

DOMAINS & DOMAIN NAMES

Mexico



Domains & Domain Names

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Quick reference guide enabling side-by-side comparison of local insights, including into registration and use of domains at the ccTLD registry; pre-litigation actions; transfer or cancellation; and recent trends.

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REGISTRATION AND USE OF DOMAINS AT CCTLD REGISTRY

Registry

Which entity is responsible for registration of domain names in the country code top-level domain (ccTLD)?

NIC Mexico is the Mexican registry appointed by the Internet Corporation for Assigned Names and Numbers to be responsible for the administration of the '.mx' and '.lat' country code top-level domains (ccTLDs). NIC Mexico coordinates the activity of the various registrars responsible for the commercialisation of services related to the registration, maintenance and renewal of domain names. NIC Mexico has a division named AKKY, which is one of the various registrars offering the services of registration, maintenance and renewals of domain names under '.mx' and '.lat' ccTLDs.

Law stated - 21 November 2022

Method

How are domain names registered?

The domain name registry is of a technical nature, not a legal one. Therefore, to register a domain name, it is only necessary to complete a form and submit a payment.

Law stated - 21 November 2022

Duration

For how long is registration effective?

A '.mx' domain name could be effective for between one and 10 years upon the decision of the registrant. Terms of renewal are available for the same period.

Law stated - 21 November 2022

Cost

What is the cost of registration?

The costs depend on the period of duration of the registration of the domain name. They also depend on the tariffs of services set forth by each registrar entity. However, an average fee would be 208 Mexican pesos for domain names under '.com.mx' and 170 pesos for domain names under '.mx'.

Law stated - 21 November 2022

Transfer

Are registered domain names transferable? If so, how? Can the use of a domain name be licensed?

Registered domain names are transferable through the execution of assignment agreements. The assignment is technically implemented through the corresponding authorisation code created by the registrant or that provided by the

registrar.

The use of a domain name can also be licensed to a third party through contractual means without any restrictions. It is not necessary to record such a licence with any authority or agency.

Law stated - 21 November 2022

ccTLD versus gTLD registration

What are the differences, if any, with registration in the ccTLD as compared with a generic top-level domain (gTLD)?

From a registration perspective, there are no differences and there are no specific eligibility requirements. The Whois records contain the same information.

Law stated - 21 November 2022

Registrants' privacy

Is the registrant's contact information freely available? Can the registrant use a privacy service to hide its contact information?

The registrant's contact information is freely available unless a proxy service is used to hide such information.

Law stated - 21 November 2022

PRE-LITIGATION ACTIONS

Disclosure of registrants' private details

If a registrant's contact information is hidden, under what circumstances will it be disclosed? What processes are available to lift a registrant's privacy shield?

AKKY, as the Mexican registrar, can only provide the registrant's contact information if it will be used to file a complaint under the '.mx' domain name dispute resolution policy before the authorised resolution service providers.

Along with the request, the petitioner must sign a form acknowledging that it will be responsible for the treatment of private details and information.

Law stated - 21 November 2022

Third-party notification

Are third parties (such as trademark holders) notified of a domain name registration or attempt to register a domain name? If so, how? If not, how can third parties receive notice?

No. In Mexico, the domain name registry is of a technical and not a legal nature, and the domain name system is not linked to the trademark registration system. The registrar only verifies if the domain name is available and does not notify trademark holders of a domain name registration or of an attempt to do so. The only way to receive notice of the registration of a domain name is through a watch notice service.

Law stated - 21 November 2022

Notice to the registrant

Is there a need to notify the domain name registrant before launching a complaint or initiating court proceedings?

There is no need to notify the registrant and it is not convenient to do so because the contents of the website associated with the domain name could be modified, which affects the ability to gather the relevant evidence for the proceedings.

Law stated - 21 November 2022

Provisional measures

What provisional measures are available to prevent a domain name being transferred or cancelled during proceedings?

From an alternative dispute resolution perspective, the authorised resolution service providers, after receiving a complaint, are compelled to order the registrar to lock down the domain name to avoid it being transferred or cancelled.

From a litigation perspective, sections XVIII and XX of article 386 of the Federal Law for the Protection of Industrial Property provide that using a registered trademark or a confusingly similar one as part of a domain name in connection with identical or similar goods or services should be considered infringements of trademark rights.

Violations of the provisions contained in the Federal Law for the Protection of Industrial Property could be prosecuted through administrative actions before the Patent and Trademark Office or the civil courts.

In both types of procedures, it is possible to request injunctions consisting of an order addressed to the Mexican registry to lock down the domain name, thus avoiding its transfer or cancellation.

Law stated - 21 November 2022

Can domain names be seized? If so, under what conditions?

From a litigation perspective, nothing impedes domain names from being seized if the complainant demonstrates a likelihood of success of prevailing on the merits of the case by submitting a bond covering the potential damages that could be caused to the defendant. The defendant is entitled to lift the injunction by submitting a counterbond, but either the Patent and Trademark Office or the civil courts, before taking a decision, must analyse the legal implications and which of the parties will be more affected.

Likewise, under the Mexican legal framework, it is possible to request preliminary measures for the purpose of ordering internet service providers to block access to the website associated with the conflicting domain name.

Law stated - 21 November 2022

TRANSFER OR CANCELLATION

Procedure

What is the typical format for a cancellation or transfer action in court litigation (domains registered in either a ccTLD or a gTLD) and through ADR (ccTLD only)?

There are no specific cancellation or transfer actions in court litigation. The traditional course of action to request the cancellation or transfer of a domain name is through the Internet Corporation for Assigned Names and Numbers (ICANN) alternative dispute resolution (ADR) format.

A novelty in the Mexican legal framework is that, under the Federal Law for the Protection of Industrial Property in force as of 5 November 2021, the use of a domain name confusingly similar to a registered trademark should be considered an infringement.

Violations of the provisions contained in the Federal Law for the Protection of Industrial Property could be prosecuted through administrative actions before the Patent and Trademark Office or the civil courts. Although such actions do not have the aim of cancelling or transferring a domain name, their outcome might have such an effect through the imposition of permanent injunctive relief.

Administrative infringement actions are prosecuted before the Patent and Trademark Office. Once the complaint has been filed and the defendant is served with it, the law grants a term of 10 days in which to produce a response. The complainant then has a term of three days to produce statements against the brief of response. The Patent and Trademark Office will open the closing allegations stage granting the parties a common term of 10 days for such purposes and, finally, a ruling is issued.

The essential stages of the civil trial are the following:

- summons, which is the notification to the defendant;
- response to the claim, through which the defendant can raise exceptions and defences to distort the claimant's action or counterclaim, or both;
- prior conciliation hearing and procedural exceptions, in which the process is sought to be completed without having to exhaust the other procedural stages and the procedural exceptions are analysed;
- evidentiary stage, in which all the evidence is offered and presented;
- final allegations, in which the parties express their final arguments regarding all the proceedings; and
- ruling, through which the judge resolves the substantive problem, thus ending the process.

The following are means to challenge a decision:

- appeal, which is presented before the ad quem court against the ruling of the court of first instance;
- complaint, which can be filed against intra-procedural acts; and
- revocation, in which certain resolutions issued by the court are challenged without being final.

The approximate time frame from the filing of the complaint to the issuance of a ruling is 18 to 24 months.

Finally, there is the stage of execution of the ruling, in which the court takes the necessary actions so that the final ruling is fulfilled.

ADR different to the ICANN format is not commonly used in Mexico.

Law stated - 21 November 2022

Choosing a forum

What are the pros and cons of litigation and ADR in domain name disputes? What are the pros and cons of choosing a local forum to litigate a gTLD dispute compared with the ICANN ADR format for the gTLD?

The main benefit of litigation in domain name disputes is that, according to the provisions contained in the Federal Law for the Protection of Industrial Property, the complainant is entitled to claim damages. The law states that the compensation for damages will not be lower than 40 per cent of the indicator of the legitimate value stated by the complainant.

A significant downside of litigation in domain name disputes is that the time frame for these procedures is around eight months to one year and a half in the first instance. Another downside is that rulings could be appealed.

Conversely, the ICANN ADR format for generic top-level domain (gTLD) and country code top-level domain (ccTLD) names is quite expedited, considering that these proceedings are solved within a term of three months and the ruling is not subject to appeal.

Law stated - 21 November 2022

Appeal

What avenues of appeal are available?

In domain name litigation before the Patent and Trademark Office, it should be considered that the rulings could be appealed through the filing of a review recourse (optional filing) before the Patent and Trademark Office within a term of 15 days or through the filing of a nullity action before the Federal Court of Administrative Affairs within a term of 30 days. Rulings issued by the Patent and Trademark Office could be further appealed through the filing of an amparo action before a federal circuit court and, exceptionally, the ruling could be appealed through a review recourse within a term of 10 days before the Supreme Court of Justice.

In domain name litigation before the civil courts, there are means to challenge a decision, which are the following:

- appeal, which is presented before the ad quem court against the ruling of the court of first instance;
- complaint, which can be filed against intra-procedural acts; and
- revocation, in which certain resolutions issued by the court are challenged without being final.

Law stated - 21 November 2022

Who may claim

Who is entitled to seek a remedy and under what conditions?

The general rule is that the rights holder is the one entitled to claim. However, licensees could be also entitled to do so if it is not forbidden by the rights holder.

Law stated - 21 November 2022

Who acts as defendant

Who may act as defendant in an action to cancel or transfer a gTLD in local courts?

Only the registrant, because it should be considered that the registry and the registrar are intermediaries and are not responsible for the infringement action. Secondary infringement is not regulated by law.

Law stated - 21 November 2022

Burden of proof

What is the burden of proof to establish infringement and obtain a remedy?

It must be demonstrated that a domain name is confusingly similar to a registered trademark and that the use of the domain name is applied to the same or related products or services as those covered by the trademark registration.

Considering that domain name infringements were recently incorporated into the Mexican legal framework, there is no case law establishing if freedom of speech, access to culture and other such issues could be considered valid defences.

Law stated - 21 November 2022

Remedies

What remedies are available to a successful party in an infringement action?

The legal remedies are the granting of:

- permanent injunctions consisting of the seizure of goods;
- suspension orders of the infringing activities addressed to the defendant, third parties and intermediaries;
- orders to block access to websites;
- orders to remove infringing online content; and
- orders for the closure of digital establishments.

In administrative proceedings before the Patent and Trademark Office, the sanction is the imposition of a fine that could be up to 22,639,302 Mexican pesos. This amount is not paid to the successful party – the Patent and Trademark Office collects and keeps the funds. However, after the ruling is issued, the successful party is in the position to request from the Patent and Trademark Office the quantification of damages to subsequently request a civil court to execute the same.

The compensation for damages will not be lower than 40 per cent of the indicator of legitimate value stated by the complainant.

In a civil proceeding before a civil court, it is possible to claim that the violation of trademark rights derived from the use of a domain name, making it possible to directly claim damages according to the 40 per cent rule.

Law stated - 21 November 2022

Injunctive relief

Is injunctive relief available, preliminarily or permanently, and in what circumstances and under what conditions?

Yes – preliminarily before or during the administrative and civil procedures, and permanently after a favourable ruling has been issued.

For preliminary injunctions, the claimant must credit a likelihood of success to prevail on the merits of the case and submit a bond covering the potential damages that could be caused to the defendant. The amount is discretionally determined either by the Patent and Trademark Office or by a civil judge.

Injunctions (preliminary and permanent) could consist of the seizure of goods; a suspension order of the infringing activities addressed to the defendant, third parties and intermediaries; orders to block access to websites; orders to remove infringing online content; and orders for the closure of digital establishments.

In preliminary injunctions, the defendant is entitled to lift the injunctions by submitting a counterbond for an amount determined at the authorities' discretion. However, the lifting of an injunction is not automatic and either the Patent and Trademark Office or the court can refuse to lift the injunction if it is concluded that the violation of trademark rights cannot be repaired.

Permanent injunctions cannot be lifted unless the ruling declaring the infringement is reverted or if, in the appeal stage, a preliminary measure suspending their effects is granted.

Law stated - 21 November 2022

Calculating damages

How is monetary relief calculated?

The compensation for damages will not be lower than 40 per cent of the indicator of the legitimate value stated by the complainant.

To determine the amount of the indemnity, any indicator of legitimate value presented by the affected party will be considered, including:

- the value of the infringed products or services calculated by the market price or the price suggested for retail sale;
- the utilities that the owner would have stopped receiving as a result of the infringement;
- the profits obtained by the offender as a result of the infringement; or
- the price that the offender would have had to pay to the holder of the right for the granting of a licence, considering the commercial value of the infringed right and the contractual licences they would have already granted.

Law stated - 21 November 2022

Criminal remedies

What criminal remedies exist, if any?

Not applicable.

Law stated - 21 November 2022

Limitation period

Is there a time frame within which an action must be initiated?

In infringement actions before the Patent and Trademark Office, there are no statutes of limitation, but there is a statutory term of two years after a ruling is served in which to claim damages.

In civil proceedings, there is a generic term of 10 years after having gained knowledge of the infringing activities. To claim damages, there is a statutory term of two years.

In ICANN ADR proceedings related to gTLDs and ccTLDs, there are no statutes of limitation.

Law stated - 21 November 2022

Expiry of rights and estoppel

Can a registrant's rights in a domain name expire because of non-use? Can a registrant be estopped from bringing an infringement action? In what circumstances?

Registrants' rights over domain names cannot expire because of non-use. A registrant can be estopped from bringing an infringement action if the defendant is able to demonstrate an uninterrupted and prior use over the trademark included in the domain name, provided that it is used in good faith. The registration of the domain name does not constitute a valid defence.

In ICANN ADR proceedings related to gTLDs and ccTLDs, the existence of legitimate interest over the domain name and the absence of bad faith in use and registration are relevant factors to consider.

Law stated - 21 November 2022

Time frame for actions

What is the typical time frame for an infringement action at first instance and on appeal?

Between eight months to one and a half years per instance.

Law stated - 21 November 2022

Case law

Is a case law overview available on procedural or substantive issues? Does the case law have a precedential value?

Only in connection with ICANN ADR proceedings.

Law stated - 21 November 2022

Appointment of panellists

Can parties choose a panellist in an ADR procedure involving a ccTLD? Can they oppose an appointment?

Only in connection with ICANN ADR proceedings. Other ADR procedures are not commonly used in Mexico.

Law stated - 21 November 2022

Costs

What is the typical range of costs associated with an infringement action, including pre-litigation procedures, trial or ADR, and appeal? Can these costs be recovered?

During the prosecution of administrative actions before the Patent and Trademark Office, it is necessary to pay

government fees for the filing of the action 3,773.66 Mexican pesos and for procedural formalities, such as the issuance of certified copies 37.74 pesos.

No judicial fees are charged during the prosecution of civil actions before the civil courts.

Fees can be recovered until a claim of damages proceeding is filed and resolved.

In ADR, the fees vary depending on the authorised resolution service providers. For example, in an ICANN ADR proceeding in connection with gTLDs and ccTLDs before the World Intellectual Property Organization, the fee in a proceeding appointing one panellist is US\$1,500 and, in a proceeding appointing three panellists, the fee is US\$3,500.

These fees could be partially recovered if, during the proceedings, the parties reach an amicable agreement.

Law stated - 21 November 2022

UPDATE AND TRENDS

Hot topics

Are there any emerging trends or hot topics regarding domains and domain names in your jurisdiction?

The hot topic in Mexico is that, as of 5 November 2021, the new Federal Law for the Protection of Industrial Property is now in force. According to the provisions of this law, the use of a domain name that is confusingly similar to a registered trademark should be considered an infringement and, therefore, it is now possible to litigate before the Patent and Trademark Office and the civil courts regarding infringements to trademark rights derived from the use of domain names.

Considering that this law is very new, there is no case law regarding the extent to which preliminary and permanent injunctions derived from an administrative or civil procedure could have the effect of ordering the transfer or cancellation of a domain name.

Another hot topic is related to preliminary injunctions consisting of the blocking of a domain name. In Mexico, the Supreme Court of Justice has already concluded that the blocking of access to a website cannot be total due to proportionality issues and, instead, blocking must be referred to or addressed to specific contents of the website. However, the locking of a domain name must be translated into the total blocking of access to the website linked to the domain name. It will be interesting to learn how the Patent and Trademark Office and the civil courts approach this particular issue.

Law stated - 21 November 2022

Jurisdictions

	Argentina	Noetinger & Armando
	Belgium	PETILLION
	France	ME HAAS
	Germany	Bardehle Pagenberg
	Mexico	OLIVARES
	Netherlands	Bird & Bird LLP
	Russia	Gorodissky & Partners
	Switzerland	CMS Switzerland