

DOMAIN NAME LITIGATION IN LITHUANIA

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The first Lithuanian case related to domain names was solved in November of 2005. Back then there were no legal acts that would directly regulate registration of domain names, stating which registrations of domain names should be treated as unfair and what remedies could be applied if one registered domain name in bad faith. Also, there was no special institution (arbitration or mediation) which would specialize in solving domain name disputes.

After 6 years there still are no any additional legal act and all disputes regarding domain names are solved in Vilnius Regional Court. However the court since 2005 has solved many important cases, which formed applicable practice and in that way filled in gaps in the laws. Most important case law is presented below.

Case No. 2-2265-54/05, *KosMada v. kosmada.lt*



(Lithuanian trademark reg. No. 49472)

The first case in Lithuania that ever analyzed conflict between trademarks and domain name was regarding domain name "kosmada.lt". The plaintiff (JSC "Kristiana") was the owner of words and figurative trademarks "KosMada". The plaintiff filed a plaint after noticing that the defendant was using domain name "kosmada.lt" to advertise the main competitor of the plaintiff. The court decided that the domain name of the dispute infringed trademark owner's rights, because the infringing domain name incorporated trademarks of the plaintiff and it was used for advertisement of the competitor. Also, the court decided that the defendant infringed copyrights of the plaintiff, because the trademarks "KosMada" were created by an employee of the plaintiff. The court recognized that word "KosMada" was original enough to be a work of art and to be protected by copyrights. "Kosmada.lt" domain name was deregistered.

Case No. 2-1652-41/07, *Švyturys v. švyturys.lt*

The plaint was submitted by the plaintiff (one of the biggest brewers in Lithuania – JSC „Švyturys – Utenos alus“) to the court when the defendant registered domain name with Lithuanian letters – švyturys.lt – and on the next day sent the plaintiff an offer to purchase the domain name from the defendant. The domain name incorporated word trademark "ŠVYTURYS" ("lighthouse" in Lithuanian) of the plaintiff.

The Lithuanian law on Trademarks states that infringing mark must be used in commercial activities. One of the questions in the case was whether registration of the domain name and an offer to buy it constituted commercial activities, required by the law. The court confirmed that selling of the domain name was a commercial activity, thus applied the Lithuanian law on Trademarks.

Also, for the first time the court stated that Lithuanian legal acts do not regulate domain name registrations and conflicts with trademarks enough, thus the court by direct analogy applied the Commission Regulation (EC) No 874/2004 of 28 April 2004 laying down public policy rules concerning the implementation and functions of the .eu Top Level Domain and the principles governing registration and it's provisions regarding unfair registration of domain names. Now almost every decision of the court regarding domain names in Lithuania makes a reference to the Regulation and it's provisions.

Although the court decided that trademark owner's rights of the Plaintiff were infringed – the court refused transferring of the domain name to the Plaintiff stating that Lithuanian law doesn't provide for such remedy. Thus the court decided only to cancel registration of the domain name in the name of the defendant.

The defendant appealed the decision and the case was finished by a settlement between the parties.

Case No. 2-1061-623/08, *Pieno Žvaigždės v. pienožvaigždės.lt*



PIENO ŽVAIGŽDĖS

(Lithuanian trademark reg. No. 39113)

The defendant has registered domain name, composed of trademark and company name of the plaintiff to whom he sent an e-mail "informing" that the domain name could be useful for the plaintiff. There was no direct offer to purchase the domain name from the defendant, however the court still applied the Lithuanian law on Trademarks. Also, the court stated that rights of the plaintiff were infringed from the moment of the domain name's registration. Thus, after this decision it's possible to presume that it doesn't matter whether the infringing domain name was used for commercial or any other activities – the infringement occurs from the moment of registration of the domain name that incorporates trademark or company name of other person.

Case No. 2-846-553/08 *Burger King v. burgerking.lt*

In this case the court for the first time confirmed infringement of the trademark owner's rights and decided to transfer the infringing domain name to the plaintiff from the defendant free of charge.

Summarizing above decisions, it's possible to say that registration and usage of domain names in Lithuania can be challenged using copyrights, trademarks and company names. The infringement occurs at the moment of registration of the domain name: it even may be not important whether the domain name has been used for commercial activities. If the infringement of earlier rights is proved – the plaintiff shall get the domain name free of charge as well as compensation of litigation expenses.

Questions to be answered

Current domain name litigation practice hasn't responded to few questions that interests clients quite often. One of the questions is – can one challenge registration of domain name relying only on person's name and surname. If such situation arises – it will be possible to rely on Lithuanian civil code (articles 2.20-2.21) which prohibits usage of other person's name. Also, it will be possible to rely on article 21 a) of the Commission Regulation (EC) No 874/2004, which states that "A registered domain name shall be subject to revocation, using an appropriate extra-judicial or judicial procedure, where that name is identical or confusingly similar to a name in respect of which a right is recognised or established by national and/or Community law, such as the rights mentioned in Article 10(1), and where it:

- (a) *has been registered by its holder without rights or legitimate interest in the name"*

Another quite popular question is: whether one can challenge trademarks, domain names company names and other rights, relying on earlier registration of domain name. Article 16 of the Lithuanian law on Competition states: *“Undertakings shall be prohibited from performing any acts contrary to honest business practices if such acts may be detrimental to competition interests of another undertaking, including:*

1) unauthorised use of a mark identical or similar to the name, registered or unregistered well known trade mark or other reference having a distinguishing feature of another undertaking, if this causes or may cause confusion with that undertaking or its activity or where it is sought to take undue advantage of the reputation of that undertaking (its mark or reference) or where this may cause injury to the reputation (its mark or reference) of that undertaking or reduction of the distinguishing feature of the mark or reference applied by that undertaking”.

Thus if the domain name can be accredited as *having a distinguishing feature* - in that case above provision should help. Also, if the domain name consists of a made-up word - in that case such a domain name can be treated as art of work and later trademarks, domain names, company names can be challenged relying on copyrights of the domain name.

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