Decision for dispute CAC-UDRP-104245

Case number	CAC-UDRP-104245
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Domain names	myka.com

Case administrator

Organization	Iveta Špiclová (Czech Arbitration Court) (Case admin)

Complainant

Organization	MYKA DESIGNS INC.

Complainant representative

Organization	Sparring s.r.o., advokátní kancelář

Respondent

Name	Ran Erez

Respondent representative

Organization	Soroker Agmon Nordman

OTHER LEGAL PROCEEDINGS

The parties have made assertions and provided documentary evidence concerning the following legal proceedings:
- opposition proceeding initiated by the Complainant against the Respondent's European Union trademark application before the European Union Intellectual Property Office (EUIPO) pending since 17 September 2021;
- proceeding for preliminary injunction initiated by the Complainant against the Respondent before the Higher Regional Court Frankfurt am Main before the introduction of the present administrative proceeding;
- cancellation proceedings for non-use initiated by the Respondent against the Complainant's German trademarks before the German Patent and Trademark Office pending since 15 December 2021 and 18 January 2022;
- criminal proceedings initiated by the Complainant before the Canadian Anti-Fraud Centre (CAFC) and/or the Royal Canadian Mounted Police (RCMP) with reference to a cyber incident allegedly committed by the Respondent during the pendency of the present administrative proceeding.

Therefore, the Panel is aware of the above-mentioned legal proceedings which are pending and relate to the disputed domain name.

IDENTIFICATION OF RIGHTS

Complainant's rights

The Complainant conducts its business under the company / trade name Myka Designs Inc.

The Complainant and its affiliates are owners of the following registered trademarks:

- Canadian trademark no. TMA701905 "Myka" (device), filed on 15 June 2006, registered since 28 November 2007, for goods and services in Nice classes 6, 14, 35 and 42;
- German trademark no. 30700894 "Myka" (word), filed on 2 January 2007, registered since 13 February 2007, for goods in Nice classes 14, 18 and 25;
- German trademark no. 30700896 "Myka Designs" (word), filed on 2 January 2007, registered since 13 February 2007, for goods in Nice classes 14, 18 and 25.

The Complainant also holds the following pending trademark application:
- US trademark application no. 97036911 "Myka", filed on 21 September 2021, for goods and services in Nice classes 14, 18, 25 and 35.

Finally, the Complainant asserts to be owner of the following unregistered (common law) trademarks:
- US unregistered trademark (protectable in the US as unregistered trademark under 15 U.S.C. § 1125(a) due to a prior use since 1987;

- UK unregistered trademark (protectable in the United Kingdom through the common law tort of passing off claimable under the Trademarks Act 1994) due to a prior use since 2000.

The Complainant is also owner of the domain name <mykadesigns.com>, registered since 7 October 1999, which resolves to the Complainant's official website.

Respondent's rights

The Respondent and its affiliates are owner of the following pending trademark applications and registered trademarks:
- US trademark application no. 90692533 "Myka" (word), filed on 5 May 2021, for goods and services in Nice classes 14 and 35;
- European Union trademark application no. 018477915 "Myka" (word), filed on 24 May 2021, for goods and services in Nice classes 14 and 35;
- Australian trademark no. 2181270 "Myka" (word), filed and registered since 24 May 2021, for goods and services in Nice classes 14 and 35;
- Israeli trademark application no. 339706 "Myka" (word), filed and registered since 25 May 2021, for goods and services in Nice classes 14 and 35.

FACTUAL BACKGROUND

The Complainant is a Canadian company carrying out its activities in jewelry design, manufacturing and retail.

The Complainant asserts to operate under the brands "Myka" and "Myka Designs" already since 1987, to have a global presence and to sell jewellery worldwide through its website <https://www.mykadesigns.com>. The Complainant also asserts to have been extensively using the brand(s) in the USA, UK and Europe (especially Germany) and submits, in support

of its statement of use, a selection of marketing materials, packaging and products, invoices, screenshots of its website and social media accounts as well as in-store photographs.

The Respondent is an individual residing in the United States, co-founder and recorded official of Tenengroup Ltd which is part of TGE Group. TGE Group comprises, among others, Tenengroup Ltd, an Israeli company, and TGEcommerce Kft, a Hungarian company. The Respondent asserts that Tenengroup:

- is the beneficial owner of the disputed domain name and licensee of the trademarks owned by TGEcommerce;

- is an e-commerce company with markets in various countries, specializing in the development, marketing, manufacturing and sale of customized goods, including but not limited to jewellery;

- has over 30 brands and leverages technology to create online experiences;

- has been active for over 15 years and have invested substantial funds in technology development, marketing, customer service, brand development, and procurement.

The Respondent, Tenengroup, TGEcommerce and TGE Group are hereinafter collectively referred to as the Respondent.

The Respondent asserts that one of its brands is “Myka”, a rebranding of the “My Name Necklace” brand established in 2006. According to the Respondent, the goods (jewellery) sold under the “Myka” brand are sold exclusively online and cater to customers who wish the goods to be customized with the wearer’s or gift recipient’s name.

In 2020 the Respondent decided to rebrand “My Name Necklace” by engaging a branding consultant who devised the “Myka” brand.
Due to the COVID-19 pandemic, the rebranding process was postponed to the first quarter on 2021.
In March 2021 the Respondent rebranded its social media accounts (Facebook, Instagram, Twitter and YouTube).
In April 2021 the Respondent engaged a domain name broker to purchase the disputed domain name registered since 19 June 2003 by a third party.
In May 2021 the Respondent filed applications for trademark registration in the US, EU, Australia and Israel.
On 11 July 2021 the Respondent launched its website associated with the disputed domain name.
On 29 July 2021 the Complainant sent an e-mail to the Respondent requesting the Respondent to change its “Myka” mark, alleging copying.
On 2 August 2021 the Respondent responded and requested to discuss the matter by phone, alleging to have attempted to call the Complainant without success.
On 8 and 12 August 2021 the Complainant responded and requested to send any communication in writing.
On 7 September 2021 the Complainant sent an official cease and desist letter to the Respondent, relying on its registered (German) and unregistered (common law) trademarks (US and UK). The Complainant affirmed to have gained reputation and as a result of its longstanding use the “Myka” trademark had become widely known and famous throughout the United States, Canada, and the EU (including United Kingdom), and closely identified with the Complainant.
On 20 September 2021 the Respondent replied, denying the Complainant’s allegations and requesting the Complainant to provide evidence of its unregistered (common law) trademarks. With reference to the Complainant’s German trademark the Respondent replied to have engaged a German counsel and requested additional time to respond substantively. The Respondent stated that the Complainant’s rights were limited to Canada and without international recognition and, therefore, it agreed to make its website associated with the disputed domain name inaccessible in Canada. The Respondent also affirmed that it did not intend to sell nor ship goods under its “Myka” trademark to Canada.

Afterwards, the parties have engaged in several legal proceedings, namely:
- the Respondent’s European Union trademark application is subject of opposition proceeding before the EUIPO which has been pending since 17 September 2021. The opposition proceeding is based on the Complainant’s German trademarks;
- the Complainant initiated a proceeding for preliminary injunction against the Respondent before the Higher Regional Court Frankfurt am Main before the introduction of the present administrative proceeding and the Respondent filed its protective

writ in October 2021;
- the Complainant's German trademarks are subject of cancellation proceedings initiated by the Respondent which have been pending since 15 December 2021 and 18 January 2022;
- the Complainant initiated the present administrative proceeding on 28 December 2021, requesting the transfer of the disputed domain name;
- the Complainant initiated criminal proceedings before the Canadian Anti-Fraud Centre (CAFC) and/or the Royal Canadian Mounted Police (RCMP) with reference to a cyberattack allegedly committed by the Respondent after the introduction of the present administrative proceeding.

PARTIES CONTENTIONS

Parties' contentions

Complainant's contentions

The Complainant contends that the disputed domain name is identical, or similar to such a degree that it is close to identical, to the dominant character of the Complainant's rights. This identity, or a similarity bordering with identity, clearly leads to the likelihood of confusion. Moreover, both the Complainant and the Respondent are in the same field of business and both are offering jewellery products and providing retail services featuring jewellery. Accordingly, following this double identity between the marks and the corresponding goods and services, the Respondent created the likelihood of confusion with the Complainant's rights by registering and using the disputed domain name. The Complainant submits a selection of evidence of the customer confusion.

The Complainant also contends that the Respondent is not affiliated with the Complainant in any way, nor has it been authorized by the Complainant to use and register any of the Complainant's rights, or to seek registration of any domain name consisting of or incorporating any element from the Complainant's rights. Furthermore, the Respondent has no prior rights or legitimate interest in the disputed domain name. The registrations of the relevant Complainant's rights have long preceded the registration and use of the disputed domain name by the Respondent (July 2021), as well as any of Respondent's possible trademarks recently obtained. There is a significant customer confusion as to the origin of the relevant products following the use of the disputed domain name by the Respondent. Following that, the Complainant is of the opinion that Respondent's use of the disputed domain name cannot be conceived as a bona fide offering of goods and services. The Respondent is neither commonly known under the disputed domain name, nor does the word element "Myka" represent its business name. Its actions, namely the entire rebranding, seem rather deliberate, especially in the light of the occurrence of the existing customer confusion. The Complainant, on the other hand, has spent years in developing its presence under its mark, secured the necessary rights (the Complainant's rights) and is operating under the corresponding business name. The Respondent decided to rebrand solely for the purposes of exploiting the goodwill of the Complainant and the Complainant's rights. In addition, legitimate, non-commercial or fair use of the disputed domain name cannot be inferred due to the clear intention of commercial gain. Indeed, considering the confusion among the existing customers, it appears that the Respondent has registered and started using the disputed domain name in order to create confusion and free-ride on the reputation of the Complainant and the Complainant's rights. The fact whether the Respondent may own any recently obtained trademarks bears no significance as the Complainant may clearly prove by evidence its earlier rights due to a prior use in the respective jurisdictions.

Finally, the Complainant contends that it is highly unlikely that the Respondent was unaware of the Complainant's rights when rebranding and registering the disputed domain name. Moreover, the Complainant is convinced that not only the Respondent was aware of the Complainant's rights but has also actively chosen the "Myka" mark with the intentions to exploit existing goodwill and renown of the Complainant's rights. The bad faith is considered to be demonstrated when the Respondent 'knew or should have known' of the Complainant's rights and nevertheless registered a domain name in which it had no rights or legitimate interest. Given the Complainant's long-lasting presence on the market, a quick search of the term "Myka" on the Internet via Google or any other search engine would have revealed to the Respondent the existence of the Complainant and the Complainant's rights. The Respondent's failure to do so is a contributory factor to its bad faith. The Complainant reiterates that the continuous use of the disputed domain name <myka.com> by the Respondent for its business activities, or even the Respondent's passive tolerance of it, is causing a great harm to the Complainant due to the

existing customer confusion. The Respondent was approached on 7 September 2021 by the Complainant and informed of the issues that the use of the disputed domain name was causing to the Complainant. Nevertheless, no remedies have been made in that respect. Ignorance on part of the Respondent must therefore be interpreted in a way that the disputed domain name is continuously and intentionally being used in bad faith. The fact that the Respondent holds the disputed domain name which entirely corresponds to the dominant character within the Complainant's rights without any legitimate interest, indicates that the same has been registered and that it is being used in order to exploit the benefits of the Complainant's rights and Complainant's long-lasting presence on the market. It follows that the use of the disputed domain name is aimed to attract for commercial gain, Internet users to the Respondent's website, by creating a likelihood of confusion with the Complainant's rights as to the source, sponsorship, affiliation, or endorsement of the Respondent's website or of a product on the Respondent's website. In addition, the disputed domain name has been registered or acquired in order to prevent the Complainant from reflecting the mark in a corresponding domain name.

Therefore, the Complainant requests the transfer of the disputed domain name.

Respondent's contentions

Preliminarily, the Respondent submits that the present dispute falls outside the scope of the Policy and requests that the Panel terminate the administrative proceeding pursuant to Paragraph 18(a) of the Rules without issuing a decision on the merits. The present dispute relates to trademark claims outside the scope of the Policy – the parties are currently involved in litigation in Germany and before the EUIPO over the "Myka" mark. The parties are corporate entities selling separate goods to separate consumers in separate markets. The Respondent commenced non-use cancellation proceeding against Complainant's German trademark registration and deadlines have been set for Complainant to prove use. Instead of filing evidence of use before the German Patent and Trademark Office, the Complainant chose to engage in a multiplicity of proceedings. To wit, even with the Complaint, the Complainant has shown no use of the "Myka" trademark in Germany, and the Respondent expects the Complainant's mark to be cancelled in due course. The Complainant also chose to file an opposition against the Respondent's European Union trademark, but not its UK or Australian marks. This fact further highlights that the parties are divergent in relation to the ownership of the "Myka" trademark in some but not all jurisdictions. The Respondent has evidence showing use of the "Myka" mark in various jurisdictions and accompanying goodwill, and documented changes that Complainant had, in mala fide, made to its website and logo after commencement of the German Patent and Trademark Office and court proceedings to look more similar to the Respondent's site and logo. It would not be proper for the Panel to change the present situation by issuing a decision before the competent authorities, including the German Patent and Trademark Office and the EUIPO have heard the evidence in this case. The Complainant acted in bad faith and should be denied remedy. The Complainant failed to disclose the full picture and opted to pick and choose facts to bring before the Panel to wrestle a favorable decision based on half-truths. The Complainant failed to disclose the full correspondence and the fact that it has filed opposition proceedings and was facing cancellation proceedings in relation to the same registration it has based the Complaint on. The multi-faceted nature of this dispute, including (i) the lack of the Complainant's use of the "Myka" mark outside of Canada (the Complainant is not the owner of the two marks outside Canada), (ii) the level of inherent distinctiveness of the "Myka" mark is not particularly high and is in use by many third parties on the Internet, (iii) that the disputed domain was not created by Respondent with prior knowledge of Complainant's very limited trademark rights, and (iv) that the Respondent did not and is not targeting Complainant, lead to that each of these elements, and certainly all them should be fully examined by the competent tribunals/courts, before which the parties are already litigating.

As for the first element, the Complainant contends that Complainant has not established rights in its trademark and therefore Complainant has not met the threshold required of the first element of the Policy. The Respondent indeed challenges the Complainant's trademark rights and their extent. According to the Respondent the level of inherent distinctiveness of the "Myka" mark is not particularly high and is in use by many third parties on the Internet. Since the domain name is a 4-letter domain name, its distinctiveness is a-priori limited. Myka is a popular first name for girls, thus limiting its level of inherent distinctiveness in relation to goods such as jewellery. The name Myka in Hebrew means, "Who is like God" and is another form of pronunciation for the name Michael (the Complainant founder's name) in the Hebrew language, where the Respondent is established and operating from. The name also belongs to several famous social media stars and the "Myka" word is used on numerous websites on the Internet.

The Respondent affirms that the extent of Complainant's alleged rights in the Canadian trademark registration is very limited. The Complainant's Canadian trademark is a stylized device consisting of an oval surrounding the word "Myka" with a highly-stylized letter "M". It is arguable that "M" could consist of other letters, or it is simply a design with the letters "yka". The "Myka" word is not at all clear in the device mark. With reference to the German trademarks the Respondent submits that that they are subject of ongoing cancellation proceedings for non-use in Germany. As for the Complainant's alleged unregistered common law trademark rights, the Complainant has failed to submit relevant evidence to demonstrate unregistered common law trademark rights as required under the Policy. The materials submitted by Complainant in support of its statement of use are grossly insufficient to prove common law rights in the "Myka" mark in the US and UK. The Complainant does not show the duration and nature of use of the "Myka" mark, the amount of sales and advertising of goods bearing the mark, the degree of actual public recognition and any consumer surveys in the US and UK, despite alleging over 35 and 22 years, respectively, of use of the mark. The document submitted comprises several photographs of goods which are mostly undated; photographs of displays of goods in retail stores in which the dates and locations are not disclosed; article publications of which the name and date of publication are unknown and undated; several screenshots of social media pages in which the Complainant redacted portions not to show the number of followers; and only two copies of redacted invoices dated 13 November 2021, months after the dispute began, for the sum of €121.53 and 9 July 9 2009 to Russia for the sum of 27,904.10 (currency not stated), suggesting this was a one-off transaction. Notably, the logo shown on the invoice issued in November 2021 is "Myka" (device) while the logo shown on the Russian invoice in July 2009 is "Myka (device) Designs Inc.". Both logos are not registered marks. The Respondent also submits that the Complainant's pending trademark application is irrelevant and would not by itself establish trademark rights within the meaning of the paragraph 4(a)(i) of the Policy. In addition, Respondent's trademark application in the US predates Complainant's application. Lastly, the usage of a domain name <mykadesigns.com> does not in itself confer trademark rights on the Complainant since the basis of a UDRP complaint is for the Complainant to establish registered or unregistered trademark rights in the disputed domain name.

The Respondent argues that it has rights and legitimate interests in the domain name and that Complainant's failed to show the second element paragraph 4(a) of the Policy. The Respondent affirms to have registered the "Myka" mark in Australia and UK without Complainant's objection (with pending applications in the US, Europe and Israel) and explained its rebranding process from "My Name Necklace" to "Myka". The Respondent also asserts to have shown through its evidence that, before any notice of the dispute, it was making use of and preparing to use the domain name in connection with a bona fide offering of goods and services. The Respondent developed its "Myka" mark without knowledge of the Complainant's mark. It did not target the Complainant and no evidence was brought to show such targeting. As the evidence shows, the Respondent engaged a domain name broker to negotiate and purchase the disputed domain name and launched its own independent website under such domain name. The Respondent has been advertising its "Myka" mark on its own unique line of goods on social media and has spent an estimated USD10 million on advertising since July 2021. The Respondent has been operating the website under the domain name and providing bona fide goods and services to customers in countries other than Canada. The Respondent highlights the difference in the type of goods and services provided by the Respondent and the Complainant. While the Complainant appears to sell jewellery with heavy semi-precious stones, the Respondent specializes in minimalist jewellery with name and/or message-engraving customization services. The Complainant does not offer customization services on its jewellery. The Complainant has a B2B business model while the Respondent has a B2C business model. Given that the styles and designs of the Respondent's and the Complainant's jewellery are so dissimilar, the target consumers of each party are likewise different and do not overlap. There is therefore little to no likelihood of confusion between the Respondent and the Complainant on the part of consumers. In this respect, the document submitted by the Complaint shows that there is no actual confusion. First, it is highly redacted and therefore is of little use. Second, it does not show a single customer approaching the Complainant before or at the time of the sale and therefore cannot show pre-sale confusion. Rather, all the examples relate to post-sale issues sent by people to a provider of the Complainant called Chatra, for reasons unknown. The evidence shows no indicia of cybersquatting intent in this case and clear rights held and used by the Respondent on its website, social media and other channels of trade. The Respondent has prior use, demonstrable preparations to use the disputed domain name, in connection with a bona fide offering of goods or services, including trademark ownership and no targeting of Complainant.

Finally, the Respondent contends that the disputed domain name has not been registered and used in bad faith. The

Complainant misconstrues the Policy and makes unsubstantiated arguments. This case is not a cybersquatting or cyberpiracy case. None of the Policy's paragraph 4(b) non-exclusive scenarios apply here and no evidence is brought to show bad faith registration or use because none exists. The Respondent did not target Complainant in any way. The Respondent did not purchase the disputed domain name to sell it to the Complainant nor to any third party. The Respondent is using the disputed domain name to sell its own unique and distinct line of goods without any reference or connection to the Complainant. The Complainant has not supported its bare assertions with any evidence and has not established that the Respondent has registered the disputed domain name in bad faith. The evidence shows that the Respondent did not intentionally attempt to attract, for commercial gain, Internet users to its website, by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of the Respondent's website or location or of a product or service on the Respondent's website or location. The Respondent has its own distinct website, sells different personalized jewellery to consumers, in jurisdictions that Complainant does not operate in. If the evidence shows anything, it is that the Complainant has changed its own website since September 2021 to resemble more and more the Respondent's website, supposedly with the aim to support its groundless claims. Since the dispute arose, the Complainant has stopped using its logo and rebranded after the Respondent launched its website, all to now claim that the Respondent was targeting the Complainant when the facts show that Complainant has engaged in reverse hijacking of the domain name. The Complainant's statement that the Respondent "actively chose the mark "MYKA" with the intentions to exploit the existing goodwill and renown of the Complainant's rights" is false and unsupported by any evidence whatsoever; but it also goes to show that the Complainant's sole intent in filing the Complaint was to abuse the Policy. The Complainant's attempt to imply constructive knowledge in this case is misplaced. The "knew or should have known" doctrine is only inferred in certain circumstances, which are inapplicable here since the Complainant's mark has, if at all, limited reputation in Canada, but none outside Canada, as evidenced from the Complainant's submission of the two invoices, notwithstanding over an alleged 35 years of operation. Complainant is certainly not known in Israel nor Hungary, where the Respondent is based. Given that the disputed domain name is also a short popular name of a girl in the Hebrew language, and is used by young Internet users on social media led to its choice by the Respondent. The Respondent never attempted to pass itself off as the Complainant or sell the disputed domain name to the Complainant or any third party. The Respondent has been conducting its own business separately and without reference to the Complainant, and has never imitated the Complainant, its brand, and/or its goods. In conclusion, the Panel should reject Complainant unsupported allegations and conclude that Complaint fails on the third element and that the requirements of paragraph 4(a)(iii) of the Policy have not been satisfied.

Therefore, the Respondent requests, preliminarily, to terminate the administrative proceeding pursuant to Paragraph 18(a) of the Rules without issuing a decision on the merits as the dispute falls beyond the scope of the UDRP. In case a decision on the merits is taken, it requests the Panel to deny the Complaint for the reasons mentioned above and state in its decision that the Complainant brought this action in bad faith, constituting Reverse Domain Name Hijacking ("RDNH") under the Policy.

RIGHTS

The Panel has not considered necessary to determine whether the Complainant has standing in the present administrative proceeding and/or whether the disputed 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 Panel has not considered necessary to determine whether the Respondent has rights or legitimate interests in respect of the disputed domain name (within the meaning of paragraph 4(a)(ii) of the Policy).

BAD FAITH

The Panel has not considered necessary to determine whether the disputed 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 Parties' unsolicited Nonstandard Communications

Paragraph 12 of the Rules makes clear that it is for the Panel to request, in its sole discretion, any further statements or documents from the parties that it deems necessary.

Paragraph 10 of the Rules similarly vests the Panel with the authority to determine the admissibility, relevance, materiality and weight of the evidence, and also to conduct the proceedings with due expedition.

Further to this, and in order to clarify the procedural issue of unsolicited Nonstandard Communications, section 4.6 of the WIPO Overview 3.0 states that for the sake of procedural efficiency, Panels are generally reluctant to accept such unsolicited filings, unless there are "exceptional circumstances" requiring their admission into evidence.

In the case at hand, the Panel has not requested any additional communications from the parties, nevertheless, both parties have submitted subsequent unsolicited Nonstandard Communications. The Panel has reviewed these subsequent unsolicited Nonstandard Communications and notes that none of the circumstances present in these communications can be considered to be "exceptional circumstances" as per section 4.6 of the WIPO Overview 3.0. The information provided are related to an alleged cyber incident involving the Complainant's domain name and/or associated website which, according to the Complainant, is attributable to the Respondent and occurred during the pendency of the present administrative proceeding. The Complainant also states and provides documentary evidence of having initiated criminal proceedings in Canada. The Respondent denies the Complainant's allegations as unfounded and reiterates its request of finding Reverse Domain Name Hijacking. As described below and also in the light of the Parties' unsolicited Nonstandard Communications, the Panel finds that the case contains complex factual and legal issues (some of which might be of criminal relevance) which appear to be part of a larger (trademark) dispute between the parties that falls outside the limited scope of the UDRP.

PRINCIPAL REASONS FOR THE DECISION

Dispute outside of the scope of the UDRP

The UDRP provides for a mandatory administrative proceeding for disputes between the registrant and any third-party over the abusive registration and use of a domain name. It was adopted by ICANN in 1999 and incorporated by reference into the domain name registration agreement between the ICANN-accredited registrars and registrant to provide remedy to the widespread phenomenon of cybersquatting, i.e. registration of domain names confusingly similar to trade marks for profit. As well known, the UDRP uses a three-part test to determine whether a domain name shall be considered abusive registration:

1. The domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights;
2. The registrant has no rights or legitimate interests in respect of the domain name;
3. The domain name has been registered and is being used in bad faith.

The WIPO Final Report of the WIPO Internet Domain Name Process, which formed the basis for the Policy, clarified that: "the scope of the procedure is limited so that it is available only in respect of deliberate, bad faith, abusive, domain name registrations or "cybersquatting" and is not applicable to disputes between parties with competing rights acting in good faith."

ICANN's Second Staff Report on Implementation Documents for the UDRP states that the "administrative resolution [is] for only a small, special class of disputes. Except in cases involving 'abusive registrations' made with bad-faith intent to profit commercially from others' trademarks (e.g. cybersquatting and cyberpiracy), the adopted policy leaves the resolution of disputes to the courts (or arbitrators where agreed by the parties) ...".

Therefore, the UDRP was intended to address cases of cybersquatting, where a complainant's rights in a particular term are clear and proof of bad faith registration and use can be easily demonstrated. Complex disputes, such as determining which of two (registrant or complainant) has superior rights to the mark contained in a domain name, or where there are complicated evidentiary issues, are beyond the scope of the UDRP.

The dispute at hand contains certain factual issues and legal claims which impact the rights or defenses of the parties in the

case as they relate to the disputed domain name. In particular, the parties make contentions regarding, among others, the validity and extent of the Complainant's and the Respondent's rights over the "Myka" mark, trademark infringement claims, and claims related to an alleged cyber incident which might have criminal relevance. The Panel finds that those issues are beyond the Policy's limited cybersquatting scope and would be better addressed by the competent courts and bodies (national and regional trademark offices). Courts and competent bodies can adjudicate a greater range of legal claims and may offer the parties greater opportunities to develop the factual record of the case if discovery and witness examination are available (see WIPO Case No. D2000-0955: "the Panel is of the opinion that resolution of the issues before the Panel involves factual disputes, questions of credibility of witnesses, and matters of trademark law, as well as other legal issues, that are beyond the scope of the disputes intended to be resolved under the Policy. These matters go considerably beyond the scope of issues that can be fairly resolved on a document-only basis and within the 14 day decision-making deadline" and also Forum Case No. FA0703000944826: "the two parties present very different accounts of the facts, and use those accounts to support their claims for common law trademark rights in the disputed domain names. The written evidence submitted by the parties is inconclusive. When the parties differ markedly with respect to the basic facts, and there is no clear and conclusive written evidence, it is difficult for a Panel operating under the Rules to determine which presentation of the facts is more credible. National courts are better equipped to take evidence and to evaluate its credibility. Further, the purpose of the Policy is not to resolve disputes between parties who might each have legitimate rights in a domain name. The purpose of the Policy is to protect trademark owners from cybersquatters, that is, from people who abuse the domain name system in a very specific way, which specific way is outlined in Paragraph 4(a) of the Policy").

The Panel also notes that the parties have provided evidence of ongoing legal proceedings between the Complainant and the Respondent involving the "Myka" trademark in different jurisdictions and the disputed domain name, namely:
- opposition proceeding initiated by the Complainant against the Respondent's European Union trademark application before the European Union Intellectual Property Office (EUIPO) pending since 17 September 2021;
- proceeding for preliminary injunction initiated by the Complainant against the Respondent before the Higher Regional Court Frankfurt am Main before the introduction of the present administrative proceeding;
- cancellation proceedings for non-use initiated by the Respondent against the Complainant's German trademarks before the German Patent and Trademark Office pending since 15 December 2021 and 18 January 2022;
- criminal proceedings initiated by the Complainant before the Canadian Anti-Fraud Centre (CAFC) and/or the Royal Canadian Mounted Police (RCMP) with reference to a cyber incident allegedly committed by the Respondent during the pendency of the present administrative proceeding.

As well noted by the Respondent, Paragraph 18(a) of the Rules states that when legal proceedings are concurrently pending, the Panel has discretion whether to suspend, terminate, or continue with the administrative proceeding.

Regarding simultaneous court proceedings and UDRP disputes, Paragraph 4(k) of the Policy requires that the Registrar not implement an administrative panel's decision until the court proceeding is resolved.

Furthermore, WIPO Overview 4.14.6 also states that "depending on the facts and circumstances of a particular case, and irrespective of whether the parties may also be engaged in court litigation, in some instances (e.g., complex business or contractual disputes) panels have tended to deny the case not on the UDRP merits but on the narrow grounds that the dispute between the parties exceeds the relatively limited "cybersquatting" scope of the UDRP, and would be more appropriately addressed by a court of competent jurisdiction".

To this end, the Panel considers relevant previous UDRP decisions cited also by the Respondent. Inter alia, in Forum Case No. FA1604001668860 the panel concluded that: "After analyzing the facts as well as the evidences brought by the parties, the Panel finds that it seems more reasonable to defer to the concurrent court case. The rationale for this decision is that a panel should not enter a decision when there is a court proceeding pending because no purpose is served by the panel rendering a decision on the merits, whether to transfer the disputed domain names, or otherwise. In fact, in the present situation it is hard to properly adjudicate a dispute where two parties claim to be entitled to the disputed domain names and rights over the SUN RAY trademark and where little opportunity is given in a forum such as this to adequately test and assess the wide-ranging and conflicting assertions made by the parties. Furthermore, the Panel finds that the case seems to present a legitimate trademark dispute". In Forum Case No. FA1604001670641, involving a trademark for STRETCHCORDZ,

the respondent notified the provider that it had filed a petition with the USPTO for cancellation of the complainant's trademark on grounds of genericness. In terminating the proceedings, the panel reasoned "the existence of rights and/or legitimate interests turns on resolution of a legitimate trademark dispute." In WIPO Case No. D2016-0388 the panel pointed out that "the circumstances of this dispute may give rise to a legitimate trademark infringement lawsuit in some forum (about which the Panel would express no view as to the merits), but these circumstances do not present a clear case of cybersquatting". In WIPO Case No. D2010-0244 the panel found that: "the Complainant felt it appropriate that the rights in respect of the Domain Name be addressed by the Geneva court and initiated proceedings before that court for that purpose. The decision of the Geneva court is awaited. The Panel agrees with the Respondent that it be left to the Geneva court to adjudicate the issue. However, if the Geneva court hands down a decision to the effect that the Respondent has no rights or legitimate interests in respect of the Domain Name, but does not order transfer of the Domain Name to the Complainant, or the said court proceeding should be otherwise discontinued without resolution, and the Complainant thereafter wishes to refile the Complaint with the Center, the Panel believes that the Complainant should be permitted to do so".

In the light of the above and having found the present dispute not to be appropriately resolved under the Policy, the Panel concludes that relief shall be denied and the Complaint dismissed, without prejudice.

FOR ALL THE REASONS STATED ABOVE, THE COMPLAINT IS

Rejected

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

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

PANELLISTS

Name	**Avv. Ivett Paulovics, Douglas M. Isenberg, Dr. Vít Horáček**

DATE OF PANEL DECISION 2022-03-03

Publish the Decision