



# WIPO Conference: 10 Years UDRP – What's Next?

**October 12, 2009**

**Theme 1.2: Key Issues for WIPO Panelists – Forks in the Road –  
Reflections on the UDRP and Beyond**

**Registrant Knowledge**

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# Registrant Knowledge and the UDRP

## An Overview

- **This presentation examines the concept of “registrant knowledge” in the context of bad faith determinations under the UDRP (the “Policy”).**
- **The UDRP is designed to curb the abusive registration of trademarks as domain names, commonly known as “cybersquatting”.**
- **The UDRP was developed with a view to cybersquatting as it existed at the inception of the Policy .**
- **Today UDRP Panels (“Panels”) increasingly are called on to address cybersquatting associated with the commercialization of the Domain Name System (“DNS”).**

# Registrant Knowledge and the UDRP

## An Overview

- **As we mark the tenth anniversary of the UDRP, we can note with some satisfaction that the Policy has proven particularly adept at discouraging traditional cybersquatting.**
- **We can also note that ten years after the inception of the UDRP, cybersquatting is on the rise – at least if new case filings are a reliable indicator.**
- **Following a steady decline between 2000-2004, the number of new cybersquatting cases filed with WIPO has risen in each successive year since 2005.**



## Developments in the DNS

- Many believe that the resurgence in cybersquatting is the result of developments in the DNS associated with the monetization of domain names.
- Traditionally, cybersquatting involved the registration of domain names by individuals seeking to sell the “squatted” domain name. Today, “domainers” derive income from large-scale automated registration of domain names.
- Domain names are viewed as commodities, acquired as portfolios, bought and sold, or parked to generate pay-per-click advertising revenues.



# Registrant Knowledge Supporting Bad Faith Registration and Use

- **What levels of registrant knowledge will support bad faith registration and use under the Policy?**
- **Panels generally have required indications of the respondent's actual knowledge of the complainant's mark at the time of registration.**
- **Some Panels have found it sufficient that the respondent "knew or should have known" of the existence of the complainant's mark. These decisions usually involve well-known marks.**
- **More recently, a number of Panels have held that in certain circumstances a registrant's "willful blindness" to the existence of the complainant's mark may support a finding of bad faith.**

## Actual Knowledge

- **It has been conventional wisdom that a complainant must show that the respondent had the complainant's mark in mind when registering the disputed domain name to support bad faith under the UDRP. See *The Skin Store, Inc. v. eSkinStore.com*, WIPO Case No. D2004-0661.**
- **Most Panels have declined to incorporate the concept of constructive notice into the UDRP, and Panels generally have not read the Policy as routinely requiring registrants to conduct trademark searches. See, e.g., *Starwood Hotels and Resorts Worldwide, Inc., Sheraton LLC and Sheraton International Inc. v. Jake Porter*, WIPO Case No. D2007-1254.**

# UDRP Paragraph 4(b): Evidence of Bad Faith

## Uniform Domain Name Dispute Resolution Policy

Policy Adopted: August 26, 1999

Implementation Documents Approved: October 24, 1999

**b. Evidence of Registration and Use in Bad Faith.** For the purposes of [Paragraph 4\(a\)\(iii\)](#), the following circumstances, in particular but without limitation, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith:

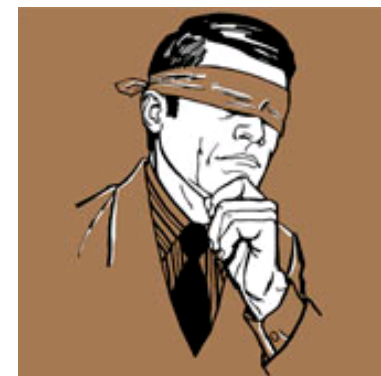
- (i) circumstances indicating that you have registered or you have acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, 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.

## Respondent “Knew or Should Have Known”

- **Panel decisions applying the “knew or should have known” standard tend to involve a well-known or widely used mark.**
- **The respondent’s use of the domain name may indicate an awareness of the complainant’s mark. See, e.g., *Caesars World, Inc. v. Forum LLC*, D2005-0517.**
- **Or a cursory search at the time of registration could have alerted the respondent to the existence of the complainant’s mark.**
- **May be characterized as a standard of deemed or implied knowledge, akin to constructive notice.**



## “Willful Blindness”



- **A number of WIPO Panels have held that those who register domain names in large numbers for targeted advertising, often using automated programs and processes, cannot simply turn a blind eye to the possibility that the names they are registering will infringe or violate third-party trademark rights.**
- See e.g., *Mobile Communication Service Inc. v. WebReg, RN*, WIPO Case No. D2005-1304; *Media General Communications, Inc. v. Rarenames, WebReg*, WIPO Case No. D2006-0964; *Grundfos A/S v. Texas International Property Associates*, WIPO Case No. D2007-1448; *Balglow Finance S.A., Fortuna Comércio e Franquias Ltda. v. Name Administration Inc. (BVI)*, WIPO Case No. D2008-1216.

## “Willful Blindness”

- **These Panel decisions are grounded in an appreciation that paragraph 2 of the Policy requires registrants to make reasonable efforts to ensure they are not infringing upon third-party rights.** *Balglow Finance S.A., Fortuna Comércio e Franquias Ltda. v. Name Administration Inc. (BVI)*, WIPO Case No. D2008-1216; *Grundfos A/S v. Texas International Property Associates*, WIPO Case No. D2007-1448.
- **Under this standard, the failure to undertake adequate searches or other appropriate steps to avoid registration of identical or confusingly similar domain names may support a finding of bad faith.**

## UDRP Paragraph 2: Registrant Representations and Warranties

- “2. Your Representations. By applying to register a domain name, or by asking us to maintain or renew a domain name registration, you hereby represent and warrant to us 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. *It is your responsibility to determine whether your domain name registration infringes or violates someone else's rights.*” (Emphasis added).

## *Grundfos A/S v. Texas International Property Associates*

- “...those who register domain names, and particularly those who register domain names in large numbers using automated programs and processes, are not allowed to simply turn a blind eye to the possibility that the names they are registering will infringe or violate the rights of trademark owners. That responsibility derives from Paragraph 2 of the Policy, and, in particular the words “*it is your responsibility to determine whether your domain name registration infringes or violates someone else’s rights*”.

## *Mobile Communication Svc Inc. v. WebReg, RN*

- “Where. . .a respondent registers large swaths of domain names for resale, often through automated programs that snap up domain names as they become available, with no attention whatsoever to whether they may be identical to trademarks, such practices may well support a finding that respondent is engaged in a pattern of conduct that deprives trademark owners of the ability to register domain names reflecting their marks.”

## Willful Blindness and Beyond?

- **Willful blindness has been applied primarily to professional domain name registrants, but could be applied to other categories of respondents.** See *HSBC Finance Corporation v. Clear Blue Sky Inc. and Domain Manager*, WIPO Case No. D2007-0062.
- **Several Panels have found the search requirement universally applicable to registrants, since it derives from the registrant warranties and representations in paragraph 2.** *City Views Limited v. Moniker Privacy Services / Xander, Jeduyu, ALGEBRALIVE*, WIPO Case No. D2009-0643; *Octogen Pharmacal Company, Inc. v. Domains By Proxy, Inc. / Rich Sanders and Octogen e-Solutions*, WIPO Case No. D2009-0786.

## Conclusion: Looking to the Next Ten Years

- **Panel decisions based on willful blindness suggest that the principles informing UDRP decision criteria can accommodate changing circumstances and new developments.**
- **The actual knowledge standard is likely to remain the starting point for purposes of bad faith determinations made under the Policy.**
- **Nevertheless, one can ask whether the willful blindness decisions foreshadow a shift in Panel focus away from traditional concepts of registrant knowledge and towards an evolving concept of registrant responsibility.**

