuated.” It made sense to recognize the criticism as genuine because

*[r]ecent public controversies concerning Australian financial institutions have raised prominently not merely the misconduct of employees and management attempts to cover up that misconduct, but also the issue of the ethical standards of those in management. The Respondent is entitled to draw conclusions from this public debate that his dealing with Mr. Benari raises this very issue, however misguided the Respondent may be. Contrary to the submissions of the Complainants, the Respondent’s website does not merely ventilate his dispute with Mr. Benari but covers the full field of the ethical standards to be met by those who manage financial institutions and the danger to consumers and investors presented when those managers have compromised moral and ethical standards.*

To the dissent it is all too plain. There is no blurriness. He sees View 2 as premised on a “principal flaw,” namely that

*[i]n an ordinary criticism case, in which the respondent in fact criticizes the complainant, View 2 panels emphasize the non-commercial nature of legitimate criticism and the need to safeguard free expression. That’s not the issue in a Policy proceeding. The Policy does not impair the Respondent’s or any other person’s free speech rights in any way. The UDRP exists solely to determine a party’s entitlement or not to use the complainant’s mark in the domain name at issue – to borrow a metaphor I have used in other cases, to use the complainant’s soapbox without authority as the broadcast medium.*

The answer to the question of what is “genuine” turns out to be what two out of three panelists say it is. It depends on whether the majority adheres to View 1 or View 2. If the dissent were the sole Panel in *Challenger* he would have sided with the Complainant.

# Proving Cybersquatting on Weak Trademarks

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Proving cybersquatting on weak trademarks rises in difficulty as the marks descend the classification scale. Dictionary words such as “bespoke”, “emoney” and “upbeat”, descriptive phrases such as “historic hotels” and “broadband voice”, combined words such as “md online”, “master page” and “great courses” and compounds such as in “nestegg” may be registrable as trademarks but still fail in disputes with domain name holders who use the terms in their semantic senses. Weak trademarks—which includes generic elements accepted for registration as suggestive or arbitrary signs but having limited market penetration and none of the luster of APPLE and BLACKBERRY—have standing to maintain an administrative proceeding under the UDRP but are unable to muster sufficient evidence of bad faith registration. All of these terms have the ability to climb the classification scale, of course, as their reputations take hold in the marketplace—the EASY mark is an example.

Recent illustrations for descriptive phrases and combined words are [Nick Nifadef v. Andre Schneider, DomCollect AG](#), D2014-1435 (WIPO November 13, 2014) (<masterpage.com>) where the domain name had recently been transferred and is not currently active but which the original holder used to promote the sale of pagers and mobile phones; and [MD On-line, Inc. v. Yenta Marketing, Inc.](#), D2014- 1468 (WIPO November 8, 2014) (<mdonline.com>) where the Panel noted that the phrase “MD online” is descriptive and undistinctive, which supports Respondent’s claim that it registered the Domain Name for its generic meaning. In [The Teaching Company, LLC, d/b/a The Great Courses v. Brendham High, Marchex Sales, LLC](#), D2014-0448 (WIPO June 4, 2014) (<greatcourses.com>) the Panel held that

*[Denying the complaint] ... does not mean that the Complaint lacks trademark rights in THE GREAT COURSES, or lacked them even before its mark was registered or before the Respondent registered the disputed domain name. Trademark rights alone do not demonstrate the Respondent’s requisite knowledge or targeting. Especially is that so when the mark is descriptive. In such a case there must be some showing, backed up with evidence, that targeting was more likely than not the Respondent’s reason for registering the disputed domain name. Satisfactory proof of this, or of facts from which the Panel might infer this, is lacking in the record.*

Recent illustrations of dictionary words albeit employed as non-generic signs are [Bespoke Services Group S.A. v. Garth Piesse](#), D2014-1533 (WIPO November 5, 2014) (<bespoke.com>) and [Electronic Transaction Systems Corporation v. Will E.](#), FA140600 1563968 (Nat. Arb. Forum July 28, 2014) (<emoney.com>). In *Bespoke Services* the majority denied the complaint on alternative grounds that the trademark included a small design element, that is was not BESPOKE but BESPOKE BSPK and that “bespoke” was a dictionary word that was not being used in any way that would suggest targeting Complainant’s reputation and goodwill in the marketplace. In *Electronic Transaction* the Panel rejected Complainant’s contentions that the contents link to competitive services:

*The use is all linked to the dictionary meaning of the word ‘money’ and to the natural connotation of the term, “emoney.” By definition, the use of the domain name can be said to conflict with Complainant’s interests. However, Panel finds that Respondent did not intend “emoney” to refer to any particular good or service, still less to Complainant’s services.*

The test in all cybersquatting disputes is whether respondents had complainants' marks "in mind" in registering the domain names. The overwhelming majority of registrations of domain names that are found to be identical or substantially similar to *existing* trademarks—with heavy emphasis on existing—are forfeited. The decisions referred to above are among the few instances respondents prevailed with *existing* trademarks. Complainants cannot succeed where they acquire their marks after domain name registration; recent illustrations, [Parker Waichman LLP v. N/A](#), FA1410001584806 (Nat. Arb. Forum November 30, 2014) (<yourlawyerfl.com>; [Julie Wampler v. Name Administration, Inc.](#), D2014-1586 (WIPO November 27, 2014) (<tablefortwo.com>) and [GIGS United S.L. v. SIE MANTIC](#), D2014-1689 (WIPO November 19, 2014) (<trendyhair.com>).

# Standard for Declaring Reverse Domain Name Hijacking

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Except where complainant's claim is truly egregious for which there can be said to be a "settled policy"— [Happy as Clams, Inc., a California Corp., DBA Date Like a Grownup v. Heather Dugan](#), D2014-1655 (WIPO November 1, 2014)—there is no fixed standard for declaring reverse domain name hijacking. This is because in the view of some panelists declaring RDNH is discretionary, although the concept of discretion appears to contradict the Rules which state that the Panel "shall declare." Rule 15(e) reads:

*If after considering the submissions the Panel finds that the complaint was brought in bad faith, for example in an attempt at Reverse Domain Name Hijacking or was brought primarily to harass the domain-name holder, the Panel shall declare in its decision that the complaint was brought in bad faith and constitutes an abuse of the administrative proceeding.*

The varying views of what constitutes "abuse of the administrative proceeding" are summarized in WIPO Overview 2.0, Paragraph 4.17. That views do vary is not surprising because not every alleged abuse of the Policy is egregious and much depends on the factual circumstances of registration and use and complainant's motivation. RDNH is not warranted, for example, against a complainant for simply failing to prove its case. Something more is necessary to elevate complaining into abuse.

The "settled policy" is expressed in [The American Association of the Order of St. Lazarus, Inc. v. Thierry Villejust](#), D2014-0739 (WIPO August 11, 2014): "Complainant either knew or should have known, at the time of filing the Complaint, that it was not the 'only legitimate organization' to use the name 'The Military and Hospitaller Order of Saint Lazarus of Jerusalem' since the crusades." "[E]ither knew or should have known" is the critical factor. See also [Happy as Clams](#) in which the Panel found Complainant should have known that it was unable to prove that Respondent registered the disputed domain name in bad faith. And in [Clearwater Systems, Inc. v. Glenn Johnson/Clear Water Systems of Remington Inc.](#), D2014-0878 (WIPO August 5, 2014) the Panel went even further. "On its own initiative ... [it] finds the Complainant committed an abuse of process." Ordinarily, where there is no request for RDNH it is not declared although there is nothing in the language of the Rule that prevents such a finding.

Divergence from the settled policy on the lenient side is also not unusual—in fact many panelists appear to hold respondent to a higher than preponderance standard for proving RDNH and are reluctant to issue the sanction unless the abuse is truly egregious. A recent illustration of this, for example, is [Bespoke Services Group S.A. v. Garth Piesse](#), D2014-1533 (WIPO November 5, 2014) in which the Panel declined to find RDNH because it appeared "Complainant may have misunderstood the requirements of the Policy, rather than being motivated by bad faith." This is challenged by the view that ignorance of UDRP procedures and evidentiary demands is not a defense to RDNH.

Panels composed of members having different views can result in a schizophrenic decision that expresses both views. In [TV Sundram Iyengas and Sons Limited v. P.A. Gordon](#), D2014-0814 (WIPO August 11, 2014), for example, the Panel held it was not making a formal finding of reverse domain name hijacking even though "Complainant's case has significant weaknesses and that its conduct in making numerous unsupported assertions of fraud and illegal behaviour" was not to be condoned, but nevertheless concluded that "making unsupported assertions of fraud and illegal behavior" is a sound basis for issuing the sanction.

The settled policy can be expressed also to reject reverse domain name hijacking, as in [MD On-line, Inc. v. Yenta](#)

[Marketing, Inc.](#), D2014-1468 (WIPO November 8, 2014) where the Panel held that “although Respondent may have registered the Domain Name innocently and without targeting Complainant and its common law mark, it has since used the Domain Name in bad faith.” This result here is based on the unclean hands theory, which is another critical factor in denying RDNH. That is, respondent should not be rewarded with a declaration and continue its bad faith use.

Bad faith use or at least the appearance of it is also a factor in [Julie Wampler v. Name Administration, Inc.](#), D2014-1586 (WIPO November 27, 2014). The Panel citing earlier authority reasoned that there were four essential elements in finding RDNH: 1) whether a panel has been deliberately misled (presumably by complainant, but it could also be respondent), 2) whether a complainant should have known that it could not prove one of the essential elements required by the UDRP, 3) whether a complainant knew that the respondent used the disputed domain name as part of a bona fide business and 4) the superiority of the registration date of the disputed domain name measured against the complainant’s rights. However, the coda to this analysis is more compelling:

*[Complainant’s] argument was not so completely void of merit, and it was not so obvious that the Complainant was misunderstanding the meaning of the pages it found through the “www.archive.org” website [that supported its contention that the domain name was being used in bad faith] ... [or] that the Complainant ... made a bad faith decision to go ahead with the Complaint.*

Cases in which respondent registered the domain name before complainant’s acquisition of its trademark, where there is no possibility of proving bad faith registration, are not unusual and may suggest complainant is in the wrong forum; the question is not cybersquatting as defined under the UDRP but cybersquatting as defined under the Anticybersquatting Consumer Protection Act.

# Legitimate Activity and Legitimacy of Passive Holding in Defending Claims of Cybersquatting

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Of the three paragraph 4(c) defenses the first and third share a common element, namely that the domain names must resolve to active websites. Under neither head can a respondent passively hold a disputed domain name and prevail under paragraph 4(a)(ii) of the Policy. Paragraph 4(c)(i) requires proof of continuous use “before any notice” of infringement; or an intention manifested by “demonstrable preparations” (also “before any notice”) to use the disputed domain name for *bona fide* offerings of goods or services. A recent decision is [Winfried Wengenroth v. Domain Admin / Pisces Online Investment](#), D2014-1901 (WIPO December 16, 2014) (<wup.com>. Earlier registered domain name; subsequently acquired trademark. Complaint denied, legitimate activity in that “the disputed domain name currently appears to resolve to a sort of “pay-per-click” advertising site” although Respondent “has not used the disputed domain name in the course of a business since registration.” The *bona fide* use rests on Respondent’s PPC activity.

Making demonstrable preparations is a form of legitimate activity even though the website not currently active. [Medpay Systems, Inc. v AffiniPay](#), FA1404001553796 (Nat. Arb. Forum July 7, 2014). In [MD On-line, Inc. v. Yenta Marketing, Inc.](#), D2014-1468 (WIPO November 8, 2014) the Panel held that

*The Panel considers that there is generally nothing per se illegitimate in selling or dealing in domain names or linking them to pay-per-click parking sites. However, if the parking site links to competitors of the complainant, as is the case here, or if there is an intention by reason of the sale or threatened sale of a domain name to take advantage of the third party’s rights and reputation in a trademark represented in that domain name, that is quite a different matter. In the circumstances, the Panel finds that Respondent has no rights or legitimate interests in the Domain Name.*

Where there are no demonstrable preparations then paragraph 4(c)(i) does not apply. However, failing the defense is not conclusive of bad faith because complainant must still prove bad faith. In the case of *MD On-Line* Complainant made “no case ... that Respondent, at the time of registration registered the Domain Name with intent to sell it to Complainant, to disrupt Complainant’s business, or to prevent Complainant from registering its name or trademark in a domain name [although there was subsequent use in bad faith].”

Paragraph 4(c)(iii) is similar in demanding legitimate activity but focuses on a different kind of activity. Monetization is replaced by noncommercial or fair use of the domain name. A recent decision is [MUFG Union Bank, N.A. v. William Bookout](#), DCC2014- 0002 (WIPO December 3, 2014). Complainant’s contention that Respondent’s content contains false and unproven allegations is not a claim actionable under the UDRP and would be insufficient to undermine the defense:

*A UDRP proceeding ... is not an appropriate or practical forum for ascertaining the truthfulness of the allegations published on the Respondent’s website, as would be necessary in a legal action for defamation. It suffices for UDRP purposes to determine whether the website is genuinely devoted to a free speech purpose such as commentary and criticism, rather than serving as “primarily a pretext for commercial advantage.”*

Paragraph 4(c)(ii) differs from the other defenses in that it is not name based rather than use based. The term “commonly known” is construed to mean known prior to its acquisition of the domain name. The key element is not legitimate activity but legitimate name, although passive holding continues to divide Panels. In [Career Group, Inc. v. The Career Group Ltd / Deborah Simonds](#), D2014-1296 (WIPO September 18, 2014) for example the Panel held that “[t]here is no evidence in the record of Ms. Simonds using a website, advertising, marketing, contracts, or invoices with the name “Career Group” since CG Ltd was dissolved. The Panel concludes that Ms. Simonds has not demonstrated that she or her business have been “commonly known” by a name corresponding to the Domain Name, within the meaning of the Policy, paragraph 4(c)(ii), since CG Ltd was dissolved.”) Nevertheless, Respondent prevails on the issue of bad faith.

Other Panels accept the defense despite no current activity but even if the defense is not accepted Complainant loses anyway. [Microsonic Gesellschaft für Mikrotechnik und Ultraschalltechnik mbH v. Alex Rad](#) , D2014-1715 (December 1, 2014) (business currently inactive):

*It is clear to the Panel that the Respondent did operate a bona fide business for a period of years from 2000 onwards under the MICROSONIC.COM name or mark. Considering ... that the Respondent operated in a quite different field of activity to the Complainant, the Panel finds on the balance of probabilities that the Respondent registered and used the domain name for a bona fide business purpose and has simply maintained the registration of the disputed domain name since that time.*

Generally, there is both name and activity and passive holding it is not condemned. Recent decisions include [Angelica Fuentes Téllez v. Domains by Proxy, LLC / Angela Brink](#) , D2014-1860 (WIPO December 18, 2014) (domain does not currently resolve to an active website); ; or, in the case of [Navigant Consulting, Inc. v. Bradley Shive / Navigant Technologies](#), FA141000 1587953 (Nat. Arb. Forum December 1, 2014) the domain name which is the Complainant’s corporate name is being redirected to another of Respondent’s websites. Respondent appears to be in the process of rebranding itself:

*[However, this] fact does not negate that Respondent continues to be using the name “Navigant Technologies”, i.e. the name of the registrant organization in the Whois records for the disputed domain names, which corresponds to Navigant Technologies, LLC.*

Of note is a distinction between the UDRP and the Lanham Act. The UDRP accepts that a person can operate a business in his/her own name even though the name may be identical to a complainant’s trademark. An example of this is [Harrods Limited v. HDU Inc.](#), D2004-0093 (WIPO April 27, 2004) (HARRODS and Brenda Harrod, thus <harrodssalon.com>, Complaint denied, respondent’s surname satisfies 4(c)(ii)). In a Lanham Act case the law favors the trademark owner. See *Chanel, Inc. v. Chanel’s Salon LLC*, 2:14-v-00304 (N.D. Indiana Dec. 16, 2014) (Parties entered into a consent judgment for permanent injunction, CHANEL and defendant’s given name Chanel Jones. One commentator has suggested Ms. Jones would have been more successful had she called her business “Chanel Jones Salon”).