Decision for dispute CAC-UDRP-101341

Case number	CAC-UDRP-101341
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Domain names	claro.video

Case administrator

Name	Aneta Jelenová (Case admin)

Complainant

Organization	Administradora de Marcas RD, S. de R.L. de C.V.

Complainant representative

Organization	GAMA Consult GmbH

Respondent

Organization	DNS Manager / Profile Group

OTHER LEGAL PROCEEDINGS

The Panel is not aware of any other legal proceedings the Panel which are pending or decided and which relate to the disputed Domain Name.

IDENTIFICATION OF RIGHTS

Complainant owns a number of trademark registrations in various countries for the trademark CLARO in relation to telecommunications services and video streaming services (e.g. U.S. word trademark CLARO No. 4545569, filed on 20 September 2005 and registered on 10 June 2014).

FACTUAL BACKGROUND

Complainant is a provider of integrated telecommunications services in Latin America, North America, and Europe, and owns a number of trademark registrations for the word CLARO in relation to telecommunications services and streaming video. Respondent is a domain investor and the owner of thousands of domain names including <claro.video> which it acquired at or sometime after its creation on 13 May 2015. The <claro.video> domain resolves to a pay-per-click website that features links to a number of other websites, some of which belong to Complainant and some of which belong to third-party entities.

PARTIES CONTENTIONS

PARTIES' CONTENTIONS:

COMPLAINANT:

Complainant is a Mexican company and a wholly owned subsidiary of America Móvil, S.A.B de C.V. (“AMX”). AMX is a provider of integrated telecommunications services in 25 countries in Latin America, North America, and Europe and it services 364.5 million access lines including 22 million PayTV units. Since at least 2007, through Complainant (a trademark holding company) and other subsidiaries, AMX has owned a number of trademark registrations in various countries for the trademark CLARO in relation to telecommunications services and video streaming services.

AMX operates various multi-national websites including those reached through the domain names <claro.com> and <clarovideo.com>, as well as several country-specific websites including those reached through the domain names <claro.com.ar>, <claro.com.pe>, <claro.cr>, and <claropr.com>. These websites promote AMX's various telecommunications and video services.

With respect to paragraph 4(a)(i) of the UDRP (the "Policy"), Complainant contends that the <claro.video> domain is identical or confusingly similar to its CLARO trademark and that the top-level domain ".video" does not add any distinctiveness to, or alter the identity of the domain.

Complainant further contends, with respect to paragraph 4(a)(ii) of the Policy, that Respondent has no rights or legitimate interests in the <claro.video> domain name because it is not being used in connection with a bona fide offering of goods or services. The domain resolves to a pay-per-click website that displays links to various other websites. Some of these other websites are operated by Complainant to promote its services and some are operated by a variety of third-party companies, certain of which are claimed to be Complainant's competitors. As such, Complainant contends that the <claro.video> domain is not being used for the generic or descriptive value of the Spanish word "claro" (meaning “clear” in English) but, rather, to target its CLARO trademark. This use, it argues, is not a bona fide offering of goods or services.

Complainant also points out that Respondent could easily have performed an internet search before registering the <claro.video> domain name and that, from the search results, it would have quickly learned that the CLARO trademarks are owned by Complainant.

With respect to paragraph 4(a)(iii) of the Policy, Complainant contends that the <claro.video> domain name was registered and used in bad faith. Since Complainant has a strong business presence in the various markets it serves (including Puerto Rico which is a territory of the Respondent's home country of the United States of America), it claims that Respondent was aware of the well-known CLARO trademarks at the time it registered the <claro.video> domain.

It is further contended that use of the domain to resolve a pay-per-click website, that displays links to various websites of Complainant and its competitors, constitutes a bad faith intentional attempt to attract, for commercial gain, Internet users to Respondent's web site by creating a likelihood of confusion with the CLARO trademark (Policy, paragraph 4(b)(iv)).

Complainant also points out that Respondent failed to respond to a cease and desist letter, and one follow-up letter, sent to Respondent prior to the filing of this UDRP Complaint and that this further supports a finding of bad faith.

Next, Complainant asserts that Respondent's listing of the <claro.video> domain name for the amount of US$679 through the Sedo.com and Afternic.com domain name brokerage/auction sites also indicates Respondent's bad faith as it constitutes an effort to sell the domain name for valuable consideration in excess of Respondent's documented out-of-pocket costs directly related to the domain (Policy, paragraph 4(b)(i)).

Finally, Complainant argues that Respondent has prevented Complainant from reflecting its mark in a corresponding domain name (Policy, paragraph 4(b)(ii)) and has engaged in a pattern of such conduct with respect to other domain names and trademarks. In support of this, Complainant points to the fact that Respondent has lost a number of prior UDRP cases and is also the owner of a significant portfolio of over 3,000 other domain names, some of which consist of "typo variants of brands."

In light of the above contentions, Complainant asserts that all three elements of paragraph 4(a) of the Policy have been satisfied and that the <claro.video> domain should be transferred to Complainant.

RESPONDENT:

With respect to paragraph 4(a)(i) of the Policy, Respondent states that "Complainant has failed to prove the criteria" under this paragraph and adds that it "will not argue that the CLARO.VIDEO Domain Name [...] is not identical or confusingly similar to a trademark or service mark in which Complainant has rights."

Respondent contends, with respect to paragraph 4(a)(ii) of the Policy, that it "acquires and holds a portfolio of non-infringing domain names consisting of generic terms, common words, initialisms, acronyms, and short phrases for the purpose of deriving advertising income by the use of each such domain name in connection with a click-through service which serves as a starting point for Internet users seeking certain information." It states that it registered the <claro.video> domain name due to the common and generic nature of its second level Spanish word "claro".

It is further contended that a click-through service is a common business practice and constitutes legitimate use of a domain name where such domain consists of generic terms.

In any case, Respondent argues that the Policy does not affirmatively require a respondent to demonstrate legitimate rights or interests and that Complainant has not shown that use of the <claro.video> domain to be illegitimate.

With respect to paragraph 4(a)(iii) of the Policy, Respondent contends that it did not have a specific intent directed toward Complainant and did not have a conscious and willful intent to exploit Complainant's rights in the CLARO trademark. It notes that "Complainant offers no facts or evidence that Respondent had actual knowledge of Complainant at the time Respondent registered the Domain Name." Rather, it restates its assertion that it registered the <claro.video> domain due to the common and generic nature of its second level, "claro".

In this vein, Respondent points out that it owns an "enormous number of domain names" and that a number of these include the word "clear". It asserts that the <claro.video> domain "fits rather nicely into this portfolio of 'clear' domain names."

Respondent further points out that "Complainant does not have the exclusive, worldwide right to use the word 'claro,' nor does Complainant have a monopoly over any domain name with the word 'claro' in it" and it supports this with the submission of various United States trademark registrations of the mark CLARO owned by third parties.

Next, Respondent claims that it did not reply to Complainant's cease & desist letter because it "cannot locate any record of receipt of such cease and desist letter [...]"

With respect to the <claro.video> domain being offered for sale, Respondent argues that "simply considering to sell or even offering to sell a domain name is insufficient to amount to bad faith" and it claims that the domain was not acquired primarily for the purpose of selling it to Complainant or one of Complainant's competitors. As a domain consisting of common and generic words, any offer to sell it cannot establish that Respondent registered and is using the domain in bad faith.

In light of the above, Respondent contends that the elements of paragraph 4(a) of the Policy have not been satisfied and that this Complaint should be denied.

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).

NO RIGHTS OR LEGITIMATE INTERESTS

The Complainant has, to the satisfaction of the Panel, shown the Respondent to have no rights or legitimate interests in respect of the Domain Name (within the meaning of paragraph 4(a)(ii)of the Policy).

BAD FAITH

The Complainant has, to the satisfaction of the Panel, shown 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

According to paragraph 15(a) of the Rules, the Panel is to “decide a complaint on the basis of the statements and documents submitted and in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable”.

Paragraph 4(a) of the Policy requires that the Complainant prove each of the following three elements by a "preponderance of the evidence" (WIPO Overview 2.0, par. 4.7) in order to obtain an order that the <Claro.video> domain name be transferred:

(i) the disputed domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; and
(ii) the respondent has no rights or legitimate interests in respect of the disputed domain name; and
(iii) the disputed domain name has been registered and is being used in bad faith.

The Panel will proceed to analyze whether the three elements of paragraph 4(a) of the Policy are satisfied in this proceeding.

IDENTICAL OR CONFUSINGLY SIMILAR:

Paragraph 4(a)(i) of the Policy is only a standing requirement which is satisfied if the disputed domain name is identical or confusingly similar to a trademark in which the Complainant has rights. Furthermore, it is not as extensive as the “likelihood of confusion” test for trademark infringement applied by many courts. Rather, under the Policy confusing similarity is commonly tested by comparing the complainant’s trademark and the disputed domain name in appearance, sound, meaning, and overall impression. See, e.g., The Dannon Company Inc., Compagnie Gervais Danone v. Muhammad Bashir Ibrahim, Case No. D2016-2270 (WIPO, September 12, 2014).

Here, Complainant has submitted evidence of its rights to the CLARO trademark, in relation to telecommunications and video streaming services, in the form of database screenshots from various national trademark offices indicating that the mark is registered. Although it is the preferred practice in UDRP complaints to submit scans of actual trademark registration certificates, Complainant has done so with respect to one United States registration and the Panel accepts Complainant’s claim that it owns rights to the CLARO trademark.

The next step of the inquiry under paragraph 4(a)(i) of the Policy is to compare the CLARO trademark to the <claro.video> domain name. The Panel notes that the second level of the disputed domain name incorporates the Complainant's trademark in its entirety and merely adds the .video TLD. Ignoring the TLD, for the moment, this Panel finds that the second level of the domain name is identical to the Complainant’s trademark.

As for the .video portion of the domain, a multitude of UDRP decisions have held that merely adding a TLD to a complainant’s trademark is not sufficient to distinguish the domain name from such trademark. See, e.g., ARCELORMITTAL S.A. v. Anton M Bahtin, Case. No. 100831 (CAC, August 21, 2014). This is because legacy TLDs such as .com, .net, .org, etc. most often add little further meaning to second level domains and merely act as the addressing devices they were designed to be. However, with the advent of new gTLDs, the text of such new top-levels can, in some cases, add context and

substance to the overall domain name and impact the analysis of all three factors under paragraph 4(a) of the Policy.

In the present case, rather than being irrelevant or neutral for the paragraph 4(a)(i) analysis, this Panel finds that the use of the .video TLD in the <claro.video> domain enhances the confusing similarity with Complainant's CLARO trademark due to the meaning and overall impression it provides in relation to Complainant's video streaming services.

Accordingly, the Panel finds that the <claro.video> domain is identical or confusingly similar to the CLARO trademark and that Complainant has satisfied paragraph 4(a)(i) of the Policy.

RIGHTS OR LEGITIMATE INTERESTS:

Pursuant to paragraph 4(a)(ii) of the Policy, a complainant has the burden of making a prima facie showing that the respondent has no rights or legitimate interests in the disputed domain name. Cephalon, Inc. v. Domain Administrator c/o PrivacyGuardian.org, Case No. 100834 (CAC, September 12, 2014). Once this burden is met, it shifts to the respondent to demonstrate that it has rights or legitimate interests in the disputed domain name.

Paragraph 4(c) of the Policy offers respondents several examples of how to demonstrate their rights or legitimate interests to a disputed domain. The first, under paragraph 4(c)(i), involves an inquiry into whether the respondent is using the domain in connection with a bona fide offering of goods or services.

Based on the evidence provided by Complainant, the <claro.video> domain name resolves to a pay-per-click parking website with links to a variety of other websites. Some of these sites are operated by the Complainant and others are operated by third-parties to this dispute. Complainant claims that some of these third parties are its competitors in the telecommunications and video streaming industry and Respondent does not contest this.

Respondent correctly points out that providing a pay-per-click service is a common business practice and can constitute legitimate use of a domain name. However, this is the case where the listings on a pay-per-click page are derived from the generic meaning of a domain rather than from its value as a trademark. WIPO Overview 2.0, par. 2.6. For example, if the word "apple" is used in a domain and its website shows links to pages referencing the well-known tree fruit, this would seem to be a legitimate use of the pay-per-click structure. However, where the links relate to cell phones, music players, computers, and related technology products, it is quite obvious that the trademark value, and not the generic meaning, of the word "apple" is being exploited.

Here, the Spanish word "claro" means "clear" in English but the links at the <claro.video> website do not relate only to the generic meaning of the words "clear" and "video" (e.g., products to help avoid screen static, tips for getting the best picture, etc.). Rather, the links are to websites of Complainant itself and of other companies providing competing telecommunications or video streaming services. As such, the <claro.video> domain is being used to target the CLARO trademark – and thus to confuse and misleadingly divert consumers – and not, as claimed by Respondent, for any generic meaning of the word "claro". Such use is not bona fide and does not demonstrate that Respondent has any rights or legitimate interest in the domain under paragraph 4(c)(i) of the Policy. See, e.g., BACCARAT SA v. AZLO Ltd, Case No. 100069 (CAC, June 8, 2009).

The existence of third-party trademark registrations for the word "Claro" does not affect this analysis as none of the examples submitted by Respondent relate to telecommunications or video products or services. However, the links at Respondent's website relate almost exclusively to these fields thus indicating that third-party uses of the CLARO mark are not relevant to the present dispute.

With respect to paragraph 4(c)(ii) of the Policy, the Respondent does not appear to be commonly known by the name "Claro" or by a similar name. The Whois record for the <claro.video> domain lists Respondent as "DNS Manager / Profile Group" and Respondent makes no claim that it is known otherwise.

Finally, paragraph 4(c)(iii) of the Policy looks at whether a respondent is "making a legitimate noncommercial or fair use of

the domain name, without intent for commercial gain to misleadingly divert consumers." The pay-per-click website to which the <claro.video> domain name resolves does not fit into any accepted category of "fair use" such as news reporting, comment, criticism, or the like. In any event, its use is not noncommercial or without intent for commercial gain. Respondent specifically notes that it is in the business of holding domain names "for the purpose of deriving advertising income."

For these reasons, the Complainant has satisfied the requirements of paragraph 4(a)(ii) of the Policy and Respondent has not demonstrated that it has rights or legitimate interests in the <claro.video> domain name.

REGISTERED AND USED IN BAD FAITH:

Complainant must demonstrate both that the <claro.video> domain name was registered and is being used in bad faith. Further guidance on that requirement is found in paragraph 4(b) of the Policy, which sets out four examples of actions by a respondent that may satisfy this burden of proof. However, the examples of paragraph 4(b) are not exhaustive and panels are free to look beyond them for evidence of bad faith. LA POSTE v. RIVERA BERNARD, Case No. 101139 (CAC, February 10, 2016).

A threshold question here is whether, at the time it acquired the <claro.video> domain name, Respondent was aware of Complainant's CLARO trademark. Complainant has submitted evidence of the widespread notoriety of its mark, specifically its millions of customers and its use of numerous domain names that incorporate the CLARO mark.

Respondent asserts that "Complainant has not demonstrated that Respondent had actual or constructive knowledge of Complainant at the time Respondent registered the Domain Name" and that it "acquires and holds a portfolio of non-infringing domain names consisting of generic terms, common words, initialisms, acronyms, and short phrases […]" However, Respondent goes on to point out that it is a professional domain investor with "an enormous number of domain names" and that it acquires and holds domain names "for the purpose of deriving advertising income."

Numerous prior UDRP Panels have found that paragraph 4(a)(iii) of the Policy does not require a specific intent directed at a complainant's trademark but that it may be satisfied where an experienced, professional domain investor with a sizeable portfolio of names acquires a disputed domain that runs afoul of the Policy. In Intesa Sanpaolo S.p.A. v. Keyword Acquisitions Inc., Case No. D2011-0733 (WIPO, June 17, 2011), the respondent was an experienced domain investor, with a large portfolio, who claimed that it lacked knowledge of the complainant's existence when it registered the disputed domain name. The Panel in that case determined that such domain owners are held to a higher standard and are expected to show greater caution in their domain acquisitions due to their experience in the industry. See also, Dayton Electric Manufacturing, Co. v. Buy This Website at http://buy.DaytonElectric.com and James Hotka, Claim No. FA 1293631 (FORUM December 31, 2009) ("The Panel accepts Respondent's arguments that its business model is reasonable and that it may even try to avoid infringement on others' trademarks. However, in this case, Respondent did not succeed."); Storvik Aqua AS v. Sucom AS, Case No. 101090 (CAC, January 11, 2016) ("prior panels deciding under the Policy have held that "a sophisticated domainer who regularly registers domain names cannot be 'wilfully blind' to whether a particular domain name may violate trademark rights."); Domain Hostmaster, Customer ID: 44519875664713, Whois Privacy Services Pty Ltd / Stanley Pace, Case No. D2015-1669 (WIPO, December 9, 2015) ("It is reasonable to require the Respondent, an acknowledged domainer … to conduct a trademark search. * * * Any basic research … would easily lead to results in relation to the Complainant.")

This is not Respondent's first exposure to this principle. In CMA CGM v. Whois agent, Whois Privacy Protection Service, Inc. / DNS Manager, Profile Group, Case No. D2016-1036 (WIPO, July 14, 2016), under similar circumstances where the Respondent claimed that it did not have the complainant in mind when it acquired the disputed domain name, the Panel found that "the Respondent is responsible for determining whether any domain name in its bulk purchase violates a third-party's rights."

In the present case, Respondent similarly cannot absolve itself of responsibility for the existence, in its large portfolio, of a domain that violates the Policy by resolving to a pay-per-click page with links that target Complainant's CLARO trademark. Regardless of whether the vast majority of its domains are non-infringing and consist of generic terms, or whether it owns other domains that incorporate the word "clear", as an experienced, professional domain investor with a sizeable portfolio, it

has an obligation to incorporate reasonable and effective processes into its acquisition activities that will enable it to avoid disputes like the present. However, if a rogue domain slips through such processes, it should not avoid the application of the Policy and perhaps the investor will view it as an opportunity to improve its system or simply accept the occasional bad apple as an inevitable part of its business model. As such, this Panel finds that Respondent either knew of, or was willfully blind to Complainant's CLARO trademark and thus registered the <claro.video> domain in bad faith.

Next, we turn our attention to Complainant's claim that the Respondent used the <claro.video> domain in bad faith. It is well-established that resolving a domain that incorporates a complainant's trademark to a pay-per-click website featuring links to websites of the complainant and its competitors constitutes solid evidence of bad faith use with intent for commercial gain under paragraph 4(b)(iv) of the Policy. See, e.g., Enterprise Rent-a-Car Company v. Blupea c/o Janepanas, Sirinarin, Case No. 100053 (CAC, May 25, 2009); AllianceBernstein LP v. Texas International Property Associates - NA NA, Case No. D2008-1230 (WIPO October 12, 2008); Brownells, Inc. v. Texas International Property Associates, Case No. D2007-1211 (WIPO, December 12, 2007).

Respondent claims, with respect to the nature of the pay-per-click links at its website, "that all advertisements associated with the Domain Name were automated and that Respondent had no influence in such advertisements." Regardless of whether Respondent, its registrar, or its hosting provider selects the links that appear on its website, as the owner of the <Claro.video> domain, Respondent is entirely and solely responsible for the content of its website, including all resulting third-party sites and advertisements which result therefrom. See, eLeader Sp. z o.o. v. Hyunjong Lee, Case No. 100364 (CAC, May 4, 2012) ("Panels have generally found that a domain name registrant is normally deemed responsible for the content appearing on its website, even if it is not exercising direct control over such content"); Disney Enterprises, Inc. v. ll, Claim No. FA 1336979 (FORUM, August 31, 2010) (Respondent acted in bad faith, despite its claimed lack of control over the content on its parked, pay-per-click website.) As in these cases, Respondent has the final say over what content appears at the <claro.video> website and cannot avoid responsibility therefor simply because it voluntarily allowed a third-party to select pay-per-click links on its behalf.

As noted earlier, Complainant makes further assertions regarding the circumstances set out in paragraphs 4(b)(i) and (ii) of the Policy. However, in light of this Panel's finding of bad faith registration and use on other grounds, it is unnecessary to address whether these impact the analysis under paragraph 4(a)(iii) of the Policy.

Accordingly, the Panel finds that the <claro.video> domain was registered and used in bad faith and that Complainant has satisfied paragraph 4(a)(iii) of the Policy.

FOR ALL THE REASONS STATED ABOVE, THE COMPLAINT IS

Accepted

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

1. **CLARO.VIDEO**: Transferred

PANELLISTS

Name	**Steven M. Levy, Esq.**

DATE OF PANEL DECISION 2017-01-05

Publish the Decision