

Tarnishment of a trademark through a domain name for profit-making

*The evidence of a respondent's bad faith
in the UDRP proceedings before WIPO*

#GLPoint



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ICANN (the *Internet Corporation for Assigned Names and Numbers*, a multistakeholder group and nonprofit organization responsible for coordinating the maintenance and procedures of namespaces of the Internet for ensuring the network's stable and secure operations) does mention the term '*tarnish*' exclusively in Paragraph 4^{(c)(iii)} of its well-known Policy¹, in which it is clearly affirmed that tarnishment of a trademark by a domain name owner for profit-making automatically excludes any possible evidence of good faith for the registrant.

A trademark is usually tarnished when an infringing sign (such as another trademark or a domain name) portrays the infringed mark in a negative light, usually in the context of sex, drugs, gambling, etc. Therefore, tarnishment is a form of trademark '*dilution*' which threatens to damage the commercial value of the mark, as the general public will likely associate the infringer's contents and/or unrelated goods and services with the ones of the legitimate trademark owner.

In this context, redirect of a domain name (identical or similar to a prior-registered trademark) to an adult-content website definitely represents a case of tarnishment.

Far from wanting to express an opinion on this kind of internet contents, it is clear that the unauthorized juxtaposition of a third-party trademark to sexually-explicit material is a straight evidence of the Registrant's bad faith, even more if the unaware damaged trademark owner is involved in widely different businesses and/or activities (e.g. children's apparel retail, religious radio broadcasting, general-interest TV channels, etc.)².

In any case, consistent ICANN case-law underlined that bad faith against a trademark in the context of domain name disputes arise when the respondent's profit-making is evident³ and, indeed, in most cases "*it is now well-known that pornographers rely on misleading domain names to attract users by confusion, in order to generate revenue from click-through advertising, mouse-trapping, and other pernicious online marketing techniques*"⁴.

As a consequence, whereas a domain name identical or similar to a prior-registered trademark registered by a third party redirects to a parking page with adult contents a Panel can assume the same has been registered and is used in bad faith. But, is this the only scenario? Apparently not.

Even gambling (which generally includes online casinos, poker tournaments, virtual slot machines, bingo, horse racings, lotteries, etc.) surely can tarnish a trademark, whose relative owner does not want to be associated it with “game activities” rather distant from the public image he/she wants to project through the mark itself. Indeed, *“the Respondent’s opportunistic practices tarnish the goodwill and reputation of the Complainant’s legally protected trademark by attempting to create a perceived connection between the Complainant’s services and the Respondent’s commercial website and links and then attempting to profit from this illegitimate relationship”*⁵.

Once again, the profit-making is an essential element in order to establish the possible Registrant’s bad faith, as widely indicated by the WIPO Panels in the past years. On the other side, it is clear that the mere redirect of a domain name which is not identical nor confusingly similar to a third party’s trademark is a perfectly legitimate initiative, which constitutes a good faith offer of services on the Internet⁶.

As usual, the decisive element is the possible attempt – by the Registrant – to “attack” a specific trademark by registering a relative domain name, but also the nature of the trademark plays an important role: if the domain name consists of a distinctive wording, the chances of demonstrating the domain owner bad faith will definitely increase⁷.

In conclusion, the misleading purpose and the profit-making are the two grounds a complainant shall find in order to demonstrate the respondent carried out a bad faith conduct – namely a tarnishment of a trademark – in domain name disputes to be resolved according to the *Uniform Domain-Name Dispute-Resolution Policy*.

¹ “Any of the following circumstances, in particular but without limitation, if found by the Panel to be proved based on its evaluation of all evidence presented, shall demonstrate your rights or legitimate interests to the domain name for purposes of Paragraph 4(a)(ii) [...] (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”.

² See, among others, William H. Cosby, Jr. v. Sterling Davenport, WIPO Case No. D2005-0756.

³ See ICANN 2nd Staff Report dated October 24, 1999, “In view of the comments, one detail of the policy’s language should be emphasized. Several commentators indicated that the concept of ‘tarnishment’ in paragraph 4(c)(iii) might be misunderstood by those not familiar with United States law or might otherwise be applied inappropriately to noncommercial uses of parody names and the like. Staff is not convinced this is the case, but in any event wishes to point out that “tarnishment” in paragraph 4(c)(iii) is limited to acts done with intent to commercially gain. Staff intends to take steps to publicize this point”.

⁴ National Association of Stock Car Auto Racing, Inc. v. RMG Inc - BUY or LEASE by E-MAIL, WIPO Case No. D2001-1387.

⁵ Gray Television Group, Inc. v. Bladimir Boyiko, WIPO Case No. D2008-0303.

⁶ Motorola, Inc. vs NewGate Internet, Inc., WIPO Case No. D2000-0079.

⁷ SIX Group AG v. Xedoc Holding SA, WIPO Case No. D2012-1548, regarding the domain name “six.com”.

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