



Does PENTIUM FUND have the keys to keep its domain names from PENTIUM computers?

08.21.2009

Pentium Fund, Ltd. (“PFL”), a Swiss hedge fund and financial services company, claims it is the rightful owner of the domain names pentiumfund.com, pentiumfund.net, and pentiumfund.org, in a declaratory judgment action filed in the Eastern District of Virginia, No. 1:09cv532, against Intel Corporation (“Intel”). PFL filed the complaint in response to a decision by the World Intellectual Property Office Arbitration and Mediation Center (“WIPO”) ordering that the domain names be transferred to Intel Corporation. The complaint also alleges that Intel’s attempt to take over these domain names is unlawful under the reverse domain name hijacking provisions of the Anticybersquatting Consumer Protection Act (“ACPA”).

PFL filed a First Amended Complaint in July, 2009. In February, Intel filed a case with WIPO requesting transfer of the three domain names, claiming that they were confusingly similar to Intel’s famous PENTIUM trademark, registered in the U.S. in 1994, and that the addition of the non-distinctive word “fund” to PFL’s domain names was not sufficient to avoid such confusion. Although PFL argued that its financial services are not likely to be confused with Intel’s computer chips, the WIPO Panel agreed with Intel, holding that “[t]he use to which the site is put has no bearing on the issue whether the domain name is confusingly similar to the trademark, because by the time the Internet users arrive at the Website, they have already been confused by the similarity between the domain name and the Complainant’s mark into thinking they are on their way to the Complainant’s Website.”

The WIPO Panel also found that when an Internet user entered one of the three PFL domain names, he or she was directed to a “parking” webpage showing primarily sponsored links, which do not constitute a *bona fide* offering of goods or services within the meaning of the Uniform Domain Name Dispute Resolution Policy (the “Policy” or “UDRP”). Finally, the Panel found it more likely than not that PFL registered the challenged domain names in bad faith, intending to attract, for commercial gain, Internet users to its website by creating a likelihood of confusion as to source or sponsorship with Intel and its trademarks.

In order to avoid immediate transfer of the domain names pursuant to the WIPO decision, PFL filed the present action, asserting that the domain names are not similar to the PENTIUM trademark because of the inclusion of the word “Fund,” signaling to consumers that the domain names relate to a financial services business, which are vastly different from the goods and services offered by Intel. PFL also claims it had no bad faith intent when registering the domain names, which were chosen because PFL’s owner was the fifth child in his family and the Pentium Fund was also the fifth fund started by PFL.

Finally, PFL alleges that Intel’s opposition to PFL’s application for registration of the PENTIUM FUND trademark in the European Union’s Office for Harmonization of the Internal Market (“OHIM”), was rejected because OHIM found that PFL’s services were not similar to the computer-related goods and services offered by Intel under the PENTIUM trademark and that PFL’s use of the PENTIUM FUND trademark in connection with the allowed services did not “imply a risk of taking unfair advantage of the repute of [Intel’s] PENTIUM [trademark].” PFL awaits an answer from Intel to its First Amended Complaint.

A link to the First Amended Complaint is available at:
<http://www.williamsmullen.com/files/upload/PentiumFund-v-Intel.pdf>

Related People

- Amy G. Pruett – 757.473.5393 – apruett@williamsmullen.com