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ISSN 1748-944X FIFA wins its latest domain name dispute filed with WIPO

Ian Blackshaw, TMC Asser Institute, The Hague, The Netherlands

ABSTRACT

Sport is now big business and there is much to play for both on and off the field of play. With so much money at stake, it is not surprising that sports disputes of various kinds are on the increase. These include many 'cyberspace' disputes as a result of the inexorable rise of the Internet, the widespread use of sports domain names

and websites and the resulting widespread phenomenon of 'cybersquatting' – the unfair registration and use of domain names. In this article, a recent case of 'cybersquatting' involving FIFA and the World Cup and its settlement through the WIPO Arbitration and Mediation Center under the Uniform Dispute Resolution Policy of the Internet Corporation on Assigned Names and Numbers will be examined.

KEYWORDS

Cybersquatting, domain names, FIFA World Cup, WIPO

INTRODUCTION

Football is the world's most lucrative sport and, according to Sepp Blatter, President of FIFA, 1 the football world governing body, football is a product in its own right. FIFA's premier event is, of course, the World Cup and in order to organise and stage such a major sporting event (claimed by FIFA to be the world's biggest and most popular) the name and the event itself need to be legally protected as much as possible; a failure to do so would see sponsors and others wishing to associate their products and services with the event – the so-called 'commercial partners' - would not be prepared to pay such large sums for the privilege if others could usurp and infringe their rights with legal impunity. In effect, they would be getting nothing in return for their money.

For example, licensing and merchandising rights in relation to major sports events, such as 2 the FIFA World Cup, are 'hot properties' commanding high returns for the rights owners ('licensors') and concessionaires ('licensees') alike (Gardiner et al, 2006). That is where Intellectual Property Rights (IPRs) kick in and their importance in the marketing and commercialisation of sports events cannot be overstated. Indeed, without them many major international sports events, including the FIFA World Cup, could never take place, much to the disappointment of athletes and sports fans alike.

Perhaps the most important IPRs in relation to sports events are trademarks and FIFA, in 3 order to protect the World Cup event, has registered hundreds of them around the world in respect of a wide range of products and services included in the World Intellectual Property Organisation's Nice Classification of Goods and Services (<u>www.wipo.int</u>). In 1994, WIPO established an independent and impartial body, the WIPO Arbitration and Mediation Center (WIPO Center), to offer <u>alternative dispute resolution procedures</u>for the *extra-judicial* settlement of international IP commercial disputes, including an ever increasing number of domain name disputes, many of which relate to sport.

FIFA DOMAIN NAME DISPUTE: BACKGROUND AND GENERAL PRINCIPLES

One such dispute recently arose in relation to the domain name <fifa11.com> (the Disputed 4 Domain Name), which had been registered by a South Korean and to which FIFA, not unnaturally, took exception. A domain name is an Internet address and the basis for a website, on which the owner is able to promote its goods, services and activities. As such, it

is a useful marketing tool and in the case of a sports body, a kind of 'shop window' to showcase its particular sport. In the domain name dispute under consideration here, FIFA (the Complainant) filed a Complaint against the South Korean (the Respondent) with the WIPO Center requesting the transfer of this domain name to the Complainant, who had not authorized the use of this name by a third party. This was, *prima facie*, a case of so-called 'cybersquatting'; that is, occupying a site in 'cyberspace' which lawfully belongs to another, without permission and with a view to selling the domain name to the rightful party or even a third party. This is a form of 'unfair competition' in a commercial/economic sense.

The Complaint, WIPO Case No. D2010-1717, *FIFA v Seo Jae Woo*, which was filed on 11 5 October 2010, was handled by a sole WIPO Domain Names Panelist who upheld the Complaint and ordered the transfer of the domain name to FIFA on 2 December 2010. In fact, under the Rules, the Panelist is required to forward the Decision to WIPO within 14 days of being appointed (see paragraph 15(b) of the ICANN (Internet Corporation for Assigned Names and Numbers) UDRP (Uniform Dispute Resolution Policy Rules). So, the procedure is quite speedy!

In order to win their case, FIFA had to prove that, under the provisions of the ICANN UDRP 6 (the Policy) approved on 24 October 1999 and administered by the Center, this was a case of '*cybersquatting*'; in other words, the abusive registration and unfair use of a domain name. Under the Policy, in order to obtain the transfer (or cancellation) of the offending domain name, FIFA must prove each of the following basic elements of paragraph 4(a) of the Policy, namely:

- i. the disputed domain name is identical or confusingly similar to a trademark of service mark in which the Complainant has rights; and
- ii. Respondent has no rights or legitimate interests in respect of the domain name; and
- iii. The disputed domain name has been registered and is being used in bad faith.

For the Complaint to succeed, all three of these conditions must be satisfied. It is interesting 7 to note, *en passant*, that as far as the first of these conditions is concerned the trademark need not be registered. In other words, so-called 'Common Law' trademarks are also protected under the Policy (see *Adobe Systems Incorporated v Domain Oz*, WIPO Case No. D2000-0057).

But, as far as the third of these conditions is concerned, what, one may reasonably ask, is 8 meant by the expression 'bad faith'? Paragraph 4(b) of the Policy lists four examples of acts, which *prima facie* constitute evidence of bad faith:

- i. Offering to sell the domain name to the trademark owner or its competitor;
- ii. An attempt to attract for financial gain Internet users by creating confusion with the trademark of another;
- iii. Registration of a domain name in order to prevent the trademark owner from reflecting its mark in a corresponding domain name; and
- iv. Registration of the domain name in order to disrupt the business of the competitor.

It should be noted that this list is not exhaustive, but merely illustrative of the kinds of 9 situations that may fall within the concept of 'bad faith'. In practice, many domain name disputes are not defended by the Respondent, as in the present FIFA case, and this fact, along with a failure to respond to any 'cease and desist' letter from the Complainant issued before the WIPO proceedings were commenced, may constitute further evidence of bad faith on the part of the Respondent (*Bayerische Motoren Werke AG v. (This Domain is For Sale) Joshuathan Investments, Inc.*, WIPO Case No. D2002 0787).

All previous WIPO UDRP decisions can be accessed online (www.wipo.int/amc/en/domains/ 10

decisionsx/index.html) and thus provide a useful body of precedents. Although it should be added that Panels are generally free to decide cases without necessarily being bound by previous decisions, in practice they usually do rely on such decisions, if the facts and circumstances are the same or similar.

As regards the present case, the following background facts were adduced to the Panel by 11 FIFA, who were internally represented in the proceedings:

The Complainant is the world governing body of association football and the organiser of all world championship football tournaments, including the world famous FIFA World Cup tournament. The FIFA World Cup is the largest single sporting event in the world, involving 204 different countries. The Complainant staged the first FIFA WORLD CUP tournament in 1930 and FIFA has staged them regularly every four years ever since. The Complainant invests millions of dollars in the organisation of each tournament; owns hundreds of trademark registrations for the FIFA mark throughout the world; and attracts billions of TV viewers for its tournaments.

The Complainant's successful commercial programme relies significantly on its ability to 12 attract licensees for the right to use its FIFA and FIFA World Cup trademarks and also to associate themselves with FIFA and the FIFA World Cup. For instance, the Complainant has licensed the FIFA name to EA Sports for a series of association football video games that are released annually. Since 1993, EA Sports has published 18games, all containing the name FIFA followed by either a two or four digit number representing the year of the relevant tournament. Since 2005, the games have been consistently identified as FIFA, followed by a two digit number representing the year of the tournament (*i.e.* FIFA 09, FIFA 10, FIFA 11).

As already mentioned, the Respondent did not file any Response to the Complaint, and, 13 under these circumstances the Panel may decide the dispute based on the actual Complaint and may accept all reasonable factual allegations as being true. The Panel may also draw appropriate inferences from the Respondent's silence. See *Talk City, Inc. v. Michael Robertson*, WIPO Case No. D2000 0009. As the case was undefended and there was a single member Panel, the fee payable to the WIPO Center was US\$1,500.

FIFA DOMAIN NAME DISPUTE: THE PANEL'S FINDINGS

Having reviewed the Case File, the Panel made the following findings in relation to each of 14 the three elements of the Policy that need to be satisfied:

A. IDENTICAL OR CONFUSINGLY SIMILAR

The Case File contains ample evidence to demonstrate the Complainant's rights in the 15 registered FIFA trademark. The Panel also determined that the Disputed Domain Name is confusingly similar to the Complainant's FIFA mark. In this case, it is clear that the Disputed Domain Name is composed entirely of the Complainant's FIFA mark. Additionally, the Panel agreed with the decision in *ISL Marketing AG and The Federation Internationale de Football Association v. J.Y. Chung, Worldcup2002.com, W Co., and Worldcup 2002, WIPO Case No.* D2000-0034, in which it was held that the use of a number following the name 'worldcup' and used for the purpose of representing the year of a particular FIFA tournament, does not affect, in the minds of consumers, the association of the name with the Complainant. In other words, the numerator in the present case does not provide any distinguishing feature for trademark similarity purposes.

The Panel also found that the addition of the number '11' in the Disputed Domain Name 16 functions to confirm, if not heighten, an association between the Disputed Domain Name and the Complainant, based on the past uses of the FIFA mark followed by a number to indicate the year of a particular tournament.

Finally, the Panel found that the top-level domain name suffix (`.com') is not generally taken 17 into consideration when assessing identicalness or confusing similarity. Accordingly, the

Panel found that the Complainant has satisfied the first element of the Policy.

B. RIGHTS OR LEGITIMATE INTERESTS

Paragraph 4(c) of the Policy provides that Respondent may establish rights or legitimate 18 interests in the Disputed Domain Name by proof of any of the following non-exclusive list of circumstances:

- i. before any notice to Respondent of the dispute, Respondent used, or made demonstrable preparations to use, the Disputed Domain Name or a name corresponding to the Disputed Domain Name in connection with a *bona fide*offering of goods or services; or
- ii. Respondent (as an individual, business, or other organization) has been commonly known by the Disputed Domain Name, even if Respondent has not acquired trademark or service mark rights; or
- iii. Respondent is making a legitimate non-commercial or fair use of the Disputed Domain Name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

If the circumstances are sufficient to constitute a *prima facie* showing by the Complainant of 19 an absence of rights or legitimate interests on the part of the Respondent, the evidentiary burden shifts to the Respondent to show, by plausible, concrete evidence, that it does have a right or a legitimate interest.

Applying the above principlesto the present case, the Complainant has not authorized the 20 Respondent to use its FIFA trademark in any respect. Neither is there any evidence that the Respondent is commonly known by the Disputed Domain Name. Furthermore, the Respondent's use of the Disputed Domain Name to sponsor links does not constitute use of the Disputed Domain Name in connection with a *bona fide* offering of goods or services (see, for example, *Barceló Corporación Empresarial, S.A. v. Hello Domain*, WIPO Case No. D2007-1380; *Robert Bosch GmbH v. Asia Ventures, Inc.*, WIPO Case No. D2005-0946; *Edmunds.com, Inc. v. Ult. Search Inc.*, WIPO Case No. D2001-1319; *Trade Me Limited v. Vertical Axis Inc*, WIPO Case No. D2009-0093). Finally, there is no evidence that the Respondent is making any legitimate non-commercial or fair use of the Disputed Domain Name.

Therefore, based on the unrefuted evidence submitted by the Complainant, the Panel found 21 that the Respondent was not making fair use of the Disputed Domain Name, but is using the Domain Name to attract Internet users to the Respondent's website and then providing links to other sites, some of which have little or nothing to do with the Complainant.

This combination of circumstances sufficiently establishes a *prima facie* case so that the 22 evidentiary burden shifts to the Respondent to prove that it has some rights or legitimate interests in respect of the Disputed Domain Name. Having not filed a Response, the Respondent has failed to discharge this burden. Accordingly, the Panel found that the Complainant has satisfied the second element of the Policy.

C. REGISTERED AND USED IN BAD FAITH

Paragraph 4(a)(iii) of the Policy requires that Complainant establish both bad faith 23 registration and bad faith use of the Disputed Domain Name by Respondent(see *World Wrestling Federation Entertainment, Inc. v. Michael Bosman,* WIPO Case No. D1999 0001, the very first WIPO Domain Name Case and one which actually involved a sporting domain name).

The Complainant submitted evidence that the Respondent may be deriving a financial 24 benefit from web traffic diverted through the Disputed Domain Name to linked websites on the website to which the Disputed Domain Name resolves. The Panel, therefore, accepted that the Respondent has intentionally attracted Internet users to its website for commercial

gain through confusion as to the source, affiliation or endorsement of the website or location. This amounts to evidence of bad faith use under paragraph 4(b)(iv) of the Policy (see *Compart AG v. Compart.com / Vertical Axis, Inc.*, WIPO Case No. D2009-0462).

Further the Respondent, by use of the Disputed Domain Name, is also attracting Internet 25 users away from the Complainant's websites and/or from its authorised licensee's websites to its own website at the Disputed Domain Name, and thus causes harm to the Complainant's business. Accordingly, the Panel found that the Respondent registered the Disputed Domain Name primarily for the purpose of attracting Internet users to another site by creating confusion and this is evidence of bad faith under paragraphs 4(b)(iii) and (iv) of the Policy.

Thus, for the above reasons, the Panel found that the Complainant had satisfied the third 26 element of the Policy. Having satisfied all three of the required elements, the Panel held that FIFA was entitled to have, as requested, the Disputed Domain Name <fifa11.com> transferred from the Respondent to FIFA.

ENFORCEMENT OF THE RULING

Copies of the Ruling must be conveyed to the parties and also the body with whom the 27 Disputed Domain Name is registered and that body is required to effect the transfer (para.16(a) of the ICANN UDRP Rules). It is possible to challenge a WIPO Domain Name Dispute Ruling in a competent Court either before or after the WIPO proceedings (paragraph 4k. of the Policy), in which case the dissatisfied party has 10 business days in which to file such Court proceedings, after which the WIPO Ruling will be implemented; such legal challenges rarely happen in practice.

CONCLUDING REMARKS

Sports disputes, generally speaking, lend themselves to settlement by various forms of ADR 28 because a speedy, flexible and relatively inexpensive dispute resolution process is required by the sports world, not least because of sporting deadlines and maintaining sporting relationships. And the services provided by the WIPO Arbitration and Mediation Center, accredited by ICANN, for settling under the Policy sports domain name disputes, which as noted above are on the increase, are proving to be user friendly, economical and a very effective form of ADR.

Despite the considerable number of sports domain name disputes that have been 29 settled*extra-judicially*through the WIPO Arbitration and Mediation Center over the years, the majority of which have been settled in favour of the Complainants and many of whom are Sports Governing Bodies, individuals, companies and organisations are still 'trying it on' and engaging in 'cybersquatting' in some form or another in sports cases. This is something which, given the 11 years of operation of the settlement procedures under the ICANN UDRP Policy, never ceases to amaze the author of this article!

One final relatedpoint: under the ICANN UDRP Policy and Rules, it is not possible to claim 30 damages for 'cybersquatting'; the only relief given is either the transfer or cancellation of the disputed domain name or denial of the Complaint, according to the facts and circumstances of each case. However, under the US Anti-cybersquatting Consumer Protection Act of 1999 (15 U.S.C. 1125(d)), it is possible to claim damages.