Decision for dispute CAC-UDRP-100558

Case number	**CAC-UDRP-100558**
Time of filing	**2013-03-11 08:42:14**
Domain names	**lgg.com**

Case administrator

Name	**Lada Válková (Case admin)**

Complainant

Organization	**Valio Ltd**

Complainant representative

Organization	**Berggren Oy Ab**

Respondent

Organization	**Telepathy, Inc.**

IDENTIFICATION OF RIGHTS

The Complainant owns numerous trademark registrations, inter alia:
- International word trademark registration no. 697132 "LGG" in classes 1, 5, 29, 30 and 32 registered on June 30, 1998;
- USA word trademark registration no. 3179557 "LGG" in classes 5 and 29 - registered on December 5, 2006.

FACTUAL BACKGROUND

The Complainant is a Finnish company Valio Oy, also doing business as Valio Ltd (hereinafter referred to as “Valio” or as “the Complainant”). Valio is a big milk processor and is producing functional foods and milk processing technologies.

Valio was established as a company in 1905 and has been present in the market of the United States since the year 1958. The trademark LGG is a registered trademark of Valio. Valio’s first LGG products were launched to the markets during the year 1990 and today LGG products are sold around the world through more than 20 licensing partners.

Valio is the owner of trademark registrations for the trademark LGG in over 100 countries globally, including in the United States, in the European Union and in Finland. Valio's first LGG trademark registrations were filed already during the year 1996 and the registration for the mark was acquired during the same year 1996 for instance in Finland. The aforesaid means that Valio holds rights to its registered trademark LGG since the year 1996, whereas the disputed domain name was filed and registered on 10 February 1998. Consequently, Valio’s rights to the trademark LGG are prior to the filing and registration date of the disputed domain name lgg.com.

The Disputed Domain was registered on February 10, 1998 by Respondent's predecessor in interest, a sole proprietorship owned by Nat Cohen. Nat Cohen is also the President, Founder, and sole owner of the Respondent, Telepathy, Inc. The Respondent owns over 1,000 three-letter dot-com domains, which it believes makes it the world's largest holder of premium three-letter dot-com domains. Respondent has invested in three-letter dot-com domains as a core investment objective since 1998.

PARTIES CONTENTIONS

COMPLAINANT:

The Respondent has no rights or legitimate interests in the disputed domain name.

Valio has made good faith efforts to establish whether the Respondent might have any rights or legitimate interest in the name LGG, but no such rights have been found.

According to the searches conducted by Valio in the internet and in the trademark databases, the Respondent does not have any rights to the name LGG or to the corresponding domain name lgg.com. Further, the name LGG bears no connection to the trade name or any other sign used and owned by the Respondent.

There is no evidence of the Respondent's use of, or demonstrable preparations to use, the disputed domain name or a name corresponding to the domain name in connection with a bona fide offering of goods or services.

The Respondent is not commonly known by the disputed domain name and, according to the Complainant's knowledge, does not hold any trademark, company name or any other relevant rights to the name which corresponds to the domain name.

The Respondent is not making any legitimate commercial or non-commercial or fair use of the disputed domain name, without intent for commercial gain and intent for misleadingly divert consumers and other visitors, who are being attracted to the web site under the disputed domain name, either completely, mainly or at least to some extent due to the fact that the disputed domain name is identical to Valio's trademark LGG. On the contrary, the Respondent is using the disputed domain name for a web site which provides search machine functions and a clearly visible "enquire about this domain name" field and link, which enables potentially interested 3rd parties to make inquiries related to the disputed domain name, such as whether the domain names is for sale and for what price. The Respondent has re-directed the disputed domain name via the "enquire about this domain name" link to the website www.securedoffers.com. The web site in question provides information on SecuredOffers.com which, according to their own words and the information provided on its web sites "is the exclusive means to inquire about domain names owned by the domain portfolio companies that partner with them". According to the web sites "SecuredOffers.com ensures that your inquiry will receive a prompt response, with pricing information, from the decision maker at the domain owner". The aforementioned highlights the fact that the disputed domain name is not in any fair or legitimate use by the Respondent but instead is offered for sale by the Respondent. Further, the aforesaid clearly indicates that the Respondent is trying to gain unjustified monetary benefit for the use and sale of the domain name.

The Respondent has no relation to Valio or their businesses. Valio has not granted the Respondent any rights or license to use any of its trademarks. The use and registration of the disputed domain name has not been authorized by Valio and Valio does not approve of the use and registration of the disputed domain name.

Valio considers it to be evident that the Respondent has no rights or legitimate interests in respect of the disputed domain name.

The disputed domain name is registered and is being used in bad faith

The domain name is registered and is being used in bad faith. The purpose of the use and registration of the disputed domain name has been, inter alia, to prevent Valio, the legitimate owner of LGG trademark, from reflecting the mark in a corresponding domain name as well as to sell the disputed domain name to Valio.

According to UDRP rules, bad faith can be demonstrated, inter alia, by showing that the domain name is used to attract Internet users to the web site for commercial gain. In the present case the Respondent is using the disputed domain name in order to divert traffic to its websites for the purpose of generating revenue from the use and sale of the disputed domain name.

To the best of Valio's knowledge, the letter combination LGG does not have any direct meaning as such in any language anywhere in the world. Further, the letter combination LGG is not a common language word, nor does it comprise any common language word. Instead, LGG is a registered trademark of Valio and is used visibly in connection with marketing of Valio's LGG products, including visible long-term use in the internet.

The LGG trademark was launched by Valio in the United States during the year 1998. The Respondent registered the disputed domain name lgg.com exactly in 1998. The aforementioned situation is not likely to be a sole coincidence. Valio therefore considers it unlikely that the Respondent has registered the disputed domain name accidentally without being familiar with trademark LGG of Valio. Instead, the Respondent has been well aware of Valio's trademark LGG at the time of registering the domain name lgg.com.

As a response to contacts made to the owner of the disputed domain name via the link presented on the web site under the disputed domain name, Valio's representatives received two e-mails from Nat Cohen, the President of the Respondent Telepathy, Inc. The first e-mail was received on 14 December 2013 and the second on 21 December 2013. The e-mails are identical in their contents. The contents of the e-mails in brief are that according to the Respondent a domain name is a key to online branding and that a three-letter dot-com domain name that exactly matches a company's identity conveys instant global credibility and makes for a powerful and intuitive online brand. The following examples on powerful three-letter dot-com online brands domain names are given by the Respondent: AOL.com, CNN.com, BBC.com. It is noteworthy that all of these examples represent well-known brands which belong to their legitimate holders, which is the case with the disputed domain name as well. The Respondent states as conclusion of its e-mails that the domain name lgg.com of can be obtained for USD $175,000 and that the domain name lgg.com may also be available for long-term license through a lease-to-own arrangement. There is nothing in the e-mails received from the Respondent which would indicate that the Respondent has registered and/or is using the disputed domain name in good faith. The Respondent does not claim any rights to the name LGG or the corresponding domain name lgg.com in its responses. Further, the respondent does not indicate any fair or legitimate reason for which it has registered the disputed domain name. The sole intention of the Respondent appears to be to sell the disputed domain name to its legitimate owner for a price which exceeds by far the costs of registration of a domain name.

The Respondent is using the disputed domain name for a web site which provides search machine functions and a clearly visible "enquire about this domain name" field and link, which enables potentially interested 3rd parties to make inquiries on whether the disputed domain name is for sale and for what price. As explained in the Complaint, the Respondent has re-directed the disputed domain name via the "enquire about this domain name" link to the website www.securedoffers.com. SecuredOffers.com is, according to its own words and the information provided on its web sites, "the exclusive means to inquire about domain names owned by the domain portfolio companies that partner with them. SecuredOffers.com ensures that your inquiry will receive a prompt response, with pricing information, from the decision maker at the domain owner". The aforementioned clearly evidences the fact that the disputed domain name is not in any fair or legitimate use by the Respondent. Further, the aforesaid clearly evidences that the Respondent is trying to gain unjustified monetary benefit for the use and sale of the disputed domain name.

Paragraph 4(b)(iv) of the Rules states that "using" the domain name to divert Internet users "shall be evidence of the Registration and use of the domain name in bad faith", as stated in the case Park Place Entertainment Corporation v. Anything.com Ltd. (WIPO Case No. D2002-0530): "The fact that a third party is effectively operating the website on behalf of Respondent, and making payments to the Respondent on the basis of that use, does not insulate Respondent from the

conduct of its authorized agent.” Should the Respondent try to claim that it has not chosen the contents of its web site under the disputed domain name, it is clear that the Respondent is aware of and responsible for the contents on the web site under the disputed domain name, even though the web sites which the disputed domain name is re-directed to may be sites which are owned by 3rd parties. Actions which have led to formulation of web site contents or direction of the disputed domain name are results of choices made by the Respondent and cannot therefore be considered as outcome of the mere passivity of the Respondent.

As a further indication of bad faith, the use and registration of the disputed domain name by the Respondent, considering the facts and circumstances of the registration and use of the disputed domain name and the prior rights held by Valio, may well have been done with the intention to attract, for commercial gain, Internet users to the Respondents web site creating a likelihood of confusion with Valio’s LGG trademark as to the source, sponsorship, affiliation, and endorsement of the Respondent’s web site.

With respect to the intention of Respondent, the intention should be determined by an objective test as stated in the case Paule Ka v. Paula Korenek (WIPO Case No. D2003-0453): “The proper test in this Panel’s view, is whether the objective consequences or effect of the Respondent’s conduct is a free-ride on the Complainant’s goodwill, whether or not that was the primary (subjective) intent of the Respondent.” This means that, even if it was not the Respondent’s original intention to cause harm to be done to Valio and Valio’s LGG trademark, the consequences of the Respondent’s actions have resulted in doing so and have prevented Valio from reflecting their trademark LGG in a corresponding domain name.

Based on the above, the disputed domain name should be considered as having been registered and used in bad faith by the Respondent.

RESPONDENT:

The Respondent has rights and a legitimate interest in the domain name. The purpose of a domain name is to be memorable. If not for their quality of being memorable, domain names would not have been adopted and we would be relying on IP addresses instead. Three-letter dot-com domains are short, intuitive and memorable and therefore fulfil all of the purposes of domain names. They also serve exceptionally well as online identities and online brands. These qualities make them inherently valuable. Telepathy invests in three-letter dot-com domains because of this inherent value. Because Telepathy invests in three-letter dot-com domains due to their inherent value, and not to profit from the goodwill or trademark rights of others, it has a legitimate interest in the domain names it owns.

Respondent appears to have selected the Domain Name "kis.com" because of its length… rather than because it corresponds to Complainant's trademark -- indeed, it seems unlikely that Respondent was even aware of Complainant's trademark when it selected the domain name… the offering for sale of a domain name can itself constitute a bona fide offering of goods or services. . . Respondent has a legitimate interest in the Domain Name.

It is well established that, like common words, anyone is entitled to register domain names incorporating letter combinations to which a Complainant does not have exclusive rights, and the respondents’ legitimate interest is established per se. See Tenenhaus v. Telepathy, Inc., Case No. 94355 (NAF May 17, 2000) (complainant not entitled to “exclusive use of the domain name DAF”); Trans Continental Records, Inc. v. Compana LLC, No. D2002-0105 (WIPO April 30, 2002) (“use of [LFO.com] . . . even for sale, is a legitimate business.”);

LGG is simply a 3-letter combination and a common acronym for many entities unrelated to Complainant. An Advanced Google search for “lgg” and excluding any results that included the terms “valio”, “dairy”, “yoghurt”, “milk”, “yogurt”, “juice”, “capsule”, “vitamin”, “powder”, “tablet”, or “drops” to avoid references to Complainant, its products or its licensees’ products yielded over 5,000,000 results. This demonstrates both that “lgg” is an acronym that is subject to numerous commercial uses and that Complainant does not have exclusive rights to the letters “lgg” and therefore establishes Respondent’s legitimate interest in the Disputed Domain.

Furthermore, the Complainant has not demonstrated that the domain name was registered and is being used in bad faith. Even should the Panel determine that Complainant had enforceable rights in the “lgg” mark at the time of the registration of the Disputed Domain, the Complaint must fail because Complainant must produce specific evidence that Respondent registered the Disputed Domain with the bad faith intent to profit from Complainant’s mark. Complainant has failed to produce such evidence. Instrument Northwest Inc. v. Telepathy (supra.) (“The Panel does not believe that constructive knowledge of the mark may fairly be imputed to Respondent here particularly since the field in which Complainant operates is a rather narrow one”).

Complaint is utterly lacking in any evidence that Respondent was aware of Complainant at the time of the registration of the Disputed Domain. Complainant’s mere speculation that Respondent was aware of Complainant’s entry into the US market is not evidence of such awareness. Respondent cannot reasonably be expected to have been aware of a Finnish milk processor’s first engagement with the US market. Complainant provides no evidence for its supposed entry into the US market in 1998 or to support that its alleged 1998 entry into the U.S. market occurred before February 10, 1998, the date Respondent registered the Disputed Domain.

Even if Respondent performed thorough research on the term “LGG” prior to the registration of the Disputed Domain, it is unlikely it would have located Complainant. In February 1998, the only trademark registration claimed by Complainant was one in Finland. If Respondent had tried in 1998 to conduct a global search for registered trademarks on ‘LGG’, it would not have been able to locate Complainant’s Finnish trademark as in 1998 the Finnish Trademark Authority’s website did not offer online trademark search (http://web.archive.org/). Complainant did not register lgg.fi until 2003. In February 1998, online search tools were not widely available. Google did not yet exist. The Complaint is entirely lacking in any evidence that in 1998 Respondent knew, or even could have known, of Complainant or Complainant’s alleged rights to the term “LGG”.

The Complaint attempts to mislead by stating that “the LGG trademark was launched by Valio in the United States during the year 1998”. At the time of the registration of the Disputed Domain on February 10, 1998, the status of Complainant’s trademark application was that the US Patent and Trademark Office had issued a Final Refusal letter. Complainant therefore had no enforceable trademark rights in the United States when the Disputed Domain was registered.

Because of the substantial use of the “lgg” acronym by entities other than Complainant, absent direct proof that the Disputed Domain was registered solely for the purpose of profiting from Complainant’s trademark rights, there can be no finding of bad faith registration or use. Ultrafem, Inc. v. Warren Royal, N. 97682 (NAF Aug 2, 2001)(“bad faith showing would require the Complainant to prove that the Respondent registered instead.com specifically to sell to the Complainant”); See also Futureworld Consultancy Pty Ltd. v. Online Advice, No. D2003-0297 (WIPO July 18, 2003)(“there is no evidence to show that the disputed domain was registered with the Complainant in mind…”). Kis v. Anything.com Ltd., supra. (“the Administrative Panel finds that there are no indications that Respondent knew of Complainant or its trademark when registering the Domain Name.”)

Whether Respondent's registration and use of the domain name falls within 4(b)(iv) depends on whether Complainant has established that Respondent had intent to create a likelihood of confusion as to the source, affiliation, or endorsement of the web site. Where, as here, a party registers a three letter combination, “the lack of advertisements targeting goods or services offered by Complainant suggest that Respondent did not intend to confuse Internet users into thinking that Complainant was somehow associated with Respondent's web site. Without establishing any such intent, Complainant's claim cannot succeed under 4(b)(iv).” The American Automobile Association, Inc. v. QTK Internet c/o James M. van Johns, FA01261364 (Jul. 25, 2009).

Complainant incorrectly asserts that responding to an inquiry to purchase a domain is evidence of Respondent’s bad faith. As admitted by Complainant, Complainant twice initiated commercial negotiations with Respondent in an attempt to acquire the Disputed Domain. On December 13, 2012, Complainant, through its representative, made an offer of $5,000 and on December 19, 2012, Complainant, through a different representative, made an offer of $10,000. In both cases the Complainant disclaimed legal rights to the Disputed Domain by confirming the following statement that accompanied both offers:

“By submitting this offer, I confirm that neither I, nor my organization, claims a legal right to the registration of the domain listed above. If I am inquiring on behalf of another entity, I confirm that this entity does not claim a legal right to the registration of the domain listed above and that I am authorized by such entity to make this representation.”

Here Complainant conceded that it had no legal right to the Disputed Domain. Complainant’s unsolicited offer to purchase the Disputed Domain is itself an acknowledgement of Respondent’s legitimate interest in the Disputed Domain. Prom Software, Inc. v. Reflex Publishing, Inc., No. D2001-1154 (WIPO Mar. 4, 2002)(“Complainant actually has established the apparent legitimacy of Respondent's interest,” with offer to purchase domain name.) Not only do the offers of $5,000 and $10,000 tacitly recognize Respondent’s legitimate interest, Complainant in submitting the offer through the SecuredOffers.com domain inquiry form confirmed it did not have a legal right to the Disputed Domain. These facts militate against a finding of bad faith.

Anyone has the right to register and sell a domain name that was registered based on its generic meaning. Not only do such sales fail to establish bad faith, they can support a respondent’s legitimate interest under appropriate circumstances. See e.g. Micron Technology, Inc. v. Null Int’l Research Center, No. D2001-0608 (WIPO June 20, 2001); Audiopoint, Inc. v. eCorp, Case No. D2001-0509 (WIPO June 14, 2001)(“Indeed, speculation in domain names without any intent to profit from others’ trademark rights may itself constitute a bona fide activity under paragraph 4(c)(i)”); Personally Cool Inc. v. NameAdministration, FA1212001474325 (NAF January 17, 2013) (“The Panel finds that the bona fide nature of the Respondent’s use of the disputed domain name is not affected by whether or not the Respondent is interested in selling the disputed domain name or the preferred price.”); Instrumentation Northwest Inc, Inc. vs Telepathy Inc. (supra):

The Panel also holds that the mere fact of offering to sell this three-letter Domain Name for a steep price (USD 120,000) does not necessarily equate to bad faith under Policy paragraph 4(b)(i). This offer was made in response to an offer from Complainant. Moreover, for five years, Respondent never reached out to Complainant with an offer to sell the Domain Name. On this record, it is difficult to conclude that Respondent registered the Domain name “primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to Complainant who is the owner of the trademark or service mark or to a competitor of that Complainant” at a profit. Rather, the Panel concludes that Respondent registered this three-letter Domain Name because of its inherent value, quite like registering a common word. In such a case, Respondent is free to sell it at a profit. The Panel unanimously concludes that Respondent is not in bad faith here.

Accordingly, nothing related to Complainant’s unsuccessful attempt to purchase the Disputed Domain constitutes bad faith on the part of Respondent.

Respondent is not acting in bad faith by engaging in a business activity that five previous UDRP panels have all found comply with the UDRP.

Respondent has prevailed in all five UDRP decisions involving its rights to 3-letter domain names. See Phillippe Tenenhaus v. Telepathy, Inc., (supra)(daf.com) (“Complainant failed to show that Respondent has registered or used the domain name in bad faith.”); This Old House Ventures, Inc. v. Telepathy, Inc., No. 651060 (Apr. 19, 2006) (TOH.COM) (“Evidence fails to show that the disputed domain name was registered and is being used by Respondent in bad faith”); uwe GMbH v. Telepathy, Inc., D2007-0261 (WIPO May 28,2007) (UWE.COM) (“Little evidence that Respondent should have been aware of the Complainant.”); Instrumentation Northwest Inc, Inc. vs Telepathy Inc. (supra) (INW.COM); Albir Hills Resort S.A. v. Telepathy Inc., D2012-0997 (SHA.COM) (WIPO July 19, 2012) (“use of the disputed domain name [pointed to the web site searchfusion.com] made by Respondent does not amount to bad faith”).

Respondent has reasonably relied on these decisions in believing that its business activities are permitted under the UDRP. Respondent cannot have the requisite bad faith asserted by Complainant if it reasonably believes that its activities are permitted under the UDRP.

The general principle that has been consistently set forth in the UDRP decisions in which the Respondent has been a party is that where there is no evidence that the Complainant has been specifically targeted, that registration and use of generic and

acronym domains for investment is a legitimate business activity. There is no evidence that the Respondent targeted, or was even aware of, the Complainant. Absent such evidence the Complaint must fail.

For all of the above reasons, the Panel should find that Complainant has failed to meet its burden of proving that the Disputed Domain was registered and used in bad faith and, accordingly, deny the Complaint.

The Complaint is a blatant exercise in Reverse Domain Name Hijacking and Respondent should not have been put to the burden and expense of responding to it. Complainant's representative in this dispute initiated negotiations, disclaimed any legal rights to the Disputed Domain, and now is attempting to use Respondent's offer to sell, made on the basis of Complainant's misrepresentation, as evidence in the present dispute. A cursory review of other UDRP decisions involving Respondent would have demonstrated to Complainant that other UDRP panels found no bad faith in disputes brought with very similar facts.

Because Complainant has brought forth a case with no basis, and which it knew or should have known had no basis, the Panel should find that Complainant has abused the proceedings and, accordingly, issue a decision finding that Complainant has engaged in reverse domain name hijacking.

RIGHTS

The Complainant has, to the satisfaction of the Panel, shown the Domain Name is identical or confusingly similar to a trademark or service mark in which the complainant has rights (within the meaning of paragraph 4(a)(i)of the Policy). The Complainant owns trade marks in the term LGG, the first of which was registered back in 1996 while the domain name was registered two years later. The domain name is identical to these trademarks. Therefore, the Complainant seems to have satisfied the first element of the UDRP.

NO RIGHTS OR LEGITIMATE INTERESTS

t is not clear to the satisfaction of the Panel, whether the Respondent really has no rights or legitimate interests in respect of the Domain Name (within the meaning of paragraph 4(a)(ii)of the Policy). The Respondent appears to have established that it has a legitimate interest in the domain name. The Respondent's business is based on reselling domain names. It is plausible that the Respondent was not aware of the Complainant's trade mark rights over the term LGG.

There are a lot of UDRP Panel decisions which recognize that investment in acronym domains confers a legitimate interest in the domain. The Respondent correctly cited Franklin Mint Federal Credit Union v. GNO, Inc., Case No. FA0612000860527 ("that Respondent appears to be a generic domain name reseller supports findings that Respondent has rights or legitimate interests in the <fmcu.com> domain name"), and ("Because the <fmcu.com> domain name is merely a four-letter abbreviation, the Panel conclude[s] that Respondent has rights or legitimate interests in the <fmcu.com> domain name");]. Similar considerations can be found in Kis v. Anything.com Ltd., D2000-0770 (WIPO Nov. 20, 2000) (registration of 2 and 3-letter domain names found to be legitimate.)

Accordingly, the first to register a domain name incorporating the three letters "LGG" might have had a legitimate interest in such domain name, provided that it is not registered or used in bad faith.

BAD FAITH

Regarding the bad faith criterion, although the domain name was registered two years after the first Complainant's LGG trade mark was registered, there seems to be no evidence that the Respondent had the Complainant or its trade mark in mind when registering the domain name, particularly since the field in which the Complainant operates is a rather narrow one. Rather, the registration of the domain name seems to be akin to registering a common word as a domain name. In addition, the domain name resolves to a website providing a search tool and including a link to "inquire about this domain name". The mere fact of offering to sell the domain name for USD 175,000 does not, in the opinion of the panel, necessarily equate to bad faith, in particular given that this offer was made in response to an offer from the Complainant and thus the Panel is inclined to consider that the Respondent registered the domain name for its inherent value as a common word

ending with a "G" for "group" as pointed out by the Respondent, making it even more valuable than other three-letters domain names.
Therefore, the Complainant has, to the satisfaction of the Panel, not shown that the Domain Name has been registered and is being used in bad faith (within the meaning of paragraph 4(a)(iii)of the Policy).

PROCEDURAL FACTORS

The Panel is satisfied that all procedural requirements under UDRP were met and there is no other reason why it would be inappropriate to provide a decision.

PRINCIPAL REASONS FOR THE DECISION

There is no evidence that the Respondent had the Complainant or its trade mark in mind when registering the domain name, particularly since the field in which the Complainant operates is a rather narrow one. Respondent has used the Disputed Domain in connection with the bona fide offering of goods and services; thus establishing its rights and legitimate interest in the Disputed Domain. Respondent had no awareness of Complainant, the registration was not an attempt to target Complainant, and the Respondent registered the Disputed Domain simply because it was a three-letter dot-com domain in furtherance of its business strategy of registering short dot-com domains. Therefore, at least it cannot be held that the Respondent acted in bad faith when registering the domain name in question.

FOR ALL THE REASONS STATED ABOVE, THE COMPLAINT IS

Rejected

AND THE DISPUTED DOMAIN NAME(S) IS (ARE) TO BE

1. **LGG.COM**: Remaining with the Respondent

PANELLISTS

Name	**Thomas Hoeren, Alan Limbury, David Taylor**

DATE OF PANEL DECISION 2013-05-30

Publish the Decision