



# **‘Sucks’-type Domain Names & Criticism Sites: Analysis & Update**

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# Objectives



- Introduce terminology.
- Proper scope & objectives of UDRP.
- Review UDRP decisions on 'sucks'-type domain names & criticism ('cybergripe') sites.
- How should these issues be dealt with?

# Terminology

- **'Sucks'-type domain names**
  - Domain name that consists of negative or derogatory term added to TM;
  - <[TM]sucks.com> eg. <wal-martsucks.com>;
  - <ihate[TM].com>, <[TM]isbadforyou.com>, <fuck[TM].com>.
- **Criticism sites/'cybergripe' sites/'gripe' sites**
  - Web-sites that contain material critical of brand/trade mark owner.

# Terminology

- **'Sucks'-type domain names:**
  - may resolve to legitimate criticism sites;
  - may have been registered with intention of demanding payment from TM owner;
  - may be used to attract users for commercial purpose:
    - Advertising;
    - 'Click-through' revenue;
    - Redirecting users to other sites – 'cyberporn' sites; sites of competitors to TM owner.
- **'Sham speech' sites** - sites associated with 'sucks'-type domain name that are used for commercial purpose & not legitimate criticism.

# UDRP Objectives



- To protect against abusive, bad faith registration and use of trade marks as domain names (NOT TM infringement).
- 'Classical cybersquatting':
  - registration of a domain name that corresponds to a TM + offer to sell domain name to TM owner.
  - Extortionate demand for payment + express or implied threat to harm TM owner.
- Other opportunistic practices:
  - 'Free riding' on goodwill in TM.
  - Redirecting Internet users to – sites operated by competitors, cyberporn sites, 'phishing' sites, etc.
  - TM dilution, blurring, tarnishment?

# UDRP Objectives

- Domain name law (UDRP or ACPA) is NOT directed at traditional TM infringement.
- Mere registration of a TM as a domain name (or mere registration & use) does not amount to use as a source identifier ('badge of origin' of G&S).
- Therefore, traditional TM concepts CANNOT be imported wholesale and simply applied to UDRP or ACPA.

# Fundamental tension

- Two views:
- Registration of a domain name that reflects a TM by someone other than TM owner is inherently suspect, as difficult to envisage legitimate use of domain name.
- People should be free to register & use terms as domain names, including terms in which TM rights, unless registration is abusive & in bad faith.

# UDRP



- Paragraph 4(a)
  - Domain name is identical or confusingly similar to trademark or service mark in which complainant has rights;
  - Respondent has no rights or legitimate interests in domain name;
  - Domain name has been registered and is being used in bad faith.

# Two Issues

- Is a 'sucks'-type domain name 'confusingly similar' to TM included in domain name?
- Does use of a domain name on a criticism site ('gripe' site) give rise to 'rights' or 'legitimate interests' in domain name?

# Confusing similarity: 3 views

- WIPO Overview majority view:
  - A domain consisting of a TM and a negative term is confusingly similar to Complainant's mark.
- WIPO Overview minority view:
  - A domain name consisting of a TM and a negative term is not confusingly similar because Internet users are not likely to associate the TM holder with a domain name consisting of TM & negative term.
- 'No universal rule' view:
  - There is no universal rule & each case must be decided on its merits (emerging consensus).

# Majority View

- Domain name contains TM & descriptive, dictionary term – mere addition of descriptive term does not distinguish domain name from TM.
- Domain name likely to appear in search engine results in search for domain name.
- Domain name may not be recognised as negative.
- Domain name may be viewed by non-English speakers, who do not recognise negative connotation (esp. if slang, such as 'sucks').
- Not improbable that TM owner may use negative domain name to communicate with younger or disaffected consumers: *La Quinta Worldwide LLC v Heartland Times LLC*, WIPO Case No D2007-1660 (17 Jan, 2008).

# Majority View



- *Wal-Mart Stores, Inc v Walsucks*, WIPO Case No D2000-0477 (20 July 2000): <wal-martcanadasucks.com>, <walmartpeurtoricosucks.com>.
- *Wal-Mart Stores, Inc v Richard MacLeod*, WIPO Case No D2000-0062 (19 September 2000): <wal-martsucks.com>.
- *Cabela's Incorporated v Cupcake Patrol*, NAF Case No FA95080 (29 August 2000): <cabelassucks.com>.
- *Vivendi Universal v Mr Jay David Sallen*, WIPO Case No D2001-1121 (7 November 2001): <vivendiuniversalsucks.com>.
- *Koninklijke Philips Electronics NV v In Seo Kim*, WIPO Case No D2001-1195 (12 November 2001): <philipssucks.com>.
- *Bayer Aktiengesellschaft v Dangos*, WIPO Case No D2002-1115 (3 Feb 2003): <bayersucks.org>, <bayersucks.biz> and <bayersucks.info>.
- *Berlitz Investment Corp v Stefan Tinculescu*, WIPO Case No D2003-0465 (22 Aug 2003): <berlitzsucks.com>.
- *Booz Allen Hamilton v Marc Buchard*, NAF Case No FA6689 (30 June 2006): <boozallensucks.com>.
- *Countrywide Financial Corp v Bluehost.com*, NAF Case No FA4739 (7 Nov 2006): <countrywidehomeloanssuck.com>.
- *International Medical Group v Jonathan Bond*, NAF Case No FA6364 (1 January 2008): <not-img-europe.com>.

# Minority view

- Early cases adopted *per se* rule – ‘sucks’-type domain name could never be confusingly similar to TM.
- Relied upon US case law – *Bally Total Fitness & Lucent Technologies* – no likelihood of confusion as no source confusion – no ‘reasonably prudent’ Internet user would believe sponsorship.
- Recent decisions – rationale underpinning majority view criticised.

# Minority view

- *Wal-Mart Stores, Inc v walmartcanadasucks.com*, WIPO Case No D2000-1104 (23 November 2000): <walmartcanadasucks.com>.
- *Lockhead Martin Corporation v Dan Parisi*, WIPO Case No D2000-1015 (26 January 2001): <lockheedsucks.com> and <lockheedmartinsucks.com>.
- *McLane Company, Inc v Fred Craig*, WIPO Case No D2000-1455 (11 January 2001): <mclanenortheastsucks.com>.
- *America Online, Inc v Johuathan Investments, Inc*, WIPO Case No D2001-0918 (14 September 2001): <fucknetscape.com>.
- *Pom Wonderful LLC v Tara Redavid*, NAF Case No FA846577 (8 January 2006): <pomkills.com>.
- *Sanofi-Aventis v Jason Trevenio*, WIPO Case No D2007-0648 (11 July, 2007): <ambienisdangerous.com>
- *Citigroup Inc v Brian Allman*, NAF Case No FA66738 (16 Oct 2007): <primericaisarip-off.com>.

# 'No universal rule' view

- *Societe Air France v Virtual Dates, Inc*, WIPO Case No D2005-0168 (24 May 2005): <airfrancesucks.com>.
- *Wachovia Corporation v Alton Flanders*, WIPO Case No D2003-0596 (19 September 2003): <wachovia-sucks.com>, <wachoviabanksucks.com> and <wachoviasucks.com>.
- *Medimmune, Inc v Jason Tate*, WIPO Case No D2006-0159 (14 April 2006): <synagisisbadforyou.com> and <synagisisnotsafe.com>.
- *Wal-Mart Stores, Inc v xc2*, WIPO Case No D2006-0811 (29 August 2006): <walmartblows.com>.
- *Wal-Mart Stores, Inc v Traffic Yoon*, WIPO Case No D2006-0812 (20 September 2006): <boycottwalmart.com>.
- *Chubb Security Australia Pty Ltd v Mr Shahim Tahmasebi*, WIPO Case No D2007-0769 (13 Aug 2007): <chubbsux.com>.

# 'No universal rule' view

- '... blanket propositions in relation to whether a derogatory term appended to a Complainant's mark constitutes a phrase which is confusingly similar to the Complainant's mark should be avoided': *Wal-Mart Stores, Inc v xc2*.
- Relevant considerations:
  - familiarity of complainant's customers with English/whether non-English speaking users (eg where is mark registered?)
  - whether negative/derogatory term 'slang' (therefore more difficult to understand).
  - Whether negative/derogatory term prefix/suffix (less likely to be confusion where prefix, eg, <boycottwalmart.com>).

# ‘Confusing similarity’: tests

- ‘Is it likely ... that, because of the similarity between the Domain Name on the one hand and the Complainant’s trade mark on the other hand, people will believe that the Domain Name is associated in some way with the Complainant?’: *America Online, Inc v Johuathan Investments, Inc.*
- ‘... where those persons who are most likely to want to access a complainant’s website will be confused as to whether the complainant is the owner and operator of the website to which the disputed domain name resolves’: *Wal-Mart Stores, Inc v Traffic Yoon.*

# ‘Confusing similarity’: tests

- ‘is it likely that, because of the similarity between the domain name on the one hand and the Complainant’s trademark on the other hand, people will wonder whether the domain name is associated in some way with the Complainant?’: *Sanofi-Aventis v Jason Trevenio*.
- ‘whether, on the balance of probabilities and judged from the viewpoint of a reasonable bystander, it is likely that Internet users would believe that the domain names were ‘associated in some way with the Complainant’: *Red Bull GmbH v Russell Snyder*.

# A better approach



- UDRP is directed against extortionate & other opportunistic practices arising from registration & use of TM as domain name.
- Confusion between disputed domain name & complainant's mark is not source confusion required by TM law.
- Confusion (association) is that which is necessary for domain name registrant to engage in harmful practices:
  - To enable registrant to make credible threat to harm TM owner;
  - To attract Internet users to redirect them to other sites.

# A better approach: considerations

- A 'liberal', undemanding approach should be adopted in construing 'confusing similarity':
  - First element of UDRP acts as gatekeeper: sets minimum threshold before examining whether respondent has rights or interests in domain name & whether acted in bad faith.
  - Internet users make immediate, often intuitive decisions about accessing Web sites, not reasoned decisions.

# 'Sucks'-type domain names

- Is a negative/derogatory association sufficient for 'confusing similarity'?
  - Domain names with negative connotations can be used to make extortionate demands of TM owner.
  - 'Sham speech' sites are used to attract Internet users searching for information on TM, or for 'gripe' site, for registrants own commercial purposes.
  - Reasonable for domain name registrant that knowingly incorporates TM in its entirety in domain name to bear onus of establishing rights or interests in domain name.

Therefore, negative/derogatory association should generally be sufficient to establish 'confusing similarity'.

# 'Rights' or 'legitimate interests'

- Paragraph 4(a)(ii)
  - Respondent (domain name holder) has no rights or legitimate interests in domain name.
- Paragraph 4(c) – affirmative defences
  - (iii) the domain name holder is making a legitimate non-commercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark in issue.

Balances TM rights against non-commercial rights & interests ('fair use' rights/freedom of expression).

# Criticism sites (3 views)

- WIPO Overview View #1: 'domain name itself is misleading' approach
  - The right to criticize does not extend to registering a domain name that is identical or confusingly similar to the owner's registered TM or conveys an association with the mark.
- WIPO Overview View #2: 'complaints site' approach
  - Irrespective of whether the domain name as such connotes criticism, the respondent has a legitimate interest in using the TM as part of the domain name of a criticism site if the use is fair and non-commercial.

## View #3

- 'Totality of circumstances' approach
- Whether or not a criticism site is a legitimate non-commercial or fair use depends upon a careful examination of the facts & circumstances of the particular case, taking into account the nature of the criticism, the relationship of the parties, the existence & prominence of disclaimers & proof of actual confusion.

# Source of division of views

- Balance b/w TM rights & freedom of expression under TM law: limiting TM owner's rights to preventing infringing uses of mark as source identifier, while permitting use in descriptive sense (incl. criticising TM owner).
- Registration & use of mark as domain name – not use as source identifier, but more than merely descriptive use.
- Therefore, new balance must be struck.

# Source of division of views

- 'Domain name itself is misleading' view
  - TM owner should be able to prevent registration of domain name that is identical, or 'misleadingly' similar, to mark because of harm incurred by initial confusion with complainant's mark.
- 'Complaints site' view
  - Any harm is minimal, & freedom of expression on the Internet entails freedom to use a mark for purpose of criticising TM owner.

# The 'preferred approach'

- UDRP is limited to preventing extortionate & other opportunistic practices relating to registration & use of marks as domain names.
- UDRP does not confer on TM owner pre-emptive rights over registration of all domain names that reflect mark in its entirety.
- Para 4(c)(iii) envisages use of domain name for purpose of criticising TM owner.
- Just as degree of initial confusion is tolerated when where registrant has legitimate commercial interest in domain name, a degree of confusion should be tolerated where legitimate non-commercial rights or interests (incl. freedom of expression).

# The 'preferred approach'

- Balance established by terms of para 4(c)(iii):
  - use of domain name must be 'legitimate' or fair use;
  - non-commercial use;
  - no intent for commercial gain misleadingly to divert consumers;
  - no intent for commercial gain to tarnish mark.
- Testing *bona fides* of registrant necessarily involves examining criticism site to determine whether 'genuine'.
- 'Complaints site' approach should be preferred.

# Contrary view

- *Chubb Security Australia Pty Ltd v Mr Shahim Tahmasebi*, WIPO Case No D2007-0769 (13 Aug 2007): <chubbsux.com>.
- ‘... it is not in this Panel’s view legitimate to use the Complainant’s own TM as a platform for criticizing the Complainant itself. As has also been pointed out in other decisions, there is nothing to prevent the Respondent from choosing a domain name that more accurately states its purpose as a criticism site & is not identical or confusingly similar to the Complainant’s TM’.
- Additional factors, including no disclaimer on Web-site.

# Contrary view

- *1066 Housing Association Ltd v Mr D Morgan*, WIPO Case No D2007-1461 (Jan 18, 2008): <1066ha.com>.
- 'The basic difficulty with using a domain name that is identical to a TM is that in most cases the domain name because of its identical nature will be perceived by the public as being in some manner authorised by the TM owner. Essentially, by adopting that domain name the registrant is making a false representation to the world who he is'.
- 'What is being curtailed is not free speech, but impersonisation. A respondent can always choose a domain name that does not carry with it the perception of being authorised by the TM owner'.
- 'It is one thing for a person to stand on a street corner and to voice his concerns about & criticism of a TM owner. It is quite another to pretend to passers by that you represent the TM owner & once you have caught their attention to reveal your true identity & real intentions'.

# Conclusions



- Persistent division of views among panellists on fundamental issues undermines certainty, & therefore effectiveness, of UDRP.
- Division of views referable to:
  - Imprecision in identifying objectives & scope of UDRP; &
  - Ill-conceived application of principles drawn from national trade mark laws.
- Taking into account experience to date, further investigation & clarification of objectives & scope of UDRP required, so as to provide greater guidance to panellists.

# Copies of slides

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