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Obtain a .cn domain name registered for more than three years

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As Chinese market is becoming more and more important, the “.cn” domain name is also becoming very important for many brand owners, especially during the pandemic period when more business is conducted online. Nevertheless, there are still many brand owners who failed to register the .cn domain name for their house marks before they were registered by some malicious parties.

To solve the dispute for the .cn domain name, the real right owner is entitled to initiate domain name complaint procedure based on CNDRP which is similar to UDRP. However, one difference between CNDRP and UDRP is that there is time limitation of three years to initiate the CNDRP procedure, counting from the registration date of the domain name. If the three years deadline expires, the right owner will have to solve the dispute by negotiation or by filing a lawsuit. This article mainly gives a preliminary advice against the .cn domain name which has been registered for more than three years and CNDRP is no longer available to solve the dispute.

1. Negotiation

As the first step, it is always recommendable to negotiate with the cybersquatter for acquisition to have a try. Some cybersquatter may offer reasonable price to sell the domains which ranges from hundreds to thousands of US dollars. In addition, it is also advisable to proceed with the negotiation via emails or other methods in writing. In this way, if the cybersquatter asks for very high price, the aforesaid email correspondence or other written evidence will be very helpful to prove the cybersquatter's bad faith. It is advisable to preserve such evidence by notarization.

2. File lawsuit

If the negotiation fails, the right owner could initiate a domain name lawsuit,

and the registration or use of the domain name will be regarded as infringement or unfair competition if the following conditions could be met:

- a) The civil rights and interests claimed by the plaintiff are legal and valid;
- b) The defendant's domain name or its main part constitutes a copy, imitation, translation or transliteration of the plaintiff's well-known trademark; or it is identical or similar to the plaintiff's registered trademark, domain name, etc., which is sufficient to cause misunderstanding to the relevant public;
- c) The defendant does not have rights to the domain name or its main part, nor does it have a legitimate reason to register or use the domain name; and
- d) The defendant has malicious intent in the registration and use of the domain name.

3. How to prove bad faith

For the condition d), usually the following four situations could be identified that the concerned domain name was registered by the defendant in bad faith:

- (1) Registering others' well-known trademarks as domain names for commercial purposes;
- (2) Registering or using domain names that are the same or similar to the plaintiff's registered trademarks or domain names for commercial purposes, deliberately causing confusion with the plaintiff's products, services, or plaintiff's website, and misleading Internet users to visit its website or other online sites;
- (3) Having offered to sell, rent or transfer the domain name in other ways at a high price to obtain illegitimate benefits; and
- (4) After registering the domain name, the defendant does not use or intends to use it, but intentionally prevents the right holder from registering the domain name.

4. Possible defense

If the defendant provides evidence to prove that the domain name held by it has gained a certain degree of popularity before the dispute, and can be

distinguishable from the plaintiff's registered trademark, domain name, etc., or has other circumstances sufficient to prove that it is not malicious, it could be a valid defense against bad faith claim.

5. Is compensation available

Although the plaintiff could claim compensation in the lawsuit if it suffered losses from the defendant's infringement, in many cases, it is more practical to focus on the request that the cybersquatter transfer the concerned domain name to the plaintiff, especially in many cases where the domain names involved have not put into use, which makes it difficult to prove the losses caused by the defendant. Nevertheless, more and more Chinese courts incline to fully support reasonable legal expenses claimed in the lawsuit, and even support punitive damages in many cases where the infringement is serious.

6. Lawsuit as leverage to negotiate

As the lawsuit usually lasts 6-18 months if a foreign party is involved, as a strategy, the plaintiff could consider taking both lawsuit and negotiation, and using the lawsuit as a leverage in the negotiation to beat down the price. Such strategy usually works well from our experience.

7. Early registration more recommendable

Despite the above effective methods to get back a squatted domain, early registration of the domain name is more economical, and accordingly more recommendable, even if the domain name will not be used in the near future.