

Protecting internet domain names, recent cases

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What is a Domain Name

- Domain names serve as humanly-memorable names for Internet participants, like computers, networks, and services. A domain name represents an Internet Protocol (IP) resource.
- easier to remember nickosmith.com then it is to remember 166.70.10.23
- Domain names can be registered through various registrars – such as Melbourne IT or Godaddy – who themselves are authorised to register domain names from the body that manages the domain name space – for .com it is ICANN, the Internet Corporation for Assigned Names and Numbers, for .au it is .au Domain Administration
- first come/first served for .com, limited restrictions for .au

What are Domain Name cases?

- Generally two types
 - Cybersquatting - registering, trafficking in, or using a domain name with bad faith intent to profit from the goodwill of a trademark belonging to someone else
 - A competing (but legitimate) business has registered a domain name similar to a word in which the plaintiff has a reputation in or has registered rights in

Options to Recover Domain Names

a) If the registrant is based in Australia

- commence proceedings against them for trade mark infringement or misleading and deceptive conduct/passing off
- UDRP (for .com)/auDRP (.com.au)
- Complain to auDA (for .au domain names only)

Options to Recover Domain Names

b) If the registrant is based overseas

- commence proceedings against them – depending on if the plaintiff has rights in the country
- UDRP (for .com)/auDRP (.com.au)
- Complain to auDA (for .au domain names only)

c) If you can't find the registrant's details

- UDRP (for .com)/auDRP (.com.au)

Complain to auDA

- See *Loans and Debt Assistance Incorporated & Anor v .au Domain Administration Limited* [2012] NSWSC 558 - close and substantial connection between the domain names and the Registrant – carloans.com.au, bankruptcy.org.au

UDRP/auDRP

- Arises by contract signed by registrants of a domain name
- Enforced by Registrars supervised by ICANN/auDA – Transfer or cancellation only – no damages
- Decision can be challenged in courts on a de novo basis (but rarely occurs)
- Decisions made by independent third party panellists
- Cost \$1500 USD for 1-5 Domain Names
- Approximately 4000 UDRP cases filed per year – 85-90% result in transfer of the Domain Name
- Procedure
 - 1) Filing
 - 2) Notification + 20 days
 - 3) Response/No Response
 - 4) Panel appointment + 14 Days
 - 5) Decision + 10 days
 - 6) Enforcement

UDRP Test

- *(i) your domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; and*

Has been interpreted to include sufficient reputation such that you would succeed in a passing off action “common law rights” and operates as a test of standing only

- *(ii) you have no rights or legitimate interests in respect of the domain name; and*
 - *(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.*

UDRP Test

- *(iii) your domain name has been registered and is being used in bad faith.*
 - *(i) circumstances indicating that you have registered or you have 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 your documented out-of-pocket costs directly related to the domain name; or*
 - *(ii) you have registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that you have engaged in a pattern of such conduct; or*
 - *(iii) you have registered the domain name primarily for the purpose of disrupting the business of a competitor; or*
 - *(iv) by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your 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 your web site or location.*

Tips and issues arising in UDRP cases

- No rules of evidence – without prejudice correspondence admissible including offers for sale for settlement purposes
- Relevance of content of websites – disclaimer pages, pornographic pages
- Criticism sites and “sucks” cases
- Registered “and” used in bad faith or
Registered “or” used in bad faith

UDRP vs Court Remedies

- UDRP
 - Quicker and Cheaper
 - Applies regardless of identity and location of respondent
 - Applies (essentially) regardless of how DN is used (including if it is not used)
 - But not suitable for cases with competing rights when evidence will clash.
- Court Remedies
 - Can get damages/costs
 - Can get orders stopping other party from continuing conduct
 - Can deal with broader conduct than DN registration
 - Can deal with competing rights and situations where it is necessary to weigh the evidence of both parties

Trade mark infringement

- S120(1) A person infringes a registered trade mark if the person uses as a trade mark a sign that is substantially identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered.
- Is registration of a domain name use as a trade mark? - Key case is *Solahart Industries Pty Ltd v Solar Shop Pty Ltd* [2011] FCA 700 at [50]

Trade mark infringement

- “ A number of propositions should be accepted:
- *first*, mere registration of a domain name does not establish the infringement of a trade mark;
- *secondly*, where a cybersquatter does not seek to attract consumers to the occupied domain name but merely seeks to treat with the owner of the mark it is unlikely that trade mark infringement will be shown for there will be no goods or services being proffered to consumers to which the impugned sign, contained within the domain name, may be reasonably be seen as relating (“[t]here could be a threatened infringement if one were to take seriously the suggestion that [the cyber squatter] intended to engage in the sugar trade’: *CSR Ltd v Resource Capital Australia Pty Ltd* [2003] FCA 279 ;(2003) 128 FCR 408 at 416 per Hill J);
- *thirdly*, where a person uses a domain name to attract consumers to a website which promises connexions with goods or services relating to the registered mark infringement may be established even if the owner of the domain name does not sell the goods or services and instead merely benefits from a flow of traffic over the website (*Nissan Motor Co v Nissan Computer Corp* [2004] USCA9 511; 378 F.3d 1002 (2004) (9th Cir. 2004));
- *fourthly*, where a domain name is used to conduct a website from which goods or services are sold the same kinds of questions which arise in ordinary trade mark litigation will arise, for in such cases the analogy between the sign on the front of a shop and the goods sold within will be established;
- *fifthly*, explicit advertising of the website in that context is obviously relevant for it will show more clearly the connexion between the sign and the service.” *Solahart Industries Pty Ltd v Solar Shop Pty Ltd* [2011] FCA 700 at [50]

Passing off/s18 cases in Australia

- Most relevant cases are *CSR Ltd v Resource Capital Australia Pty Ltd* [2003] FCA 279 and *REA Group Ltd v Real Estate 1 Ltd* [2013] FCA 559
- “In my view the obtaining of the registration of both domain names, "csrsugar.com" and "csrsugar.com.au" implied that the domain name belonged to CSR or, if it was noted that RCA was shown as owner of the names that RCA was in some way connected with CSR. Anyone seeing the domain name would assume, unless he or she made further enquiries and was told the truth, that CSR was the real owner of the domain name and entitled to use it for its purposes on the internet in connection with its sugar businesses. In my view the act of obtaining registration of both domain names constituted conduct that was misleading and deceptive or was likely to mislead and deceive persons and breached s 52 of the *Trade Practices Act 1974* (Cth).” *CSR Ltd v Resource Capital Australia Pty Ltd* [2003] FCA 279 at [38] - Respondent registered csrsugar.com in order to receive payment from CSR.

Passing off/s18 cases in Australia

- In *REA Group Ltd v Real Estate 1 Ltd* [2013] FCA 559 the Federal Court considered a claim of trade mark infringement and misleading and deceptive conduct arising out of the registration of domain names and their use in Google search results. This case illustrates the following principles in this are:
 - When making a claim that the registration and use of a domain name amounts to misleading and deceptive conduct or passing off, a court will look at the conduct of the respondent in its entirety, not just the registration of a domain name. In particular, if consumers who are misled by the domain name visit the website, realise their mistake, and go back, then harm may not be found to have occurred.
 - When searching for a descriptive word (such as real estate) in a search engine, consumers will more vigilant in the context of a market where close variants of the same domain name are common on the search results page. Furthermore, if the applicant has rights in descriptive word, the fact that a search for that descriptive word leads to the respondent's site does not show that people are being misled or deceived because it is impossible to presume that internet users were searching for the applicant's site and not searching for the descriptive term.
 - Alternatively, a trademark infringement claim involves a comparison between the trade mark and the domain name, without external factors. The fact that a respondent makes it clear by means external to the domain name that there is no connection between its product or services and that of the applicant is not relevant, only whether respondent is using as a trade mark a sign (such as a domain name) that is identical or deceptively similar to the applicant's mark, and that none of the other exceptions or defences apply.

3 key points

- When acting for a party hoping to recover a domain name, consider where the defendant is located and what type of defendant it is.
- If all you are seeking to do is recover the domain name, the UDRP/AUDRP will generally be quicker and cheaper than court proceedings
- If you are seeking more than a domain name, or if the matter involves competing rights, then court proceedings are usually necessary.

Any questions

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