



Take Control Of Your Business Name On The Internet **By Andrea Scarlett-Lozer**

Many consumers consider that if businesses, with which they are not familiar, do not have a presence on the Internet it smacks of illegitimacy or lack of class. For many persons, as soon as they hear of something new, one of the first things to do is to “google” it. Successful and growing businesses should try to ensure that when a person “googles” their name, as advertised on radio, television, print media or a directory, the search engine will actually direct the user to the legitimate business. But this does not always happen.

Cyber Squatting

In the early days of the internet and web-addresses (called domain names), it was quite popular for some entrepreneurs to register domain names which contain the business names, along with several variations, of popular and successful organizations and celebrities. Domain name registries operate on a “first come, first register” basis, and there is no investigation as to whether the applicant is justified in pursuing the registration. This practice is labeled as cyber squatting. The entrepreneur would then sell the domain name registration to the organization or celebrity whose name is indicated by the web address. Some domain names have attracted millions of US\$ as the purchase price.

Fortunately, the law and practice associated with domain names have caught up with the technology and world of commerce. For a while, it was difficult to protect trade names from infringement via registration as domain names because there were no clear laws linking the property right in domain names to the ownership of trade names and the goodwill vested in those names. The lacuna which existed before allowed a person who paid a few dollars (usually less than US\$100) to profit significantly from valuable business names of other persons.

Cyber squatting is distinguishable from the practice of persons who register domain names which at the time of registration had no business reputation, but which the owner believes could be valuable in the future. For example, on August 4, 2009 Microsoft bought www.office.com from ContactOffice Group. It is rumoured that Microsoft intends to use this domain name in its forthcoming release of its new Office 2010 software.

Domain Name Dispute Resolution

The Internet Corporation of Assigned Names and Numbers (ICANN) is the Internet police. This organization is responsible for management of popular generic top level domain names, such as “.com”, “.net” and “.org”. ICANN’s mission is to ensure that the Internet is secure, stable and interoperable. ICANN has adopted the Uniform Domain Name Dispute Resolution Policy (“the Policy”). All ICANN accredited domain name registrars are bound by this policy. Any domain name which is registered by an ICANN accredited registrar may be referred for dispute resolution under the Policy.

The Policy provides that a complainant is entitled to redress if another person (“the respondent”) registers a domain name which is identical or similar to the trade or business name of the complainant; the respondent has no rights or legitimate interest in respect of the domain name; and the domain name has been registered and is being used in bad faith. Evidence that a respondent intends to sell the domain name leads to a presumption that he has no right or legitimate interest in respect of the name. Where the evidence shows that the respondent would have been aware of the existence of the complainant’s business operating under the domain name in dispute, it is likely that a dispute resolution panel will find that the respondent registered the domain name in bad faith. Bad faith will also be proven where the evidence shows that the respondent’s objective is to cause ruin or harm to the complainant’s business, or the intention was to re-direct traffic to his web-site or use of other tactics to assure commercial gain from use of the complainant’s domain name.

The World Intellectual Property Organisation (“WIPO”) Arbitration and Mediation Center located in Switzerland offers domain name dispute resolution services. The writer has used this service and has found it to be efficient, customer friendly, and cheaper than litigation through the courts. Complaints and Responses are presented in the form of written submissions, and parties are generally not required to attend any physical/oral hearings. Most communication with WIPO is via e-mail. Their decisions are also binding on all ICANN accredited domain name registrars. WIPO offers remedies of transfer or cancellation of the disputed domain name, or if the complainant’s case is denied the respondent is allowed to retain the registration. No money awards or injunctions are available from WIPO, but decisions are usually handed down in less than six (6) months from the date of filing the complaint.

Julia Roberts and Disney Enterprise Succeeded

WIPO Arbitration and Mediation Center has handed down decisions which required that domain names which involve established business or celebrity names be transferred to the person with legitimate interest. For example, on May 29, 2000 Julia Roberts was able to recover “juliaroberts.com” from Russell Boyd, who had registered the domain name and put it up for auction on ebay. Russell Boyd was also found to be the owner of other registrations such as “madeleinstowe.com” and “alpacino.com”. The panel found that bad faith and lack of legitimate right or interest in respect of the domain name “juliaroberts.com” were clearly established.

On June 19, 2001 John Zuccarini was ordered to transfer to Disney Enterprise, Inc. various “disney” domain name registrations. John Zuccarini had registered “disneychanel.com”, “disneywold.com”, “disneyworl.com”, “walddisney.com”, “disneywolrd.com”, “disneywallpaper.com”, and “disneyword.com”.

There have been numerous other successful cases to date. Complainants have included several banks (eg. Citibank), travel planners (eg. Expedia, Inc), executive placement services, hotel services, among others. Successful complainants have included those with international reputations, as well as those with reputations in their local country.

Businesses that feel that their trade names (or variations thereof) or names confusingly similar to their trade names are being wrongfully used or registered as web-addresses by other persons should certainly avail themselves of the dispute resolution procedure. This is important as a method of preserving the goodwill in trade names generated by expensive and focused marketing efforts and successful delivery of quality goods and services.

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