

CHANNEL ISLANDS DOMAIN DISPUTES

C.I.D.D. DOMAIN DISPUTE SERVICE AND ARBITRATION
A TIMELY SERVICE

IN THE CASE OF THE DOMAIN NAME FORTNITEITEMS.GG

EPIC GAMES

620 Crossroads Boulevard, Cary, North Carolina 27518, USA
(representative Bird & Bird, Solicitors)

COMPLAINANT

- and -

UAB GAME TRADE

a limited liability company
(Unrepresented)

RESPONDENT

DECISION OF THE ARBITRATOR

INTRODUCTION

This Complaint is made in accordance with the *Channel Islands Dispute Resolution Service Policy*, the *Terms and Conditions for Domain Name Registration (GG/JE)*, and the *Channel Islands Domain Disputes Rules* (CIDD Rules) in force at the time of filing.

THE COMPLAINANT

The Complainant in this administrative proceeding is **EPIC GAMES** of America and the Complaint is represented.

THE RESPONDENT

According to the whois records, the Registrant is UAB Game Trade, (UAB appears to be a designator

for limited company - contact name Vladas Jurkevicius) Juozo Balcikonio g. 9, Vilnius, 00000 LT+370 63501839 and the Complainant has amended proceedings to reflect this.

The Respondent is not represented and is largely unresponsive having stated only "I have removed all infringing items on the site", not stating when removal occurred.

THE COMPLAINT

1. This complaint (the "Complaint") was submitted on behalf of Epic Games, Inc. (the "Complainant" or "Epic") in accordance with the Channel Islands Dispute Resolution Service Policy, and its Rules.
2. Epic seeks to obtain the transfer of the domain name <fortniteitems.gg> (the "Domain Name") from UAB Game Trade (the "Respondent"), registrant of the Domain Name asserting that the Domain Name has been registered and used contrary to the CIDD Rules.
3. The Complainant asserts that:
 - 3.1. Complaint 1 : The Complainant has rights in respect of a name or Mark which is identical or similar to the Domain Name **and** the use the Domain Name by the Respondent amounts to an infringement of the Complainant rights.
Complaint 2: the Domain Name, in the hands of the Respondent, is an abusive registration, and the Respondent has no rights or legitimate interests in the name.
 - 3.2. The Complainant argues that:
 - 3.2.1. The Domain Name incorporates the whole of the Complainant's FORTNITE mark, and it is alleged that the domain fortniteitems.gg is confusingly similar to that mark
 - 3.2.2. The Respondent is using the Domain Name to confuse and/or deceive Internet users into believing that the Respondent's website is affiliated with, connected to, or sponsored by the Complainant when in fact that is not the case;
 - 3.2.3. The Domain Name is confusingly similar to the Complainant's registered trade mark FORTNITE and since the Respondent has no rights or legitimate interests in the Domain Name, the Respondent's use of the Domain Name infringes the Complainant's registered trade-marks;
 - 3.2.4. the registration constitutes an Abusive Registration in the hands of the Respondent.

4. THE RESPONSE/DEFENCE

- 4.1. The Respondent has sent numerous responses firstly claiming not to have received the Complaint and finally a response dated 14th February 2022 stating:
" Hello, The alleged infringing content has been removed from the domain. "
- 4.2. The Respondent does not say what infringing content has been removed, nor when.
- 4.3. It is noted that there is also no assertion by the Complainant that the content of the website contains any infringing material and therefore whilst the Response does not answer the Complaint as would be required under the Rules now in force, the Response must be taken with the widest of latitude as the Respondent is unrepresented, to mean as a result of the use of the word "alleged" that the Respondent does not agree that the alleged content is infringing as asserted or at all and that there is no infringing use.
- 4.4. The implication that there is no infringing use therefore at least partially raises a partial shield of nominative fair use.

5. THE REPLY TO THE RESPONSE/DEFENCE

- 5.1. The Claimant's solicitors were notified of the response and, as the Respondent was unrepresented, that the Arbitrator's had given notice that this was likely to be assumed to be an assertion that anything infringing had been removed, that the site was non-infringing and that fair use may apply.
- 5.2. The Claimant's solicitors asserted that

- 5.2.1. The registrant's response can be more easily interpreted as an acknowledgement that the domain was in fact not being used fairly, and hence they removed the content from it.
 - 5.2.2. There is no express statement in the registrant's response that they believe the use was fair and non-infringing, and no implied assumption can be made.
 - 5.2.3. That the registrant has not put forward a valid defence and that in line with the CIDD Procedure Rules (<https://disputes.gg/schemes/>):
 - a) procedure 6(i) states '*A Response will be deemed non-responsive if it does not address each of the allegations made by the Complainant*'. The Response has made no attempt at addressing any of the complainant's allegations, nor does it even expressly acknowledge that a complaint has been filed.
 - b) Procedure 6(iv) states that '*a statement stating "I've done nothing wrong, the Complainant has no case" will be deemed non-responsive*'
 - 5.2.4. That the Response has made no attempt at addressing any of the complainant's allegations, nor does it even expressly acknowledge that a complaint has been filed.
 - 5.2.5. Procedure 6(iv) states that '*a statement stating "I've done nothing wrong, the Complainant has no case" will be deemed non-responsive*' - the registrant's response in the present case does not even go as far as denying the Complainant's allegations.
 - 5.2.6. As such, it is submitted that the registrant should be deemed unresponsive, and a decision should be made on the basis of the complaint alone.
 - 5.2.7. The Complainant's solicitors stated "We understand that procedure 6 only applied to complaints filed from 1 March 2022. However, the response is so inadequate that whether that rule is technically applicable or not, the response should not be taken into consideration, and certainly no assumptions in the registrant's favour can be made from it."
 - 5.2.8. The response also does not contain a statement of truth in accordance with procedures 7 and 8, and as such the defence should be struck out. As per procedure 7, '*A Response is only valid with a Statement of Truth*'.
 - 5.2.9. Irrespective of the fact the infringing content has been removed, the complainant still wishes to pursue this matter to a decision. We reserve the right to put forward further submissions should it be necessary.
- 5.3. In respect of points 6.2.3, 6.2.5, 6.2.6 and 6.2.7, the Arbitrator notes that the revised rules quoted were not in place at the time of the Complaint being filed and therefore dismisses those points, the Claimant's solicitor having cited a revised later version of the CIDD Procedure Rules and not the version at the time of filing. In respect of the Response Statement of Truth, this was only a recommendation at the time of filing. The Arbitrator also notes, as set out below that it is for the Claimant to prove their case. It is regrettable that the Complainant, being represented, has not chosen to address the issues of nominative fair use and particularly that this was not done at the Reply to the Response stage.
 - 5.4. Under the New CIDD Rules in force after the complaint was filed, which were designed to prevent future responses of this type, the response would be considered to be unresponsive; however, those new rules do not apply in this case.
 - 5.5. By way of explanation, the new CIDD Rules make it easier for Trademark holders to deal with cases where there are unresponsive registrants, but also provide greater clarity for all parties and also make it clear that CIDD recognises Nominative Fair Use, where applicable, and deal with the burden of proof.

THE LAW

6. The incorporation of a trademark within in a domain has been ruled by many Domain Dispute bodies as automatically infringing, but this is rarely correct because Nominative Fair Use may apply.
 - 6.1. The case-law distinguishing between
 - (i) a domain registration that is the trademark with a gTLD or ccTLD extension added or one

that must necessarily give rise to an assumption of linkage to the trademark owner such as trademark-online.com (known as “trademark.com” registrations); and
(ii) registrations that merely include the trademark with other words (potentially fair use domains”).

6.2. Each case must however be considered upon its particular facts and merits.

7. The Arbitrator has set out below a summary of the caselaw from Court cases on Nominative Fair Use (or fair competition and the question of taking unfair advantage of the distinctive character or the repute of a well-known trade mark or “riding on the coat-tails of the mark with a reputation” as it is known in Europe) because it appears little understood in UDRP proceedings.

[For the reasons set out below, the Arbitrator does not take into consideration decisions in previous UDRP hearings. Although UDRP proceedings are often referred to as “*previous caselaw*”, this is a misnomer as they are not court proceedings and therefore not *caselaw* in its proper sense. The Arbitrator notes that UDRP decisions do not have the rigour or oversight that Court cases have and that unlike Court cases where counsel has the professional duty of *prima-facie* raising both sides of an argument if the counterparty is unrepresented, UDRP proceedings do not recognise this requirement.]

8. The caselaw between Europe & USA appears to conflict to a small degree between US (9th and 6th circuits) and the ECJ; however, the timing of the cases is instructive as the L’Oreal decision did not examine fair use in any amount of detail whereas the later line of 9th Circuit series of US cases examined fair use in very considerable detail.
9. In the *L’Oréal / Bellure* decision (C-487/07- 18 June 2009) of the ECJ the concept of riding on the coattails of a trademark was first established in Europe and this was reflected in an Amsterdam Court of Appeal decision in February 2010 in a trade mark conflict between two energy drink producers (*Red Bull vs. The Bulldog*) which referred to the *L’Oréal / Bellure* decision; however, in neither case was Nominative Fair Use argued or considered by the European Courts in any detail and indeed little caselaw on this was available at the time. (There is now considerable caselaw on the matter and the general consensus of the *L’Oréal / Bellure* decision is that was the high-water mark of the protection of trademarks and that the tide has started to go down since that date.
Later in 2010 came the decision of the 9th Circuit in the USA in the case of *Toyota Motors v Tabari* (Commonly known as the “Buy-a Lexus” case) and the series of cases that stem from that case.
10. The doctrine of Nominative Fair Use being now so well developed in the USA, it is only appropriate that it is considered in domain disputes which have worldwide application.
11. As Nominative Fair Use is common law and often poorly understood in UDRP decisions, I have set this out in the hope that future CIDD complainants will address the defence properly and not simply assert the flawed concept that incorporation of a trademark in a longer domain name (a Potentially Fair Use Registration) is automatically unfair and confusing and a breach of the trademark.
12. Nominative Fair Use¹ applies where the technically infringing party uses the mark to refer to the trademarked goods themselves and is a poorly understood defence even though the caselaw on this matter goes back over 30 years [See *New Kids on the Block v. News Am. Publ’g, Inc.*, 971

¹ The similar test in the European sphere covers whether the sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the complaining trademark owner. For all practical purposes, this is nominative fair use as referred to in the USA.

- F.2d 302, 308 (9th Cir. 1992), *Playboy Enterprises., Inc. v. Welles*, 279 F.3d 796, 801 (9th Cir. 2002) and more lately *Toyota Motor Sales v Tabari* 2010 (cited in full below).
13. In *Welles*, for instance, the Court applied the nominative fair use analysis to meta-tags used by a former Playmate's use of the "Playboy" mark to describe herself and her website (279 F.3d at 801) and the Court observed that, in those circumstances, the application of the existing caselaw, known as the Sleekcraft test, ... "*which focuses on the similarity of the mark used by the Plaintiff and the Defendant, would lead to the incorrect conclusion that virtually all nominative uses are confusing.*"
 14. In cases where a nominative fair use defence is raised, the question (known as the *New Kids* test) is whether
 - (1) *the product² was "readily identifiable" without use of the mark;*
 - (2) *defendant used more of the mark than necessary; or*
 - (3) *defendant falsely suggested he was sponsored or endorsed by the trademark holder.*

Welles, 279 F.3d at 801 (quoting *New Kids*, 971 F.2d at 308-09).
 15. In *Toyota Motor Sales v Tabari*, 9th Circuit Court (No. 07-55344 (9th Cir. Jul. 8, 2010) revisited the eight-factor test for likelihood of confusion articulated in *AMF Inc. v. Sleekcraft Boats*, (599 F.2d 341, 348-49 (9th Cir. 1979)) and the reduced test in *New Kids on the Block v. News Am. Publ'g, Inc.*, (971 F.2d 302, 308 (9th Cir. 1992)).
 16. In the *Toyota Motors* case, the Defendants sold Lexus cars and car parts for Lexus and owned domain names "buy-a-lexus.com" and "buyorleaselexus.com", the starting point was that there was potential for an infringement of the Lexus trademark, but that in applying *Sleekcraft*, where a defendant uses the mark to refer to the trademarked good itself the Court determined that there was be a defence of nominative fair use.
 17. The Court cited *New Kids on the Block v. News Am. Publ'g, Inc.* (971 F.2d 302, 308 (9th Cir. 1992)). The Defendants used the term "Lexus" in their domain names to describe their business of brokering Lexus automobiles and "*the 9th Circuit has long held that such use of the trademark is a fair use, namely nominative fair use, which is by definition, not infringement*".
 18. The Court also cited *Playboy Enterprises., Inc. v. Welles*, (279 F.3d 796, 801 (9th Cir. 2002)) Nominative use in *Welles* was found to apply to meta tags as "*searchers would have a much more difficult time locating relevant websites if the law outlawed such truthful, non-misleading use of a mark*" (279 F.3d at 804) and that "*the same logic applies to nominative use of a mark in a domain name*".
 19. This 3-part test is designed to address the risk that Nominative Fair Use of the mark will inspire a mistaken belief on the part of consumers that the speaker is sponsored or endorsed by or otherwise connected with the trademark owner and whether consumers may reasonably infer sponsorship or endorsement if a company uses an unnecessary trademark or "more" of a mark than necessary.

"If the nominative use satisfies the three-factor New Kids test, it doesn't infringe. If the nominative use does not satisfy all the New Kids factors, the district court may order defendants to modify their use of the mark so that all three factors are satisfied; it may not enjoin nominative use of the mark altogether".
 20. In the *Toyota Motors* (Lexus) case, the district court enjoined the Defendants from using "any . . . domain name, service mark, trademark, trade name, meta tag or other commercial indication of origin that includes the mark LEXUS", even though this was considered to be a step interfering

² The Claimant has not provided any evidence of counterfeit nature within the New Kids criteria and simply avers a breach of terms of use. The product must of course be the genuine product of the Trademark owner and not counterfeit. (In the *fortniteitems.gg* case, the items are genuine and exchanged by fortnite users via the website complained of and therefore not counterfeit in the meaning of the *New Kids* test.

with truthful communication between buyers and sellers in the marketplace and fair competition *Va. State Bd. of Pharmacy v. Va. Citizens Consumer Council, Inc.*, (425 U.S. 748, 763-64, 96 S.Ct. 1817, 48 L.Ed.2d 346 (1976)).

The 9th circuit comprehensively reversed the district court decision.

21. In performing this analysis, the *Toyota Motors* (Lexus) Court referred to the "reasonably prudent consumer" in the marketplace." *Cf. Dreamwerks Prod. Group, Inc. v. SKG Studio*, 142 F.3d 1127, 1129 (9th Cir. 1998) (describing the test for likelihood of confusion in analogous *Sleekcraft* context). This is essentially the same test used in European trade mark cases.
22. In the *Toyota Motors v Tabari* case, even Toyota's own counsel conceded at oral argument that the district court's injunction was overly wide and would prohibit domain names that on their face dispel any confusion as to sponsorship or endorsement, such as independent-lexus-broker.com and we-are-definitely-not-lexus.com, and that a reasonable consumer wouldn't believe Toyota-Lexus sponsors the websites using those domains and that to find these infringing and to injunct their use would amount to unfair competition.
23. The 9th Circuit court found that the district court had erred and the 9th Circuit Court decided that excluding domain names that expressly disclaim sponsorship or endorsement (like the examples above) would still mean that the injunction would still be too broad. The nominative fair use doctrine allows such truthful use of a mark, "even if the speaker fails to expressly disavow association with the trademark holder, so long as it's unlikely to cause confusion as to sponsorship or endorsement". [*Welles*, 279 F.3d at 803 n. 26.].
24. In *Volkswagen-werk Aktiengesellschaft v. Church*, the 9th Circuit Court remarked on that defendant's "prominent use of the word 'Independent' whenever the terms 'Volkswagen' or 'VW' appeared in his advertising," 411 F.2d 350, 352 (9th Cir. 1969), and concluded that the inclusion of such words will usually negate any hint of sponsorship or endorsement, which is why the Court concluded there was no infringement in *Volkswagenwerk*, but the Court also stated that this doesn't mean such words are required. Subsequent cases make clear they're not.
25. The 9th Circuit Court distinguished the 6th Circuit cases, such as *PACCAR Inc. v. TeleScan Techs LLC*, (319 F.3d 243, 256-57 (6th Cir. 2003)) which had enjoined a domain name in part because it did "not include words like 'independent' or 'unaffiliated'". The 9th Circuit Court said that in PACCAR, there were additional factors indicating sponsorship or endorsement, including the use of stylized versions of the plaintiff's marks on the site.
26. Clearly the line of 9th Circuit Court rulings are fully argued and have been subject to serious judicial oversight and this line of cases must override the numerous very poor UDRP decisions that have decided to the contrary for unexplained reasons and with ill-conceived rationale.
27. It is for this reason that CIDD guidelines state that the use of UDRP decisions as "precedent" or even as "persuasive" is so unprofessional and unwise as the quality of argument and submission is entirely inadequate in many UDRPs and the fact that many UDRP panellists appear to typically be far too willing, in the absence of a response, to ignore the existing (and often uncited) caselaw and to reach a decision that favours the only party actively involved in the complaint, namely the trademark holder complainant.
28. **Limitation of suggestion of Sponsorship, Endorsement or association only to [trademark].com-type cases**
In *Toyota Motors v Tabari*, the 9th Circuit Court found that the district court erred in suggesting that an internet domain name containing a trademark will "generally" suggest sponsorship or endorsement by the trademark holder. This, it stated only arose when a domain name consists only of the trademark followed by .com, (i.e. trademark.com or trademark.gg) *cf. Panavision Int'l, L.P. v. Toeppen*, 141 F.3d 1316, 1327 (9th Cir. 1998).

29. This, the Court said, was because "[a] customer who is unsure about a company's domain name will often guess that the domain name is also the company's name." *Id.* (*Cardservice Int'l v. McGee*, 950 F.Supp. 737, 741 (E.D.Va. 1997))³; see also *Brookfield Commc'ns, Inc. v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1045 (9th Cir. 1999).

If customers type in trademark.com and find the site occupied by someone other than the trademark holder, they may well believe it is the trademark holder, despite contrary evidence on the website itself.

Alternatively, they may become discouraged and give up looking for the trademark holder's official site, believing perhaps that such a website doesn't exist. *Panavision*, 141 F.3d at 1327.

30. Similarly for local ccTLDs, such as fortnite.gg, this implies the local variant website of the trademark; however, the 9th Circuit warned that although even for [Trademark].gTLD/ccTLD] the starting point is prima-facie confusion, not every trademark.com domain name is likely to cause consumer confusion and referred to the judgment in *Interstellar Starship*, (304 F.3d at 944-46) ⁴.

31. The 9th Circuit Court therefore created a test for when nominative fair use would or would not apply.

The 9th Circuit Court found that nominative fair use would not apply:

(i) where the URL consists of nothing but a trademark followed by a suffix like .com or a ccTLD, the case is a special one (*Brookfield*, 174 F.3d at 1057.) and would usually be infringing.

(ii) where the URL consisted of trademark-placename followed by a suffix like .com or a ccTLD, (i.e. Lexus-of-Virginia.com) or e-trademark or i-trademark followed by a suffix like .com or a ccTLD (such as iLexus.com or eLexus.com), then this implied sponsorship or endorsement or affiliation. (*Visa Int'l Serv. Ass'n v. JSL Corp.*, No. 08-15206, 2010 WL 2559003, 610 F.3d 1088 (9th Cir. June 28, 2010)).

(iii) where the URL consisted of domains like official-trademark-site.com or we-are-trademark.com, as these affirmatively suggest sponsorship or endorsement by the trademark

- **Trademark.com cases (likely infringing)**

Where the URL consists of nothing but a trademark followed by a suffix like .com or a ccTLD, (i.e. trademark.com) - this would usually be infringing.

- **Trademark Placemark cases (likely infringing)**

Where the URL consisted of trademark-placename followed by a suffix like .com or a ccTLD, (i.e. Lexus-of-Virginia.com), then this implied sponsorship or endorsement or affiliation.

- **Trademark Direct Affiliation cases (likely infringing)**

Where the URL consisted of domains like official-trademark-site.com or we-are-trademark.com, or e-trademark or i-trademark followed by a suffix like .com or a ccTLD (such as iLexus.com or eLexus.com) as these affirmatively suggest sponsorship or endorsement by the trademark holder

- **Trademark Brand Extension cases (likely infringing)**

Where the URL consisted of domains like BlackGrouse.com or SnowGrouse.com in relation to Famous Grouse trade mark owner, these are usually infringing because they suggest brand extensions.

- **Trademark Generic Inclusions (likely not infringing)**

a.k.a Potentially Fair Use inclusions and sometimes "composite marks")
Where the URL consisted of domains like trademark[word].com, users know that these are unlikely to be sponsored or endorsed by the trademark holder and confusion will rarely apply.

³ (internal quotation marks omitted)

⁴ In *Interstellar Starship* the Court determined that an apple orchard could operate at the website apple.com without risking confusion with Apple Computers, in light of the vast difference between their products. *Id.* at 944. But that if, however, the apple grower . . . competed directly with Apple Computer by selling computers, initial interest confusion probably would result," as the apple grower would be using the apple.com domain to appropriate the goodwill of Apple Computer Inc (now Apple Inc).

holder.

32. Use of the trademark string in a longer domain does not create an expectation of “operated by” or “licenced by” or “Sponsored by” or “Endorsed by” the trademark owner

... but the 9th Circuit also found that “far less confusion” is risked when a domain making nominative use of a trademark includes characters in addition to those making up the trademark. Cf. *Entrepreneur Media, Inc. v. Smith*, 279 F.3d 1135, 1146-47 (9th Cir. 2002)⁵.

33. The Court found that internet users understand that because the official Lexus site is almost certain to be found at lexus.com (as, in fact, it is), it's far less likely to be found at other sites containing the word Lexus and sites using nominative use of trademarks in their domains are unlikely to be sponsored or endorsed by the trademark holder with the result that mercedesforum.com and mercedestalk.net are not expected to be operated or licenced or endorsed by Mercedes and that star-bucksgossip.com is not expected to be operated or licenced or endorsed by Starbucks etc.

Similarly, the Court found that users did not expect mercedeshomes.com to be provided by, endorsed by, sponsored or affiliated to Mercedes Motors, despite the undoubtedly famous nature of Mercedes Motors.

34. Porn use or similar use may be a dilution but the Complainant has the burden of proof, which must be more than supposition

Domain names containing trademarks may also be prohibited because they dilute the value of those marks — for instance, by creating negative associations with the brand⁶; however, the burden of proving dilution or negative association is a very high hurdle placed in front of the Claimant and for the Claimant to meet. That association will apply only in very limited cases (and would not, for example, cover Trademarksucks.com sites under the Toyota Motors v Tabari doctrine.

For example, the 9th Circuit Court cited that using a brand to link to a porn site might be dilution or tarnishment. It also considered the case of PeopleOfWalmart.com and cited that example in the book “Surviving the age of humiliation” which asked whether it could be argued that the website PeopleOfWalmart.com which publishes photos of strange Walmart shoppers might dilute the Walmart trademark by associating it with violations of customers' privacy and the idea that a visitor to Walmart stores risks being photographed and ridiculed on the internet⁷. However, as the particular domain was not before the Court, the 9th Circuit did not state which side of the line PeopleOfWalmart.com fell.

35. Initial confusion cannot arise in relation to mere registration of a domain name in most cases.

The 9th Circuit then helpfully gave examples of nominative use stating:

“When people go shopping online, they don't start out by typing random URLs containing trademarked words hoping to get a lucky hit. They may start out by typing trademark.com, but then they'll rely on a search engine or word of mouth. If word of mouth, confusion is unlikely because the consumer will usually be aware of who runs the site before typing in the URL. And, if the site is located through a search engine, the consumer will click on the link for a likely-relevant site without paying much attention to the URL. Use

⁵ The district court referred to *Golden Door, Inc. v. Odisho*, 646 F.2d 347, 350 (9th Cir. 1980); see also *PACCAR Inc.*, 319 F.3d at 252, but erred because in *Golden Door*, the 9th Circuit noted that the defendant answered the phone “Golden Door,” not “Golden Door for Hair,” and featured the words “Golden Door” prominently in its signs. 646 F.2d at 350 and was not entitled therefore to claim Nominative Fair Use.

⁶ Cf. *Playboy Enters., Inc. v. Netscape Commc'ns Corp.*, 354 F.3d 1020, 1033 (9th Cir. 2004)

⁷ Jeffrey Zaslow, *Surviving the Age of Humiliation*, Wall St. J., May 5, 2010, at D1

of a trademark in the site's domain name isn't materially different from use in its text or metatags in this context; a search engine can find a trademark in a site regardless of where exactly it appears.

Today, it was noted that most search engines briefly describe the site as well.

“When a domain name making nominative use of a mark does not actively suggest sponsorship or endorsement, the worst that can happen is that some consumers may arrive at the site uncertain as to what they will find. But in the age of Gigabit internet, Alexa and Google Translate, reasonable, prudent and experienced internet consumers are accustomed to such exploration by trial and error⁸. Internet users skip from site to site, ready to hit the back button whenever they're not satisfied with a site's contents and fully expect to find some sites that aren't what they imagine based on a glance at the domain name or search engine summary.”

On that basis, it would appear that initial confusion will not be readily accepted as an argument before the 9th Circuit.

36. Outside [trademark].com, Trademark Placemark cases, Trademark Direct Affiliation cases and Trademark Brand Extension cases, there isn't an expectation of trademark affiliation until the landing page is examined.

The 9th Circuit decided that outside the special case of [trademark].com, or domains that actively claim affiliation with the trademark holder (Trademark Placemark cases, Trademark Direct Affiliation cases and Trademark Brand Extension cases), consumers don't form any firm expectations about the sponsorship, affiliation or endorsement of a website until they've seen the landing page — if then, and this is why most disclaimers are situated at the top of the webpage. The Court said that this is sensible agnosticism, not consumer confusion⁹.

37. The 9th Circuit held that:

“So long as the site as a whole does not suggest sponsorship or endorsement by the trademark holder, such momentary uncertainty does not preclude a finding of nominative fair use”.

38. Use for profit or to compete with the TM owner does not imply association, sponsorship or endorsement

In *New Kids*, cited in *Toyota Motors v Tabari*, it was also accepted that the use by the Respondent did not imply sponsorship or endorsement (i) even though use was carried on for profit; or (ii) because it was in competition with the trademark holder's business.

These factors were held to be beside the point and the 9th Circuit Court referred to *Universal City Studios, Inc. v. Ideal Publishing Corp.*, 195 U.S.P.Q. 761 (S.D.N.Y. 1977) (magazine's use of TV program's trademark "Hardy Boys" in connection with photographs of show's stars not infringing). The court considered that the trademark laws do not give the New Kids the right to channel their fans' enthusiasm (and dollars) only into items licensed or authorized by them and referred to *International Order of Job's Daughters v. Lindeburg Co.*, 633 F.2d 912 (9th Cir. 1990).

39. In *Comic Enterprises Ltd v Twentieth Century Fox Film Corp* [2016] EWCA Civ 41, [2016] FSR 30 at [31]-[32] Kitchin LJ stated that:

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant

⁸ *Interstellar Starship* ibid

⁹ Jennifer E. Rothman, *Initial Interest Confusion: Standing at the Crossroads of Trademark Law*, 27 Cardozo L. Rev. 105, 122-24, 140, 158 (2005)

factors;

- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question, [in this case the relevant marketplace];
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components;
- (f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;
- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;
- (k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.”

40. Interestingly in *LA Sugar Ltd v Back Beat Inc* (O/375/10), the Court was referred to *Heaven Hill* and *Heaven's Door* brands in the US, just as it was in *Toyota Motors v Tabari* and reached the same conclusion about the circumstances, indicating a growing trend to move towards the position elucidated by the 9th Circuit Court in *Toyota Motors v Tabari* and away from *L'Oreal*.

41. Spending Large Sums on marketing a trade mark does not, in itself, create legally protectable rights.

In *Toyota Motors v Tabari*, Toyota also argued that it is entitled to exclusive use of the string "Lexus" in domain names because it spends hundreds of millions of dollars every year making sure everyone recognizes and understands the word "Lexus", but this argument was rapidly dismissed by the 9th Circuit stating:

"[a] large expenditure of money does not in itself create legally protectable rights"

"..... Indeed, it is precisely because of Toyota's investment in the Lexus mark that much useful social and commercial discourse would be all but impossible if speakers were under threat of an infringement lawsuit every time they made reference to [Lexus] by using its trademark"¹⁰.

....."Trademark holders engage in "well-orchestrated campaigns intended to burn them into our collective consciousness."¹¹

".....Although trademark holders gain something by pushing their trademark into the lexicon, they also inevitably lose a measure of control over their mark".

¹⁰ *Smith v. Chanel, Inc.*, [402 F.2d 562, 568](#) (9th Cir. 1968); see also *Ty Inc. v. Perryman*, [306 F.3d 509, 513](#) (7th Cir. 2002); Mark A. Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 Yale L.J. 1687, 1714-15 (1999). *New Kids*, [971 F.2d at 307](#).

¹¹ Alex Kozinski, *Trademarks Unplugged*, 68 N.Y.U. L. Rev. 960, 975 (1993)

42. **Internet users must be able to fairly incorporate trademarks to allow competition and to allow sites to be found**

In Toyota, the 9th Circuit confirmed that:

"...the wholesale prohibition of nominative use in domain names that would be unfair. It would be unfair to merchants seeking to communicate the nature of the service or product offered at their sites. And it would be unfair to consumers, who would be deprived of an increasingly important means of receiving such information. The only winners would be large trademark holders like Toyota, which would acquire greater control over the markets for goods and services related to their trademarked brands, to the detriment of competition and consumers. The nominative fair use doctrine is designed to prevent this type of abuse of the rights [granted under trade mark law]".

43. In Volkswagenwerk, the 9th Circuit affirmed the right of a mechanic to put up a sign advertising that he specialized in repairing Volkswagen cars, although he could have used a sandwich board, distributed leaflets or shouted through a megaphone (411 F.2d at 352) and referred to the US 7th Circuit decision which similarly upheld the right of a seller of "Beanie Babies" to operate at "bargainbeanies.com" on the grounds that ***you can't sell a branded product without using its brand name***¹² and Judge Posner remarked that prohibiting such a domain name "would amount to saying that if a used car dealer truthfully advertised that it sold Toyotas, ...Toyota would have a claim of trademark infringement."

44. **The use of Disclaimers**

The 9th Circuit also confirmed that

"while not required, such a disclaimer is, in fact relevant to the nominative fair use analysis. Reasonable consumers would arrive at the site agnostic as to what they would find. Once there, they would immediately see the disclaimer and would promptly be disabused of any notion that the website is sponsored by Toyota and because there was no risk of confusion as to sponsorship or endorsement"

and therefore went on to determine that the use of the Defendant's domain names "buy-a-lexus.com" and "buyorleaselexus.com" and the Lexus incorporation therein was fair and that nominative fair use was established.

45. **Reversal of the Burden of Proof where Nominative Fair Use applies**

In fact, decision makers should remember that once nominative fair use arises as a possible defence, then the trademark holder bears the burden of establishing that the use of their mark was ***not*** nominative fair use.

46. A finding of nominative fair use is a finding that the Plaintiff has failed to show a likelihood of confusion as to sponsorship or endorsement (*See Welles*, 279 F.3d at 801; *New Kids*, 971 F.2d at 308) and because [nominative fair use] does not implicate the source-identification function that is the purpose of trademark, nor does it constitute unfair competition.

47. The Supreme Court has unambiguously instructed that the burden of proving likelihood of confusion lies on the party claiming infringement." *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111, 118, 125 S.Ct. 542, 160 L.Ed.2d 440 (2004). This is necessarily so because, unlike classic fair use, nominative fair use is not specifically provided for by statute and the *Brother Records, Inc.*, 318 F.3d at 909 n. 5 ruling is plainly inconsistent with *Lasting Impression* and has been "effectively overruled".

¹² *Ty Inc.*, 306 F.3d at 512

48. It is for this reason that the Arbitrator has stated at paragraph 6.3 that it is regrettable that the Complainant, being represented, has not chosen to address the issues of nominative fair use, because the caselaw is clear that if nominative fair use might apply, the trademark holder bears the burden of establishing that the use of their mark was not nominative fair use and the trademark owner in this case has failed entirely to address nominative fair use, let alone met the burden of establishing that the use of their mark was not nominative fair use.
49. **No application for nominative fair use for instruments of fraud**
 In *BMW v BMW Telecommunications*, Blackburn J found that BMW had reached a co-existence agreement with BMW Associates Ltd in respect of “BMW Associates” because of the name Benjamin Michael Whitehouse but there was an undertaking not to register the word BMW in relation to any goods or services except as part of BMW Associates Ltd name or its trading name BMW Associates and to be used only in relation to the existing use of railway transport services and/or telecoms routing and junction services. Subsequently Mr Whitehouse registered BMW Telecommunications Ltd and proceedings were issued claiming an instrument of fraud per *One in a Million* which the court accepted on the basis of the undertaking and that anyone consulting the Company Register at companies’ house might be confused. (This was followed in *Halifax v Halifax Repossessions* [2002] 2 WL UK 695, again found to be an instrument of fraud). (This case is however limited to company registers and its particular facts of the undertakings concerned).
50. There are no assertions in this case, nor could it reasonably be argued, in the exigent circumstances, that *fortniteitems.gg* is an instrument of fraud and the 9th Circuit Court has dismissed initial confusion for domain names other than [trademark].com, eTrademark.com, trademarkNewYork.com and weare[trademark].com type cases.
51. **Dilution and use as embellishment and not as an indicator of origin**
 In *Arsenal Football Club v Reed*, the ECJ considered trademark dilution and the Court made it clear that in terms of the claim of trademark infringement it is relevant to make clear if any use is
 (i) mere use as a sign; or
 (ii) trademark infringement by use as a mark of origin.
 The ECJ found that the owner of a registered trade mark could only prohibit the use of an *identical sign* if his interests regarding the essential function of the trade mark violated and that the essential function of a registered trade mark is to identify the origin of the goods, so in many cases there will be no danger of confusion by the customers; However, it was also confirmed that use of an identical sign in a “merely describing way” would not violate the interest of the owner of the trade mark. (Indicating that a composite mark would usually be a use of a trademark in a “merely describing way”).
52. On the facts of the *Arsenal Football Club v Reed* case the High Court observed that it appeared that the Defendant’s goods bore no indication of origin, were identical in use of the mark, and that otherwise they were merely signs referring to Arsenal FC affixed to the articles sold by the Defendant.
53. The High Court, however, rejected Arsenal FC’s claim, based on section 10(1) and (2)(b) of the Trade Marks Act 1994, that the use by Mr Reed of the signs registered as trade-marks was perceived by those to whom they were addressed as a badge of origin, so that the use was a ‘trade mark use’ and were only perceived by the public as ‘badges of support, loyalty or affiliation’; however, the High Court referred matters the European Court for a preliminary ruling on the following questions:
 1 . *Where a trade mark is validly registered and*
 (a) *a third party uses in the course of trade a sign identical with that trade mark in relation to goods which are identical with those for [which] the trade mark is registered; and*
 (b) *the third party has no defence to infringement by virtue of Article 6(1) of [Directive 89/104/EEC];*

does the third party have a defence to infringement on the ground that the use complained of does not indicate trade origin (i.e. a connection in the course of trade between the goods and the trade mark proprietor) ?

2. If so, is the fact that the use in question would be perceived as a badge of support, loyalty or affiliation to the trade mark proprietor a sufficient connection?'

54. Article 5(1)

The ECJ decided that Art 5(1)(a) of the Directive confers exclusive rights on its proprietor entitling it to prevent all third parties, acting without his consent, from using in the course of trade any sign which is identical to the trade mark in relation to goods or services which are identical to those for which the trade mark is registered.

55. In the instant case, the domain name is not identical to the trademark.

56. Article 6(1)

It must also be born in mind that Article 6(1) of the Directive states:

'The trade mark shall not entitle the proprietor to prohibit a third party from using, in the course of trade, (a) his own name or address; (b) indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of the service, or other characteristics of goods or services; (c) the trade mark where it is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts; provided he uses them in accordance with honest practices in industrial or commercial matters.'

57. Article 9(2) and confusion

Arguments concerning Article 9(2) and likelihood of confusion and unfair advantage are dealt with elsewhere in this opinion.

58. Free Movement, Extinguished Rights and Brand Extensions

In considering the principle of free movement of [electronic] goods, such as the Fortnite items, it is essential that the proprietor of an EU trade mark is not be entitled to prohibit its use by a third party in relation to [electronic] goods which have been freely put into circulation in the European Economic Area, under the trade mark, by him or with his consent, save where there exist legitimate reasons for the proprietor to oppose further commercialisation of the goods.

59. Article 15 covers exhaustion of the rights conferred by an EU trade mark and similar to the findings in *Toyota Motors v Tabari*, provides that an EU trade mark shall not entitle the proprietor to prohibit its use in relation to the trade mark owner's goods which have been put on the market or release onto the market with his consent, unless the trademark owner has legitimate reasons for the proprietor to oppose further commercialisation of the goods. For the reasons set out below, Fortnite could have developed their gaming environment to prevent the Fortnite items being traded, or being able to be traded outside the game environment but have chosen not to and cannot therefore oppose further commercialisation.

60. The exhaustion of intellectual property rights constitutes one of the limits of intellectual property (IP) rights so that after **a product covered by an IP right** has been sold or released by the IP right owner or by others (such as users) with the consent of the owner, the IP right is said to be exhausted and the owner cannot rely on the IP rights protecting the goods in order to prevent the further distribution or resale of those goods.

61. Necessary Identification of Goods Article 14

There is the limitation of the effects of an EU trade mark under Article 14 which states that an EU trade mark shall not entitle the proprietor to prohibit a third party from using, in the course of trade:

(a) the name or address of the third party, where that third party is a natural person;

(b) signs or indications which are not distinctive or which concern the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of the service, or other characteristics of the goods or services;

(c) the EU trade mark for the purpose of identifying or referring to goods or services as those of the proprietor of that trade mark, in particular, where the use of that trade mark is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts. This mirrors similar findings in the Toyota Motors case by the 9th Circuit Court and makes it clear that use of a trademark to necessarily identify goods of a trade mark owner is not usually infringing when fair use is achieved.

62. Oatly

In *Oatly v Glebe Farm Foods ("PureOaty")* [2021] EWHC 2189 (IPEC), the Court accepted that the use of the PUREOATY sign was likely to bring the Oatly marks to the mind of many average consumers on the basis that an average consumer would be well aware of Oatly's importance in the market; however, the judge reiterated that the level of similarity between the sign and the marks was at best very modest and that the similarity was due only to the presence in both the sign and the marks of the letters "OAT" which were descriptive of the relevant products, thus recognising the nominative fair use of OAT in a similar manner to that the 9th Circuit referred to the use of "Lexus" in *Toyota v Tabari* and the use of buy-a-Lexus.com or Lexus-leasing.com and no confusion was found.

63. Eagle rare/American Eagle

The *Eagle Rare / American Eagle Case (Liverpool Gin Distillery Ltd et al v Sazarac Brands LLC)* [2020] EWHC 2424 (Ch) the Court considered indirect confusion and found that just as Jack Daniels distillery produces Gentleman Jack and Winter Jack, and The Famous Grouse distillery produces "Snow Grouse" and "Black Grouse" it would be natural for a consumer to assume that Eagle Rare is a special version of American Eagle and therefore that the test for likelihood of indirect confusion was therefore met. This mirrors the US 9th Circuits discussion on indirect confusion and the very narrow application of that concept.

64. Is "fortniteitems" a likely brand extension?

The Arbitrator has addressed this below in relation to a potential use of "fortniteroyale.com" and does not consider that "fortniteitems" falls within the concept of likely brand extensions.

65. Permitted Referential Use (Nominative Fair Use) of a Mark

In the February 1999 case of Bayerische Motorenwerke AG (BMW) and BMW Nederland BV v Ronald Karel Deenik, it was held that:

the use of a trade mark, without the proprietor's authorisation, for the purpose of informing the public that another undertaking carries out the repair and maintenance of goods covered by that mark or that it has specialised or is a specialist in such goods constitutes, in circumstances such as those described in the judgment making the reference, use of the mark within the meaning of Article 5(1)(a) of First Directive 89/104

and the Court confirmed that

Articles 5 to 7 of First Directive 89/104 do not entitle the proprietor of a trade mark to prohibit a third party from using the mark for the purpose of informing the public that he carries out the repair and maintenance of goods covered by that trade mark and put on the market under that mark by the proprietor or with his consent, or that he has specialised or is a specialist in the sale or the repair and maintenance of such goods, unless the mark is used in a way that may create to the impression that there is a commercial connection between the other undertaking and the trade mark proprietor, and in particular that the reseller's business is affiliated

to the trade mark proprietor's distribution network or that there is a special relationship between the two undertakings.

This reflects the Toyota Motors v Tabari and New Kids rulings in the USA, 9th Circuit.

66. It therefore follows that Nominative Fair Use of others' trademarks by incorporating them as trade names, meta-tags or into domain names is a well established doctrine in trademark jurisprudence, and as a permitted use, especially when combined with other words, although each case needs to be considered on its own merits and the caselaw acknowledges the possibility of their lawful non-consensual use as signifiers of non-infringing products or services.

67. What is the relevant marketplace?

The relevant marketplace is the online marketplace, and the relevant consumer is a reasonably prudent consumer accustomed to shopping online for the goods in question, familiar with online gaming. In the Tabari case when shopping for an expensive product like a luxury car. (*See, e.g., Interstellar Starship Servs., Ltd. v. Epix, Inc.*, 304 F.3d 936, 946 (9th Cir. 2002) and in this case, the experienced Fortnite player looking to see if they can find EPIC game items cheaper elsewhere and who is familiar with the options to obtain, trade and purchase the "Fortnite items". That consumer will know that there are a wide variety of websites offering the Fortnite items at below the price available from EPIC games.

Unreasonable, rash, imprudent and inexperienced web-shoppers are not relevant to the case.

ADJUDICATION

68. In this adjudication, the Arbitrator has taken the view that the Lexus mark is at least as famous as the Fortnite mark when it comes to considering what is fair use in the circumstances of a [trademark][descriptor].[gTLD/ccTLD} registration and therefore that the 9th Circuit line of cases from Toyota Motors v Tabari is highly relevant.

69. The Complainant states that it is a US developer and publisher of computer games, including the video game Fortnite and claims that over 350 million accounts have been created by Fortnite players/users worldwide.

70. According to other media sources, such as SportsSkeeda (Nov 2021 (<https://www.sportskeeda.com/fornite/is-fornite-dying-the-state-100-man-battle-royale-chapter-2-season-8>), "*Fortnite was released in 2017, and is naturally not as popular as it once was. Accordingly, critics of Epic Games' battle royale title often claim that the game is dead. However, saying that Fortnite is dead is a far-fetched statement..... As per Player Counter, it has over 2 million active players from several regions across the world..... While there is no doubt that Fortnite is not dead, many players also argue that the user base is decreasing at an unprecedented pace.*"

71. Whether the game has 350 Million accounts as claimed in their solicitors complaint or 2 million active accounts as suggested by SportsSkeeda is irrelevant and it is clear that the game Fortnite is highly popular.

72. In cases where the complaint is unanswered, the Complainant must still bear the burden of proof.

73. In this case there is a failure of the Respondent to effectively respond to the Complaint on a point-by-point basis, but the Respondent has stated

"Hello, The alleged infringing content has been removed from the domain".

The statement of the Respondent, and the use of the word "alleged", must be taken

- (i) as a statement of bare denial of the infringing nature alleged by the Complainant; and
- (ii) an assertion that may raise the question of use of the domain within fair use.

74. Unfortunately, at the date of this judgment, the site is inaccessible so the Arbitrator must rely upon the exhibits filed by the Complainant. It is noted that in *Toyota v Tabari* there is an indication that the Court considered the matters at the date that the case came before the Court and I am not concerned whether this was the correct procedure for the 9th Circuit, but in CIDD procedures, the relevant date is the date of the Complaint.
75. The Complainant's Annex 5 usefully attached screenshots of the *fortniteitems.gg* pages. It is noted that there was a general complaint that the domain name was infringing (either as registered or in use) as is set out above but whilst there was the general complaint, there was no complaint that any particular item on the respondent website was infringing of the complainant's goods. Infringement by any specific item on the Respondent site has not been considered in this adjudication as it has not been raised by the Complainant, even though represented.
76. Similarly, the Complaint failed to address why, under nominative fair use doctrines, the use of the site would be infringing.
77. It is noted that FORTNITE uses a particular style of capital letters (which are (or something similar is) available as a font called Fortnite font) and that the evidence from the complainant does not allege use of those fonts. Use of the "Fortnite" font on the website would probably not fall within nominative fair use although I not required to determine this as it is not argued or asserted by the Claimant.
78. In order to establish infringement under Article 9(2)(b) of the Regulation/Article 10(2)(b) of the Directive, six conditions must be satisfied:
- (i) there must be use of a sign by a third party within the relevant territory;
 - (ii) the use must be in the course of trade;
 - (iii) it must be without the consent of the proprietor of the trade mark;
 - (iv) it must be of a sign which is at least similar to the trade mark;
 - (v) it must be in relation to goods or services which are at least similar to those for which the trade mark is registered; and
 - (vi) it must give rise to a likelihood of confusion on the part of the public.
- In the present case, there is no issue as to conditions (i)-(v).
79. The question therefore is does initial or subsequent confusion arise?

What is the likelihood of confusion?

80. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories (per *Toyota Motors v Tabari* and *Eagle Rare* and *LA Sugar Ltd v Back Beat Inc* (O/375/10))
- 1. Where there is use of an identical trademark (i.e. [trademark].[gTLD/ccTLD];
 - 2. Where there is use of a necessarily associating trademark (i.e. [trademark][placename].[gTLD/ccTLD] or e[trademark].[gTLD/ccTLD] or {official}[trademark].[gTLD/ccTLD];
 - 3. Where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ('[TESCO][EXPRESS].com' or [WALMART][SALE].com would no doubt be such a case).
 - 4. Where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (i.e. "Jack Daniels" distillery extending its products to "Gentleman Jack" and "Winter Jack", or The Famous Grouse distillery extending its products to "Snow Grouse" and "Black Grouse" or *FortniteRoyale.com* or *FortniteApocalypse.com*).

81. Indirect confusion can only occur where the sign complained of incorporates the trade mark (or a similar sign) in such a way as to necessarily lead consumers to believe that the goods or services have been co-branded and thus that there is an economic link between the proprietor of the sign and the proprietor of the trade mark but it needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion and, as the Tabari case showed, there are many reasons to find that indirect confusion does not arise, especially in relation to domain names, as was laid out in the Tabari examples, such as buy-a-lexus.com and lexus-leasing.com. On this doctrine, it is highly unlikely that fortniteitems.gg would be deemed to give rise to indirect confusion
82. In the Toyota Motors v Tabari case, the Court determined that consumers who use the internet for shopping are generally quite sophisticated about such matters and won't be fooled into thinking that the prestigious German car manufacturer sells homes at mercedeshomes.com, or that comcast-sucks.org is sponsored or endorsed by that TV cable company just because the string of letters making up its trademark appears in the domain. I take the same view, namely that the in relation to ground (vi), the mere incorporation of the trade mark as part of the domain name in the particular circumstances does not necessarily create confusion, and in this case, does not create that initial or subsequent confusion. Article 6(1) restrictions must also apply.
83. In relation to the argument that the Domain Name incorporates the whole of the Complainant's FORTNITE mark and that the domain fortniteitems.gg is therefore confusingly similar to that mark, when applying the above trademark test, recent European caselaw and taking into account the US 9th Circuit case of Toyota Motors v Tabari and the line of cases following, the incorporation of the Fortnite trade mark within a longer domain name that incorporates generic terms as a composite or Potentially Fair Use domain, this argument is not made out.
84. In relation to the argument by the Complainant that the Respondent is using the Domain Name to confuse and/or deceive Internet users into believing that the Respondent's website is affiliated with, connected to, or sponsored by the Complainant when in fact that is not the case, if the above trademark test, recent European caselaw and the doctrine of permitted competition from the US 9th Circuit case of Toyota Motors v Tabari (and the line of cases) are applied, then this argument also fails.
85. As stated above, the burden is with and it is for the Complainant to show that the relevant users would be confused and/or deceived into believing that the Respondent's website is affiliated with, connected to, or sponsored by the Complainant and this is not made out, nor in relation to the 9th Circuit reasoning, could it reasonably be shown on the basis of the 9th circuits discussion about initial confusion in relation to domain names, search engines and modern use of the internet in relation to domain names. It is also noted that there is no use of the Fortnite font.
86. The Arbitrator has considered the argument that the Respondent's use of the Domain Name infringes the Complainant's rights because
- (i) the Domain Name is confusingly similar to the Complainant's registered trade mark FORTNITE; and
 - (ii) since the Respondent has no rights or legitimate interests in the Domain Name.
- This is simply not made out on the evidence and law.
- There is no evidence of confusion and under the above interpretation of law and particularly the Toyota Motors v Tabari line of cases, the addition of the word "items" to Fortnite makes the name not confusing or creating relevant associations with the trademark /trademark owner.
87. Taking into account the line of reasoning from the Toyota Motors v Tabari series of 9th Circuit cases and the 6th circuit rulings, it is likely that the use of the site fortniteitems.gg for the secondary sale of Fortnite items would mirror the examples of legitimate nominative fair use within Toyota Motors v Tabari series of 9th Circuit cases and therefore no infringement is made out.

88. It is also noted that neither party had properly addressed the extinguishing of secondary rights on sale or release to users.
89. In the Arbitrator's opinion, the Complainant has therefore failed to meet the burden of disproving fair use or to discharge the burden of showing initial or subsequent confusion¹³.
90. In passing, the Arbitrator also notes, just on the first page of google under a search for "Fortnite items" the existence of numerous other domains against which objections have not been filed including for example:
 fortnitestwitems.com
 fortnitedb.com
 fortniteitem.com
 fortnitequiz.com
 fortnite.gg
91. Most of these clearly state that they are unaffiliated with EPIC Games and similarly have a non-distinctive element in the domain name. It would appear as these are not also challenged at this time and therefore for the reasons set out herein, it is not necessarily the case that (with the exception of fortnite.gg) there is a clear likelihood of confusion on the part of the public.
92. **Breach of Terms and Conditions of the underlying game are irrelevant**
 The Epic Terms state;
You must not reproduce, sell or exploit for any commercial purposes any part of the services, access to services or use of the services or any services or material available through the services. Epics Fan Content policy covers non-commercial use of such content.
 It would appear therefore that EPIC permits the non-commercial use of the content and therefore that a doctrine of exhaustion of rights by this process arises, such that a third party may act as a broker for EPIC's users to exchange Fortnite items. If the fans are permitted non-commercial use, then it must be open to a third party may act as a broker for EPIC's users to exchange Fortnite items because EPIC could easily create their system in a manner that the Fortnite items can only be exchanged within the EPIC domain. They have chosen not to and therefore have, in the view of the Arbitrator released these rights to fans in a similar manner to the exhaustion (or quasi-exhaustion) of rights on first legitimate sale for trademarked goods.
93. The Arbitrator has considered the question of breach of terms and conditions and considers that this argument is not a relevant consideration for a UDRP such as CIDD as being too complex for the simple CIDD procedures, having arguments that need detailed consideration of fairness of terms, whether the terms survive secondary sale doctrines, unfair competition challenges, challenges whether parties have accepted the terms, whether there is simply a marketplace at fortnite.gg and not direct sales etc and numerous other arguments. The nature of UDRP makes it inappropriate for the UDRP to consider whether or not there are minor infringements of a complainant's terms and conditions or the (30+ page) end user agreement.
94. Whilst this may be a valid matter for court proceedings, it is not suitable for the simple process of UDRP (and indeed, under the *Toyota Motors v Tabari* doctrine, these would usually not be relevant). In passing, I doubt whether any of the millions of claimed users have actually read the 30+ page End User Agreements or that the terms would be enforced against an end-user on the grounds that they are not understandable to a lay person due to complexity and length.

¹³ As set out above, this would not be the case if the Domain Name at question was fortnite.gg (being a trademark.com type case) or fortnitepartyroyal.gg or fortniteroyale.gg or fortnitebattelroyale.gg or fortnitegaming.gg (being brand extension cases) as these are outside the arguments raised in the Toyota Motors v Tabari line of cases). It is still possible for a trademark owner to show the Domain Name that it [TRADEMARK]{Generic word}.gg is infringing or abusive by its particular use, but this has not been made out (or indeed argued to any significant degree) in the current case.

95. Accordingly, and for the reasons set out at paragraph 58 to 60, the Arbitrator has not taken into consideration any breach of EPIC's terms and conditions of sale.

96. Respondent has copied Style of Complainant

The Complainant argues that *"the fortniteitems.gg copies the style of the Complainant's game"* but does not provide examples of this. Therefore, the Arbitrator has difficulty in assessing this argument as it is only asserted and not argued or evidenced. Fair use would also permit and might expect that a site selling Fortnite items would be similar, in style, to the Fortnite site. It is also noted that there is an increasingly noticeable style associated with major gaming sites.

97. The Arbitrator has considered the fortnite.com site (live) and fortniteitems.gg (as exhibited by the Complainant (the fortniteitems.gg site being down at the date of the arbitration) and the Complainant's argument that *"As such the Domain Name is being used in relation to an identical offering to that of the Complainant"* and this is not made out on the evidence or arguments made. Whilst the style is similar to Fortnite, it is also similar to other gaming sites and is certainly not a style so similar that it would amount to passing off or other infringement of the design rights associated with the fortnite.com site style. Indeed, if it amounted to passing-off, it would be expected that a specific section of the complaint would refer to this point in detail.

98. Accordingly, this argument is also not made out. The Arbitrator has not had to consider whether or not a website design which did not amount to an instrument of fraud, could be relevant to a decision in a domain name dispute and such decision if for another time.

99. If the non-distinct elements of the domain name are ignored

The Complainant also states that in light of the high similarity of the domain name and the Complainant Fortnite map/identity of the marks if the non-distinct elements of the domain name are ignored and the identity of the goods, there is clear likelihood and confusion on the part of the public and this justifies the transfer of the domain name. This is simply not made out on the argument nor is it appropriate interpretation of the existing case law.

100. An Abusive Registration

Finally the Complainant argues that the registration constitutes an Abusive Registration in the hands of the Respondent because it resolves to a website where the Respondent sells items that purportedly are for use of the Complainants games is likely to confuse players into believing the website is registered to, operated by or authorised by the Complainant which is evidence of an Abusive Registration. This was clearly and comprehensively shot down in *Toyota v Tabari* and the line of cases and also flies in the face of logic as it would mean that every retailer site would be open to argument of Abusive Registration by the trademark owners. Nor on the caselaw is it abusive simply because it competes with the Complainant.

101. Use of Disclaimers

At paragraph 20 of the Complaint, the Complainant states that Rule 3.2 also says that the use of any statement on the Respondent's website may be taken into consideration. This is correct.

102. In this regard, the Complainant states that

"the Respondent's website features a small disclaimer at the bottom of the website that states 'Not affiliated with Epic Games', as if this somehow precludes any risk of confusion. Clearly, this is not a sufficient measure."

This was addressed in *Toyota Motors v Tabari* and a disclaimer would certainly be better at the top of the webpage, but the fact of a disclaimer being present does not aid the Complainant's case and for the reasons set out herein, the cited case does not help and although the Complainant says that there is no reason to depart from the principle, and the argument about how domain names are used in practice in that case was overruled in *Toyota Motors v Tabari* and is good reason to depart from this outdated *AltaVista* case.

103. The use of the disclaimer as proof that the Respondent is aware of the Complainant's rights as argued by the Complainant is not dispositive of anything.

104. Time of Registration and knowledge of trademark owner, fair use

The Complainant avers that the Domain Name was registered by the Registrant in 2018 sometime after the Complainant's Fortnite game had a significant reputation worldwide, and that it is evident from these facts that the Respondent was fully aware of the Complainant's rights at the time of the registration, and intentionally attempted to take unfair advantage of that reputation for its own financial gain.

105. In passing the Arbitrator notes that the Complainant further states that Domain Name was registered on 17 August 2018 and that by that date,..... per its Annex 4...,the Complainant had secured trade mark registrations in numerous territories by that date. In fact, again, this is an exaggeration. In fact, by 17th August 2018, the date of registration, the Complainant had only UK 00801358119 in class 41, and US 4481629 (class 9) and US5375076 in class 41.

106. In addressing the marks, the Arbitrator has ignored International 1443227 and International 1449804 as these are logo marks and no evidence of infringement of those marks is provided.

107. Any reseller necessarily knows about the trade mark owner and relies on the reputation of the trade mark in selling the goods. As stated above, it is part of the Faustian bargain of between the trademark owner and the marketplace that the trademark owner makes their goods unique and that retailer and consumers must be able to find these goods in the marketplace. The Respondent is using the site to facilitate the transaction of the Complainant's goods, via its users, (i.e. as a marketplace where users can exchange the Fortnite items for hard cash) and there is no evidence provided to dispel the fair use doctrine as it applies to that usage.

108. It is alleged that from "these facts [that] it must be evident" that the Respondent would have been fully aware of the Complainant's rights at the time of the registration, and therefore that the Respondent intentionally attempted to take unfair advantage of that reputation for its own financial gain. Whilst it can be assumed that the Respondent would have been fully aware of the Complainant's rights at the time of the registration, it does not necessarily follow that the Respondent intentionally attempted to take unfair advantage of that reputation for its own financial gain. Nominative fair use means that the use in fortniteitems.gg was fair and did not unduly take advantage of the Claimant's case. (Therefore, the Claimant's case is not made out).

109. On the basis of the Toyota Motors v Tabari doctrine, the registration of [trademark][generic].com type domains is not objectionable and is therefore not, simply by virtue of mere registration taking unfair advantage of that reputation, especially where used to sell the Complainant's goods and the 9th Circuit referred to the nonsense of that argument:

"Use of a trademark in the site's domain name isn't materially different from use in its text or metatags in this context." (Metatags is now established as not necessarily infringing)

"[s]earchers would have a much more difficult time locating relevant websites if the law outlawed such truthful, non-misleading use of a mark".

"[m]uch useful social and commercial discourse would be all but impossible if speakers were under threat of an infringement lawsuit every time they made reference to [Lexus] by using its trademark. [New Kids, 971 F.2d at 307]"

"It is the wholesale prohibition of nominative use in domain names that would be unfair. It would be unfair to merchants seeking to communicate the nature of the service or product offered at their sites. And it would be unfair to consumers, who would be deprived of an increasingly important means of receiving such information."

"It is enough to satisfy our test for necessity that the Tabari needed to

communicate that they specialize in Lexus vehicles, and using the Lexus mark in their domain names accomplished this goal. While using Lexus in their domain names wasn't the only way to communicate the nature of their business, the same could be said of virtually any choice the Tabari made about how to convey their message”

“Nor are we convinced by Toyota's argument that the Tabari unnecessarily used domain names containing the “Lexus” trademark as their trade name. See Volkswagenwerk, 411 F.2d at 352” [when they are selling Lexus vehicles].

Accordingly that argument also fails.

110. The Complainant has argued that the Respondent does not have any rights for legitimate interest in FORTNITE, and has not authorised the Respondent to use Fortnite in any manner. Under the Toyota doctrine, this is irrelevant in relation to the fortniteitems.gg domain name and the Respondent sells Fortnite items in what is clearly nominative fair use in relation to that domain name.

111. **The Complainant is unclear....**

The Complainant also states:

It is not clear whether the Respondent provides its customers with any goods, virtual or otherwise. If they do not, then the Respondent is running a scam website, which undermines the Complainant's game and damages the Complainant's reputation by association, unfairly disrupting their business.

This is an entirely improper assertion. What the Complainant is saying is that ‘The Complainant can produce no evidence whether or not the Respondent provides any goods, virtual or otherwise’ and then goes on to ask the arbitrator to judge the case based on speculation and cites a FORUM case where they complain that the site competes with the Complainant and appears on that basis to have persuaded for FORUM arbitrator to decide on that basis. CIDD has higher standards of proof and accordingly I have ignored this assertion as evidentially unsound.

112. **Unfairly disrupting the Complainant’s business/Competing with the Complainant**

The Complaint then uses its flawed arguments to assert that *the registration is made primarily for the purposes of unfairly disrupting the Complainant's business*. This is utter nonsense. Under the Toyota Motors v Tabari doctrine, the registration was nominative fair use and there is absolutely no evidence provided by the Complainant that the registration was primarily for the purposes of unfairly disrupting the Complainant's business and indeed, all the Complainant has to do it to alter its environment to ensure that items generated in the game can only be transferred within the Complainant’s controlled environment. It has chosen not to do so. Accordingly, the Claimant’s assertion that the Respondent is risking the integrity assertion is made in bad faith and the Complainant has not provided any evidence to support this assertion.

113. The Complainant therefore cannot complain that it has competition, nor can it assert without evidence that registration is made primarily for the purposes of unfairly disrupting the Complainant's business, nor does it legitimately risk 3rd party licensing rights for that reason.

114. The Complainant asserts that the sale of unauthorised versions of the Complainant’s virtual products is arising. There is no evidence of this. The evidence from the Fortniteitems site is that the items for sale are items of Fortnite users which are authorised versions produced within the game by players and which being exchanged. (As stated above, any question about interpretation of terms and conditions (or any breaches thereof) is inappropriate for a resolution service such as a UDRP/CIDD and is a matter for a Court of proper jurisdiction.

115. I have already criticised the judgment of David Einhorn in Zynga Inc (zyngachips.net) (FORUM) and do not consider that the prohibition on secondary markets of items produced in the game is illegitimate and that it is in the public interest that competition is not stifled. From Toyota

Motors v Tabari, the use is legitimate.

116. The Complainant's assertions appear to be "We don't like competition but won't alter its environment to ensure that items generated in the game can only be transferred within the Complainant's controlled environment. I have considered whether this amounts to a bad faith domain hijack but it does not amount to the same.

117. Domain is not the name of the Registrant

The Complainant argues that the pertinent WHOIS information identifies the registrant of the domain name only as 'Host Master / Transure Enterprise Ltd,' which does not resemble the domain name and therefore that it is necessary to conclude that Respondent has not been commonly known by the disputed domain name so cannot have acquired rights to or legitimate interests in it.

118. This is an entirely flawed argument. There is no requirement for a domain name registrant to register a domain only if there are known by a similar name and also entirely ignores the possibility of fair use registrations.

119. Trademark Placed First is a legitimate consideration

The Complainant states that *the 'Fortnite' mark is placed in the first position in the Domain Name, such that it would immediately catch the public's attention and that it is the only distinctive element of the Domain Name, the second word 'items' in the Domain Name being purely directly descriptive because the Respondent is using the Domain Name to host a website through which 'items' are sold, purportedly for use in the Complainant's Fortnite game.*

120. There is no purported use. The respondent is clear that it is facilitating transactions whereby items produced within the game by users can be purchased for use by another user and this appears, for all of the above reasons, to be a nominative fair use.

121. The Complaint asserts that this means that the Domain Name is being used in relation to an identical offering to that of the Complainant, and is "covered by" the Complainant's trade mark registrations and that in light of the high similarity of the Domain Name and Complainant's FORTNITE mark/ identity of the marks if the non-distinctive elements of the Domain Name are ignored, and the identity of the goods and services, there is a clear likelihood of confusion on the part of the public and that as such, the Complainant's registrations are being infringed.

122. The domain name is not identical to the Complainant's mark.
The order of the name is irrelevant and on the basis of the above cases, the argument that this causes confusion fails.

123. It is clear that the Complainant's argument is based around the flawed view (perpetrated by badly decided cases in other UDRP forums) that there was automatic likelihood of confusion by the incorporation of the trademark within the domain name. The Arbitrator has set out the law above and this argument does not apply to the fortniteitems.gg domain name¹⁴.

124. Previous Hosting Removal

The Complainant states that it previously sought the removal of the website content by liaising with the relevant website hosts and was initially successful in 2018 in getting the content removed, but the Respondent then moved to a non-compliant host (Cloudflare) to evade further action being taken against it through those means. It is unclear why the previous webhost removed the website content and this may simply be that there was a threat of litigation as some webhosts permit in their terms the removal of a website upon unproven allegations. This is not a

¹⁴ The Complainant's arguments might succeed in limited cases such as fortnite.gg or fortnitegames.gg

relevant consideration for a UDRP and CIDD has ignored it.

125. Previous UDRP decisions

The Arbitrator then turns to the UDRP previous cases cited, with the caveat that CIDD does not usually consider previous UDRP cases persuasive and never considers cases where the Respondent is silent as in any way relevant:

125.1. Levelup.gg

Levelup.gg is not relevant. This is easily distinguished from the current case because Levelup.gg is “[trademark].[gTLD/ccTLD]” and this would only be a relevant case if “fortnite.gg” were being considered.

It is however agreed that the ccTLD stem at the end of the domain name is not considered (as set out in Levelup.gg.).

125.2. Fortnite.dev

This case is distinguished on the basis that it is [trademark].com (or in this case trademark.dev case) and would only be relevant if fortnite.gg were being considered.

The Complainant goes on misleadingly [as the cited case is a trademark.com case], to cite findings “*in a similar case brought by Complainant, the FORUM found that: “Respondent had actual knowledge of Complainant’s mark in May 2020, when it registered the Domain Name . . . Complainant had been using the FORTNITE mark at least since 2017 and it was well-known in the video game industry... Respondent copied it verbatim into the Domain Name, and its use of the Domain Name is explicitly directed at and affirmatively depends upon the existence of Complainant’s FORTNITE game. There is no question that Respondent knew of Complainant and its mark when it registered the Domain Name.” Epic Games, Inc. v. Kareem Olim, FA FA2006001901749 (FORUM, 27 July 2020) (internal citations omitted) ”.*

This is a disingenuous submission as the case was not a similar case.

It was not a case not involving the incorporation of part of a trademark into a domain name but the incorporation of the exact trademark into the domain name, namely fortnite.dev and it is notable that the solicitors failed to disclose the domain name concerned in citing the case, and particularly that the solicitors had already established that the ccTLD or gTLD stem was irrelevant. On that basis, nothing turns on this case, save that it is a lesson for all domain arbitrators that a) prior cases have no standing as precedent and b) that arbitrators should examine the original opinions and not rely upon the parties’ submissions, which are often misstated or irrelevant. Accordingly, the case is entirely irrelevant to the case being considered.

In passing, I would also comment that the failure at paragraph 24 of the Complaint to identify the domain and to claim that is “a similar case” is borderline deceptive by the Complainant.

125.3. Fortnite.vin

This case is distinguished on the basis that it is [trademark].[gTLD/ccTLD] and would only be relevant if fortnite.gg were being considered. Accordingly, the case is entirely irrelevant to the case being considered.

125.4. Altaivsta.com

Altaivsta.com is distinguished on the basis that it is effectively a trademark.com-type case, albeit with a mis-spelling [trademark].[gTLD/ccTLD] and would only be relevant if fortnitee.gg or similar name misspelling of the name) were being considered. This is a misspelling of the trademark and not incorporation of the trademark with other letters as

permitted under the *Toyota Motors v Tabari* fair use doctrine. The use of ALTAIVSTA.COM, a 20-year old case based on entirely different facts where the Respondent did not put in a legal argument was unhelpful. The statement concerning the disclaimer, in the circumstances of an unargued case where the Respondent simply stated “I do not wish to keep the domain names” could only, in the circumstances be taken to mean that “a *“disclaimer” at the bottom of the home page, such is inadequate to dispel the substantial likelihood of confusion between Respondent’s domain name and Complainant’s mark(s) if such exists.*”

Accordingly, the case is entirely irrelevant to the case being considered.

125.5. Zygnachips.net

This case is distinguished on the basis that, with due respect to the late David A Einhorn, the case is clearly wrongly decided on the basis of *Toyota Motors v Tabari* and it is noted that, as the case was not argued by the Respondent, that case would not have been put forwards to the Arbitrator. This case, in any event, being unargued, had no response from the respondent and accordingly has no persuasive merit in any event. If this were a British Court with unrepresented or missing Respondent, the advocate would have the obligation to identify cases in favour of the Complainant as well as those against the Complainant. This exactly highlights why UDRPs should not be cited as precedent and, in CIDD there is a prima-facie Case that in the great majority of UDRP cases, these are considered irrelevant and non-persuasive in the CIDD process.

125.6. Transamericapremierlifeinsurance.com

This case is distinguished, under the *Toyota v Tabari* doctrine, on the basis that it is [trademark].[gTLD/ccTLD] (or its near equivalent of [Trademark][Product].com) and the registration acts as an instrument of fraud under One in Million, which is not applicable to the current case, and the case would only be relevant if *fortnite.gg* or *fortnitegaming.gg* were being considered. It is also a case of non-response from the Respondent and therefore these are considered irrelevant and non-persuasive in the CIDD process. Further, the Respondent’s has used the name 'UAB Game Trade' to register the Domain Name. This does not resemble the Domain Name at all and is another indication that the Respondent has not been commonly known by the Domain Name and thus does not have any rights or legitimate interests in it. (In that regard, see *Transamerica Corp. v. Host Master / Transure Enterprise Ltd*, FA1904001841115 (FORUM, 28 May 2019), annex 13).

126. In passing, the Arbitrator:

- 126.1. notes and mirrors recent criticisms of the High Court about vast arrays of caselaw, much of which is largely irrelevant, being filed and a lack of focus on the probative elements of evidence. I would mirror that observation in this case in respect of the reliance on irrelevant previous UDRP decisions, failure to address caselaw and failure to focus on the evidential burden (in particular the need for the Complainant to meet the burdens set out herein);
- 126.2. repeats comments about use of UDRP as “persuasive”, especially unargued cases and warn that many cases have greatly suspect conclusions as a result of the very nature of UDRPs. Court caselaw is of persuasive value because of the rigour of court arguments but UDRP decisions are not persuasive due to the highly varying quality of the UDRP forums and panellist judgments. I would implore Complainants to ensure that the exhibits are focussed and only those relevant are filed and that the focus is on proving the elements of the case by evidence and not by reliance on previous flawed UDRP decisions;
- 126.3. Notes that as all previous CIDD complaints are public, these only need to be referred to and not exhibited;
- 126.4. Notes that it also pointless to exhibit a public whois report which does not even show the Registrant name. (Complainants are reminded that the published protocol is for the

Complainant to ask the registry for a copy of the full whois showing the registrants full details, setting out their legitimate interest in having that data);

126.5. recommends a sensible restriction on the number of articles which appear to be evidencing a well-known status.

126.6. advises future complainants, in relation to trade mark registrations, that a summary of trademarks is most useful and that in most cases, only a handful of individual trademarks registrations need to be provided [or where these are publicly accessible, the frontpage and class statement provided with a short link (preferably as a tinyurl or similar shorturl link) to the online version].

127. Figures from one of the Fortnite games

127.1. The Arbitrator also notes in passing that the fortniteitems.gg contains copies of what would appear to be the figures from one of the Fortnite games and which are not a matter of the complaint.

127.2. As the Complainant is represented, it is not appropriate for the Arbitrator to make such deemed insertions into the complaint or to determine whether these are copyright breaches or simply similar characters.

127.3. If these had been the subject of complaint, the Arbitrator would have needed to consider whether these figures, being not included in the items for sale, had fair use protection. Whilst the nominative fair use criteria would include the Fortnite items being sold or exchanged via the website, it would seem that the *Toyota v Tabari* decision might imply that going further (such as including the figurine images, or including the unique Fortnite font on the website) falls out of nominative fair use, being not strictly necessary for the sale of the Fortnite items. This was not apparently addressed in the 9th Circuit judgment (it being a matter discussed in relation to the flawed district court decision) and the 9th Circuit judgment indicated said that while the use would not be protected by the fair-use doctrine and the future use of unnecessary elements could be enjoined, it did not amount grounds for finding that the domain name use, overall, was infringing.

127.4. As the Complainant was represented and the matter not raised, and as the Arbitrator has no evidence about whether these are Fortnite characters or generic game characters, the Arbitrator takes no account of these figurines and makes no conclusion about their usage.

DECISION OF THE ARBITRATOR

1. For the reasons set out above, & having fair and reasonable consideration of the presented facts, the Arbitrator finds that a) The Complainant has failed to show that there is a clear and unambiguous likelihood of confusion on the part of the relevant public; b) that the Complainant has not met the burden of proof required in respect of nominative fair usage, and c) that the evidence does not generally meet the burden for the Arbitrator to recommend cancellation, suspension or transfer of the domain.
2. This decision is a finding that the case is not proven. It is not a finding of lawful use by the Respondent; therefore, the adjudication is made without prejudice to any re-filing at a later date, so the Complainant may choose to refile at any time a subsequent complaint, based on the use or registration of the site at the date of any new complaint and the evidence at that date. (Any subsequent complaint would be subject to the new rules and evidence in existence at that time.)
3. For the above reasons, the Arbitrator makes no recommendation to change domain ownership.

Nick Lockett
Arbitrator
Barrister¹ and Solicitor
28 April 2022

NOT PART OF THE DECISION

RECOMMENDATIONS OF THE ARBITRATOR TO INSERT INTO FAQ FOR ASSISTANCE OF FUTURE COMPLAINANTS

- 1 Complainants should avoid being distracted by taking into account the decisions and discussions in previous dissimilar cases of UDRPs that are simply wrong at law when compared with Court caselaw.
- 2 Complainants should avoid being distracted by taking into account the decisions and discussions in previous dissimilar cases of UDRP where only one party has participated in the UDRP as argument had likely not considered properly the various arguments and counterarguments.
- 3 Complainants should avoid being distracted by taking into account the decisions and discussions in previous dissimilar cases of UDRPs where poor panellists have repeated arguments in cases where the Respondent has not replied or attempted to fit decisions around unargued law instead of simply saying *“the Respondent has not responded and therefore must be deemed to have agreed to the transfer of the domain name”*.
- 4 Complainants should focus on the evidence to prove their case and to focus on the burdens of proof that they need to meet and not the previous UDRPs.
- 5 Complainants should avoid the trap of considering that there was little need for actual evidence to support their case because the previous dissimilar cases of UDRPs would suffice.
- 6 Complainants should avoid arguments that a breach of terms would be adequate. The question of breach of terms and conditions is not a relevant consideration for a UDRP such as CIDD as being too complex for the simple CIDD procedures, having arguments that need detailed consideration of fairness of terms, whether the terms survive secondary sale doctrines, unfair competition challenges, challenges whether parties have accepted the terms, whether there is simply a marketplace at the domain name and not direct sales etc and numerous other arguments. The nature of UDRP makes it inappropriate for the UDRP to consider whether or not there are minor infringements of a complainant’s terms and conditions or the validity of end-user agreements that may go to over 30 pages. It is not for UDRPs to consider complex arguments on the question of validity or terms and any breach of terms and conditions.
- 7 For cases involving trademarks with the addition of other words in a registered domain name (often known as “composite domains” or “potentially fair use domains”), Complainants and Respondents should consider whether nominative fair use has arisen (and the line of cases stemming from the *Toyota Motors v Tabari* case, (partially cited in the arbitrators decision in *Fortniteitems.gg*) and their equivalent in other jurisdictions and complainants should pro-actively provide any argument against nominative fair use as part of the main complaint.
- 8 It is recommended that the Complainant word limit be amended to allow:
 - (i) The main body of the complaint within current word limits; and
 - (ii) A separate section to be permitted where potentially fair use of domains arises (and thereby nominative fair use) as a separate section of the complaints with an additional word limit for that usage;It is also recommended that the Complainant template be adjusted accordingly.

Footnote: Having provided an extensive review of the law, and in light of the new CIDD Rules and the requirement for Respondents to avoid non-responsive Responses, the Arbitrator cautions that future Respondents would be expected to actively raise the affirmative defences such as nominative fair use; however as the above complaint was filed before the new Rules came into force, the new Rules do not apply to this case.