

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

901691 Alberta Ltd. v. Sarah Noked Case No. D2022-1548

1. The Parties

The Complainant is 901691 Alberta Ltd., Canada, represented by Law Office of Autumn Witt Boyd, PLLC, United States of America ("United States").

The Respondent is Sarah Noked, Canada.

2. The Domain Name and Registrar

The disputed domain name <obmcertification.com> is registered with GoDaddy.com, LLC (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on April 29, 2022. On April 29, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On May 2, 2022, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the disputed domain name which differed from the named Respondent and contact information in the Complaint. The Center sent an email communication to the Complainant on May 3, 2022, providing the registrant and contact information disclosed by the Registrar, and inviting the Complainant to submit an amendment to the Complaint. The Respondent's informal communications were received on May 8 and 9, 2022. On May 9, 2022 the Center wrote to the Parties regarding possible settlement options. The Complainant filed an amended Complaint on August 4, 2022.

The Center verified that the Complaint together with the amended Complaint satisfied the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the "Policy" or "UDRP"), the Rules for Uniform Domain Name Dispute Resolution Policy (the "Rules"), and the WIPO Supplemental Rules for Uniform Domain Name Dispute Resolution Policy (the "Supplemental Rules").

In accordance with the Rules, paragraphs 2 and 4, the Center formally notified the Respondent of the Complaint, and the proceedings commenced on August 5, 2022. In accordance with the Rules, paragraph 5, the due date for Response was August 25, 2022. On August 24, 2022, the Respondent requested that the Response due date be extended for 30 days. On August 30, 2022, the Complainant indicated that it did not object to the Respondent's 30 days extension request. On August 30, 2022, the Center in accordance with paragraph 5(e) of the Rules grants the extension of time until September 24, 2022. The Respondent did not

submit any Response. The Center notified the Commencement of Panel Appointment Process to the Parties on September 27, 2022.

The Center appointed Christopher J. Pibus as the sole panelist in this matter on October 4, 2022. The Panel finds that it was properly constituted. The Panel has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the Center to ensure compliance with the Rules, paragraph 7. On October 10 2022 the Panel issued Procedural Order No. 1, inviting the parties to make further submissions about the circumstances of the original registration of the disputed domain name. On October 19, 2022 the Complainant filed its response. The respondent did not reply.

4. Factual Background

The Complainant carries on business principally in Canada and the United States in the field of training online business managers and virtual assistants. It also offers programs to those who wish to train others for certification in this field. In connection with its services, the Complainant has used the trademark CERTIFIED OBM continuously in the United States since 2009, and in Canada since 2010. The Complainant holds certification marks for CERTIFIED OBM in those countries; United States Trademark registration No. 5329060, registered on November 7, 2011 and Canadian Trademark registration, No. TMA1074844, registered on March 11, 2020.

The Respondent is a Canadian resident who has been employed as an online business manager and trainer in that field since prior to 2017. She attended a program offered by the Complainant in September 2017 and thereby qualified to act as a Certified Online Business Manager Trainer. On September 25, 2017, the Respondent entered into a formal OBM Trainer Agreement with the Complainant which included a licence to use the OBM trademarks in connection with the training of candidates for certification. On November 9, 2017, the Respondent registered the disputed domain name.

In early 2021, issues arose between the parties with respect to the quality of the Respondent's certification services. On February 23, 2021, the OBM Trainer Agreement was terminated as a result of the Respondent's resignation. Settlement discussions ensued but no resolution was ever reached. On May 5, 2021 and August 31, 2021, the Complainant's counsel sent notice to the Respondent listing a number of post-termination obligations, including the cessation of use of the OBM trademarks and the disputed domain name.

On November 4, 2021, the Respondent renewed the disputed domain name. Thereafter, the Respondent used the disputed domain name to direct Internet users to her website at "www.obmschool.com". The Respondent has continued to offer training services along with what she calls OBM School Certification for online business managers.

5. Parties' Contentions

A. Complainant

The Complainant relies on its registered certification marks in Canada and the United States for CERTIFIED OBM, which have been used for more than ten years, and which have been registered in those countries since 2020 and 2017 respectively. The Complainant submits that the disputed domain name is confusingly similar to the registered trademarks because it contains the same acronym OBM and the highly similar word "certification". Small changes such as transposition of the elements and the use of a different suffix do not reduce the overall degree of resemblance. Accordingly the Complainant submits that it satisfies the requirements under paragraph 4(a)(i) of the Policy.

With respect to the absence of rights or legitimate interests in the disputed domain name, the Complainant relies principally on the fact that the Respondent is bound by the terms of the OBM Trainer Agreement,

which includes terms controlling the use of the OBM trademark. In particular, the Complainant argues that any licensed rights to the marks which had been held by the Respondent were extinguished as of February 23, 2021 when the contractual relationship between the parties was terminated. Over the course of 2021, the Complainant's counsel repeatedly warned the Respondent of her obligation to cease all use of the OBM intellectual property including the disputed domain name. As a result the Complainant was fully aware that she had no right to seek the renewal of the disputed domain name. Nevertheless, the Respondent wrongfully proceeded to renew the disputed domain name for a further term on November 9, 2021, and to use the disputed domain name to redirect traffic to her competitive business and its associated website at "www.obmschool.com".

With respect to bad faith, the Complainant submits that the Respondent's conduct falls within the provisions of paragraph 4(b)(iii) any (iv) of the Policy in that the Respondent has (1) intentionally disrupted the Complainant's business, and (2) has intentionally attracted potential Internet users to her website for commercial gain, through the use of a confusingly similar domain name. Bad faith is said to be established as of the renewal date of the disputed domain name because the Respondent was then clearly aware of the termination of the OBM Trainer Agreement, the revocation of the license to use the OBM trademarks and the restrictions against carrying on a competitive certification business. The Complainant argues that the Respondent "knowingly renewed registration of the Domain Name to capitalize on consumer recognition" of the OBM trademark, and that there is "no plausible circumstance under which Respondent could legitimately renew or use the Domain Name." Based on these facts, the Complainant urges the Panel to conclude that bad faith has been established.

As noted above, the Complainant made further submissions in response to Panel Procedural Order No. 1 and the request for information about the circumstances of the original registration of the disputed domain name on November 3, 2017 and whether it was done in bad faith. The Complainant pointed out that the original registration was made "during the term of the Respondent's licence to use certain intellectual property, including trademarks, from the Complainant." The submission then continues: "Complainant does not believe Respondent's original registration was done in bad faith."

B. Respondent

The Respondent did not reply to the Complainant's contentions. However, the Respondent did file a response to Panel Procedural Order No.1, relying on the Complainant's admission that the original registration was not done in bad faith. The Respondent submits that in determining bad faith under the Policy the relevant point of enquiry occurs at registration, not renewal. On this basis, the Complaint should be dismissed.

6. Discussion and Findings

According to paragraph 4(a) of the Policy, in order to succeed, the Complainant must establish each of the following elements:

- (i) The disputed domain name is identical or confusingly similar to the trademark or service mark in which the Complainant has rights;
- (ii) The Respondent has no rights or legitimate interest in respect of the disputed domain name; and
- (iii) The disputed domain name has been registered and is being used in bad faith.

A. Identical or Confusingly Similar

The Panel finds that the Complainant does have registered trademark rights in the trademark CERTIFIED OBM, as demonstrated by the two-certification marks identified in the evidence which subsist on the trademark registers in Canada and the United States.

The test for confusing similarity is described as a "reasoned but relatively straightforward comparison between the complainant's trademark and the disputed domain name" in WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 1.7.

The Panel finds that the disputed domain name is confusingly similar to the Complainant's registered trademark. The disputed domain name is closely modelled on the two elements of the trademark in question; it includes the dominant feature of the OBM trademark, combined with an additional term "certification" which is clearly similar to the word "certified" in the Complainant's OBM CERTIFIED mark. This small variation and the transposition of the elements do not prevent a finding of confusing similarity under the first element. The Complainant's trademark OBM is recognizable within the disputed domain name. WIPO Overview 3.0, section 1.8.

Accordingly, the Panel finds that the Complainant has satisfied the requirement under paragraph 4(a)(i) of the Policy.

B. Rights or Legitimate Interests

Useful commentary relating to the burden of proof for rights or legitimate interests can be found at <u>WIPO</u> Overview 3.0, section 2.1:

"While the overall burden of proof in UDRP proceedings is on the complainant, panels have recognized that proving a respondent lacks rights or legitimate interests in a domain name may result in the often impossible task of 'proving a negative', requiring information that is often primarily within the knowledge or control of the respondent. As such, where a complainant makes out a *prima facie* case that the respondent lacks rights or legitimate interests, the burden of production on this element shifts to the respondent to come forward with relevant evidence demonstrating rights or legitimate interests in the domain name. If the respondent fails to come forward with such relevant evidence, the complainant is deemed to have satisfied the second element."

Based on the evidence filed in this proceeding, the Panel finds that the Complainant has made out a *prima facie* case with respect to lack of rights and legitimate interests on the part of the Respondent.

The Complainant has owned relevant rights in the registered mark since at least as early as 2009. The Respondent was fully aware of those rights at all material times, as she used the OBM mark in her capacity as the Complainant's licensee from 2017 to 2021, pursuant to a formal OBM Trainer Agreement. The Complaint and related exhibits include evidence that those licensed rights to use the mark came to an end upon the termination of the parties' contractual relationship in February 2021.

Once the Complainant has established a *prima facie* case, the burden then shifts to the Respondent to bring forward evidence of rights and legitimate interests. The Respondent has not filed any submissions relating to this issue. In the absence of any such response, the Panel is prepared to find, for the purposes of this proceeding, that the Respondent's putative rights or legitimate interests were extinguished upon the termination of the license, and that the continuing use thereafter by the Respondent of a confusingly similar domain name was not legitimate.

The Complainant is deemed to have satisfied the requirements under paragraph 4(a)(ii) of the Policy.

C. Registered and Used in Bad Faith

Domain name cases involving a respondent who was previously licensed to use the trademark in question often present difficult issues in terms of bad faith. The reason for this is not far to seek, as the Policy and a long line of cases have made it clear that a conjunctive reading of the bad faith element is required: a complainant must prove not only that the disputed domain was used in bad faith but also that it was originally registered in bad faith as well. (See *Extreme Networks Limited, Extreme Drinks Limited v. Ex Drinks, LLC,* WIPO Case No. <u>D2013-0197</u>).

In licensing situations, it is not uncommon for business relationships to unravel and for unauthorized use of a mark to continue, but as a number of cases have shown, subsequent unauthorized use does not mean the initial registration of the disputed domain name was necessarily done in bad faith. The Complainant in this matter faces significant challenges arising from exactly this type of scenario.

As noted previously, the Complainant and the Respondent entered into an agreement, which included licensing provisions in 2017, which continued for more than three years and then ended abruptly in early 2021. Contentious issues could not be resolved and the Respondent began carrying on a competitive business while continuing to use the disputed domain name. Although the agreement did not specifically address domain names, it did contain post-termination provisions that appear to prohibit the use of the Complainant's intellectual property (which arguably includes domain names of a confusingly similar nature). There is therefore some basis for the Panel to conclude the Respondent has engaged in bad faith use of the disputed domain name in the period after February 2021. (See *Specs Surface Nano Analysis* GmbH v. *Richmer Kose*, WIPO Case No. D2020-1173).

The Complainant's submissions are more problematic when the issue of bad faith registration is considered. The arguments are entirely framed around the notion that the relevant date for evaluating the Respondent's conduct is the date of the renewal of the disputed domain name in November 2021. This is the position advanced in the Complaint itself, and then elaborated in the supplemental Response to Panel Procedural Order No. 1. The Complainant candidly admits that the original registration was made in the context of the intellectual property license and the Complainant therefore "does not believe that the original registration was done in bad faith."

The same situation in various forms has arisen in prior UDRP decisions. The Panel notes three decisions of relevance: Weatherall Green and Smith v. Everymedia.com, WIPO Case No. D2000-1528 (cited by the Respondent); PatisFrance S.A. v. Paris Gourmet of New York, WIPO Case No. D2006-0074; and Century 21 Real Estate LLC v. Lukalvanovic, Fresh Realestate, WIPO Case No. D2020-0008. In all three cases, there was no evidence probative of bad faith at the time of the original domain name registration. In the Weatherall decision, there was no proof of bad faith registration in spite of a bad faith renewal: "a registration of a domain name that at inception did not breach Rule 4(a) (iii) but is found later to be used in bad faith does not fall foul of Rule 4(a)(iii)". In the PatisFrance decision, licence agreements were in place between the parties and as a result the Complainant "did not contend" that the registrations were made in bad faith. In the Century 21 decision a franchise agreement governed the relationship and "the disputed domain name was registered while the franchise agreement was in force and in that context" and it was therefore "very unlikely to have been registered in bad faith".

Finally the Panel draws attention to the consensus view set out in <u>WIPO Overview 3.0</u>, section 3.9, which confirms that "panels have found that mere renewal of a domain name registration by the same registrant is insufficient to support a finding of registration in bad faith."

In all the circumstances, based on the available record and in particular the Complainant's admission that it does not believe the registration was made in bad faith, the Panel finds that the Complainant has failed to satisfy the requirements of paragraph 4(b) of the Policy.

7. Decision

For the foregoing reasons, the Complaint is denied.

/Christopher Pibus/ Christopher Pibus Sole Panelist

Date: November 2, 2022