Decision for dispute CAC-UDRP-107123

Case number	CAC-UDRP-107123
Time of filing	2024-12-02 16:01:13
Domain names	scout-ev.com

Case administrator

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

Complainant

Organization	Scout Motors Inc.

Complainant representative

Organization	HK2 Rechtsanwälte

Respondent

Name	Brian Joseph Erne

OTHER LEGAL PROCEEDINGS

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

IDENTIFICATION OF RIGHTS

For the Complainant

(1) The Complainant Enjoys Registered Trademark Rights

The Complainant has acquired and enjoys registered trademark rights with respect to its trademark "SCOUT" in the United States since 1972.

Register.	Type	No.	Date	Classes	Countries
USPTO	Word (“SCOUT”)	0931296	28/03/1972	28	US
USPTO	Word (“SCOUT”)	4032357	27/09/2011	12	US

USPTO	Word (“SCOUT”)	2814919	17/02/2004	06, 07, 09, 11, 12, 16, 17	US
USPTO	Word (“SCOUT”)	97516183	22/07/2022	12	US
IR	Word (“SCOUT”)	1680030	27/07/2022	12	AU-BR-CA-CH-CN-EM-GB-IN-JP-MX-NO
USPTO	Word (“SCOUT”)	98088279	22/07/2022	41	US
USPTO	Word (“SCOUT”)	98088236	17/07/2022	6	US
USPTO	Word (“SCOUT”)	98088255	17/07/2023	27	US
USPTO	Word (“SCOUT”)	98088267	17/07/2023	28	US
USPTO	Stylized (“SCOUT”)	97518136	25/07/2022	12	US
USPTO	Stylized (“SCOUT”)	98380517	29/01/2024	16	US
USPTO	Stylized (“SCOUT”)	98380527	29/01/2024	21	US

For the Respondent

No evidence is submitted to this Panel about whether the Respondent has trademark rights.

FACTUAL BACKGROUND

For the Complainant

The Complainant is an American automotive company. It is a German manufacturer, a Volkswagen Group subsidiary, which obtained the Scout brand after acquiring American truck manufacturer Navistar International in 2021.

For the Respondent

The Respondent registered the Disputed Domain Name on 19 August 2024.

PARTIES CONTENTIONS

The Complainant

The Complainant asserts that the Disputed Domain Name, which incorporates the Complainant's mark in its entirety and followed by the term "ev," separated by a hyphen, is causing confusion among internet users.

The Complainant also alleges that the Complainant has made out an initial prima facie case that the Respondent lacks rights or

legitimate interests, and the Respondent did not discharge the burden of proof to establish that the Respondent has rights or legitimate interests in respect of the Disputed Domain Name.

The Complainant further contends that the disputed domain name was registered in bad faith and is being used in bad faith under paragraph 4(b)(iv). Moreover, the Complainant contends that a former employee of Volkswagen Group of America, Inc., an affiliate of the Complainant, registered the Disputed Domain Name. As such, the Respondent knew and should have known about the Complainant's trademark.

The Respondent

The Respondent did not submit a Response concerning the Complaint within the required period.

RIGHTS

The Complainant has, to the satisfaction of the Panel, shown 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 Complainant has, to the satisfaction of the Panel, shown the Respondent to have no 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 Complainant has, to the satisfaction of the Panel, shown 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 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

Paragraph 4(a) of the Policy directs that the Complainant must prove **each of** the following:

1) that the domain name registered by the Respondent is identical or confusingly similar to a trademark or service mark in which the Complainant has rights; and

2) that the Respondent has no rights or legitimate interests in respect of the domain name; and

3) that the domain name has been registered and is being used in bad faith.

A) Identical or Confusingly Similar

The Panel finds that the Complainant enjoys registered trademark rights concerning the name "SCOUT" and that the Complainant's trademark is well-known and has a strong business presence in the United States.

Noting that the Complainant's trademark is a common and generic term, which means that "a person, especially a soldier, sent out to get information about where the enemy are and what they are doing" according to Cambridge Dictionary, the Panel is tempted to decide on the strength of the trademark rights of the Complainant. However, the first element of UDRP only requires the Panel to determine whether the Complainant has or does not have rights regarding the Disputed Domain Name. The WIPO Jurisprudential Overview 3.0 suggests that issues such as the strength of the Complainant's mark or the Respondent's intent to provide its legitimate offering of goods or services without trading off the Complainant's reputation, are decided under the second and third elements.

Evidence submitted before this Panel convincingly demonstrates that the Complainant has registered trademark rights. The Panel is then required to compare the Disputed Domain Name and the Complainant's trademark side-by-side.

Although the Complainant's trademark carries generic literal meaning, the Complainant's trademark is easily recognisable in the Disputed Domain Name. The Panel accepts the Complainant's contention that "ev" is the short form of "Electronic Vehicle". The Disputed Domain Name "scout-ev.com" comprises the Complainant's trademark in its entirety and a descriptive short form "ev", which is visually and phonetically similar to the Complainant's trademark and causes confusion to the public and internet users when they encounter the Disputed Domain Name.

Therefore, the Panel finds that the Disputed Domain Name is confusingly similar to the Complainant's trademark, of which the Complainant has rights.

B) Rights or Legitimate Interests of the Respondent

While a complainant bears the overall burden of proof in UDRP proceedings, various UDRP panels have recognized that if a complainant makes out a prima facie case that the respondent lacks rights or legitimate interests in the domain name, then the burden of proof of this element shifts to the respondent to produce relevant evidence demonstrating rights or legitimate interests in the domain name.

If the trademark is a dictionary or generic term, it is common that there could be more than one legitimate trademark rights owner in different classifications or jurisdictions in respect of the same trademark name. In the present case, the Respondent fails to provide the Panel with any contentions and evidence to support it has rights or legitimate interests in respect of the Disputed Domain Name.

Having considered the totality of the evidence in the present case, the Panel accepts that the Complainant has made out a prima facie case that the Respondent lacks rights or legitimate interests in respect of the Disputed Domain Name. On the other hand, the Respondent has provided no evidence that it has rights or legitimate interests in the Disputed Domain Name.

C) Bad Faith

Paragraph 4(a) of the Policy requires the complainant to prove both registration and use in bad faith. Nonetheless, Paragraph 4(b) of the Policy sets out particular scenarios, which shall be evidence of the registration and use of a domain name in bad faith. They are:

(i) circumstances indicating that the respondent has registered or the respondent has acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of the respondent’s documented out of pocket costs directly related to the domain name; or

(ii) the respondent has registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that the respondent has engaged in a pattern of such conduct; or

(iii) the Respondent has registered the domain name primarily for the purpose of disrupting the business of a competitor; or

(iv) by using the domain name, the Respondent has intentionally attempted to attract, for commercial gain, Internet users to the Respondent’s website or other on-line location, 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.

Given that the Complainant's trademark is a dictionary and generic term, it is important to first identify the strength of the Complainant's trademark rights and whether the Respondent's registration and use of the Disputed Domain Name are targeting the Complainant and its trademark.

Firstly, the Panel would like to examine whether the Complainant's trademark is distinctive or can identify and distinguish the relevant goods or services. Evidence submitted with the Complaint shows that the Complainant has used its trademark "SCOUT" extensively over a long period, giving the Complainant's trademark a secondary meaning that people will associate the trademark "SCOUT" with the Complainant's product and services.

Secondly, the Panel will examine whether the Respondent knew of the Complaint's trademark and goodwill. The Complainant reveals that in March 2023, Scout Motors announced plans to build a $2 billion factory capable of producing 200,000 EVs yearly in Blythewood, South Carolina. The factory will employ up to 4,000 people and manufacture the Scout Motor's first two vehicles: a small off-road focused SUV and a pickup truck scheduled to be launched in late 2026. Moreover, the Respondent is a former employee of the Volkswagen Group of America, Inc., an affiliate of the Complainant from 2013 to 2020. On this basis, the Panel believes that the Complainant must be aware of the Complainant's trademark.

Thirdly, the fact that the Respondent's inclusion of "-ev" (widely referred to as "Electric Vehicle") into the second level of the Disputed Domain Name confirms the Respondent's domain name registration is targeting the Complainant's trademark "SCOUT" that is famous in the automotive industry. Therefore, the Panel believes it's not a coincidence that the Respondent registered the Disputed Domain Name, which led the Panel to find that the Respondent registered it in bad faith.

Having found that the Disputed Domain Name is identical or confusingly similar to the Complainant's trademark and that the Respondent has no rights, internet users who encounter the Disputed Domain Name will easily be misled or wrongly associate the Disputed Domain Name with the Complainant's products or services.

The Panel is also satisfied with the evidence produced by the Complainant that the Disputed Domain Name resolves to a parking site containing keywords that lead to sponsored links and that the Respondent generates revenues by pay-per-click-advertising on the website and, therefore, uses the disputed domain name to exploit Complainant's trademarks and is acting for commercial gain. Therefore, the Panel finds the Respondent constitutes bad faith under Paragraph 4(a)(iv).

Based on the above, the Panel finds that the Complainant has made out its claim that the Disputed Domain Name was registered and is being used in bad faith under Paragraph 4(a) of the Policy.

2. Decision

For all of the foregoing reasons, this Panel’s decision is that the Disputed Domain Name is confusingly similar to the marks in which the Complainant has rights, that the Respondent has no rights or legitimate interests in respect of the Disputed Domain Name, and that the Disputed Domain Name has been registered and is being used in bad faith. Accordingly, pursuant to Paragraph 4(i) of the Policy, the Panel orders that the registration of the Disputed Domain Name <scout-ev.com> be transferred to the Complainant.

FOR ALL THE REASONS STATED ABOVE, THE COMPLAINT IS

Accepted

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

1. **scout-ev.com**: Transferred

PANELLISTS

Name	**Dennis Weiping CAI**

DATE OF PANEL DECISION 2025-01-23

Publish the Decision