

[NO] First Court Decision on Domain Names

IRIS 2001-10:1/30

*Esther Mollen
Norwegian Research Centre for Computers & Law, Faculty of Law, University of
Oslo*

Nordhordland herredsrett (Nordhordland County Court - a court of first instance) became the first Norwegian court to rule on a domain name dispute on 20 August 2001. The plaintiff was Sony Computer Entertainment Europe Limited (London), involved in distributing in Europe products manufactured by Kabushikj Kaisha Sony Computer Entertainment (Tokyo). The defendant was Stefan Hilt and his company, Multimedia Import Norge, involved in importing PlayStation computers and software directly from Japan and selling them on the Internet to consumers in Norway using the domain name "playstation2.no".

The plaintiff began proceedings for trademark infringement, after having offered to buy the domain name from the defendant. The plaintiff alleged that the defendant was unlawfully using the domain name and a PlayStation logo on his Internet website.

Nordhordland County Court found that the use of the domain name constituted an infringement of Sony's trademark rights. Sony registered the trademark "PlayStation" and the "PS2" logo at Patentstyret (the Patent Office) on 18 April 1996. According to varemerkeloven § 4 (Trademarks Act) and article 5 of the EC Trademark Directive, this gives Sony the exclusive right to use the trademark in the course of trade. A parallel importer cannot lawfully use someone else's trademark in a domain name when the wrongful impression is given that there exists a business connection between the importer and the trademark right holder. According to Nordhordland County Court, it is commonly understood that there is a strong connection between the domain name and the rightsholder of the products offered on the website in question. The fact that the plaintiff had put a notice on his website stating that such a connection did not exist failed to change this. Nordhordland County Court therefore found that the plaintiff had legitimate reasons for opposing to the defendant's use of the trademark in the domain name and that such use constituted an infringement of § 4 of the Trademarks Act and article 7 of the Trademark Directive.

In addition, Nordhordland County Court found that the use of the "PlayStation2" image and the "PS2" logo on the website was an infringement of the plaintiff's trademark rights under § 4(3) of the Trademarks Act and article 7(2) of the Trademark Directive. The trademark was used several times without reference to

a picture of a particular product. The products sold by the defendant had been produced for the Japanese market. In order to be able to use the (Japanese) game consoles, the defendant installed an adapter on the consoles. Furthermore, customers had to install a so-called "ModChip" on the console after purchasing their PlayStation computers to make them compatible with the software marketed in Europe by the plaintiff. Customers were not clearly informed about any of this. Due to the changes made, the customers do not enjoy Sony's guarantee on the products. These Japanese products were therefore seen as products of a poorer quality than the products covered by the trademark rights.

The case is currently under appeal.

Lov om varemerker, 1961-03-03 4, endret av Lov 1996-12-20 104

<http://www.patentstyret.no/niv2index.html?innhold/omps/&omps>

Trademarks Act No. 4 of 3 March 1961, as last amended by Act No.104 of 20 December 1996

Nordhordland herredsrett, nr. 01-00103A

Judgement of the Nordhordland County Court of 20 August 2001

First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks. Official Journal L 040, 11/02/1989 p. 0001 0007

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31989L0104:EN:HTML>

