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ENTERTAINMENT

New weapons to battle cybersquatters

By Oren Bitan

As the number of domain names exponentially increase with the implementation of Internet Corporation for Assigned Names and Numbers' (ICANN) generic top-level domain (gTLD) extensions, celebrities and other trademark owners are increasingly tasked with protecting their brands by policing infringing domain names. Some, like Morgan Freeman and Donald Trump, have succeeded in shutting down or taking over objectionable sites, while others, like Bruce Springsteen, have not.

The expedited procedures governing domain name disputes, most notably the Uniform Dispute Resolution Policy (UDRP) and Uniform Rapid Suspension (URS), can lead to inconsistent results, are not governed by traditional rules of evidence, and do not typically allow for in-person hearings. But these procedures, as well as the Trademark Clearinghouse, are quicker, cheaper and less burdensome than court proceedings. In addition, there are no jurisdictional issues since domain name registrants agree contractually to be bound by the UDRP, which can greatly assist in pursuing otherwise inaccessible parties located in protected jurisdictions like China. Therefore, these proceedings are efficient and are gaining in popularity.

Uniform Dispute Resolution Policy

In a UDRP action, a trademark owner can seek the transfer of an infringing domain name if three elements are proven by a preponderance of the evidence. First, the complainant must prove that the domain name registered by the respondent is identical or confusingly similar to a trademark or service mark owned by the complainant. Second, the complainant must prove that the respondent does not possess any rights to the domain name in question. Third, the complainant must prove that the domain name was registered or transferred in bad faith.

A UDRP action is typically initiated in one of two forums, the World Intellectual Property Organization or National Arbitration Forum, and is governed by ICANN's UDRP and the given forum's supplemental rules.

A successful complainant can obtain an order canceling or transferring the domain name at issue but cannot recover any monetary damages. The losing party may submit the dispute to a court with jurisdiction over the parties or the



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Bruce Springsteen performs at the 6th Annual Stand Up For Heroes benefit concert for injured service members and veterans, Nov. 8, 2012, in New York.

parties can stipulate, while a UDRP decision is pending, to dismiss the action and proceed in a court proceeding.

A UDRP proceeding is not designed to adjudicate complex business disputes. Instead, it is designed to shut down unaffiliated third parties from exploiting a celebrity name or brand. In addition, the trier of fact, a panelist, is not required to utilize any rules of evidence in deciding disputed facts. But the process is fast and can be resolved in less than two months.

Uniform Rapid Suspension

In a URS proceeding, a complainant must prove three elements by clear and convincing evidence, a higher burden than in a UDRP. First, the complainant must prove that the domain name is identical or confusingly similar to a word mark owned by the complainant that (1) is valid under a national or regional registration, (2) has been validated through a court proceeding, or (3) is protected by statute or treaty in effect at the time the URS complaint is filed. Second, the complainant

must prove that the registrant has no legitimate right or interest to the domain name. Third, the complainant must prove that the domain was registered and is being used in bad faith.

A successful complainant can win suspension of the domain name for the registration period with an option to extend the suspension for one additional year. The losing party can file a de novo appeal, file a UDRP or initiate a court proceeding. One unique drawback to a URS proceeding is that even if the parties settle following a URS suspension, it can be difficult to "un-suspend" the domain name at issue.

Trademark Clearinghouse

Another tool at the disposal of trademark owners is the Trademark Clearinghouse, which provides trademark owners with priority access to all new gTLD extensions through the use of a signed mark data. The types of marks that qualify for this protection include nationally or regionally registered marks, marks protected by statute or treaty, including geographic designations of origin, or court validated marks, including common law marks or well-known marks.

Following a successful registration, the clearinghouse informs a rights holder if anyone registers the mark at issue as a domain name on any of the new gTLDs. The rights holder can then immediately initiate a URS or UDRP proceeding. The clearinghouse is limited, however, to only the exact mark registered with the clearinghouse. Therefore, any permutations in a celebrity name or brand will not be protected.

The Upshot

While these tools have their limitations, they are still the most efficient way for celebrities and other rights holders to protect against unwanted domain names registered in bad faith.

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