

ARBITRATION AND MEDIATION CENTER

# ADMINISTRATIVE PANEL DECISION

International Business Machines Corporation, Red Hat, Inc. v. Registration Private, Domains By Proxy, LLC / Terry McGlynn, sales cloud strategy Case No. D2023-1485

#### 1. The Parties

The Complainants are International Business Machines Corporation, United States of America ("United States" or "US"), and Red Hat, Inc., United States, internally represented.

The Respondent is Registration Private, Domains By Proxy, LLC, United States / Terry McGlynn, sales cloud strategy, United States, self-represented.

## 2. The Domain Names and Registrars

The disputed domain name <ibmcloud.ai> is registered with 1API GmbH; and the disputed domain names <azureibm.com>, <bingibmai.com>, <bingibm.com>, <cloudibmdata.com>, <cloudibmdigital.com>, <cloudibm.info>, <crmibm.com>, <googleibmai.com>, <googleibmar.com>, <googleibmchip.com>, <googleibm.cloud>, <googleibmcloud.com>, <googleibmcloud.info>, <googleibmcloud.mobi>, <googleibmcloud.online>, <googleibmcloud.website>, <googleibm.com>, <googleibmcybersecurity.com>, <googleibmdata.com>, <googleibm.info>, <googleibmprofile.com>, <googleibmsoftware.cloud>, <googleibmsoftware.com>, <googleibmsoftware.website>, <googleibmstrategy.com>, <googleibmweb.com>, <googleibmwebsite.com>, <googleibm5g.com>, <googleredhat.com>, <ibmaichat.com>, <ibmai.cloud>, <ibmaicloud.com>, <ibmaicybersecurity.com>, <ibmaidata.com>, <ibmaiecosystem.com>, <ibmaifirewall.com>, <ibmaionline.com>, <ibmaiplatform.com>, <ibmaiserver.com>, <ibmaisoftware.com>, <ibmaistrategy.com>, <ibmaisynaptic.com>, <ibmaisystem.com>, <ibmapplication.com>, <ibmazure.com>, <ibmbrand.cloud>, <ibmbrand.info>, <ibmbrand.online>, <ibmbroadband.com>, <ibmb2b.com>, <ibmcareercertificates.com>, <ibmcertificate.com>, <ibmchat.com>, <ibmchatter.com>, <ibmchip.com>, <ibmchips.com>, <ibmcloudai.com>, <ibmcloudapps.com>, <ibmclouddata.com>, <ibmcloudexpert.com>, <ibmcloudfirewall.com>, <ibmcloud.online>, <ibmcloudplatforms.com>, <ibmcloudserver.com>, <ibmcloud.site>, <ibmcloudsoftware.com>, <ibmcloudstrategy.com>, <ibmcloudtrainer.com>, <ibmcloudweb.com>, <ibmcognitivesoftware.com>, <ibmcommunication.com>, <ibmcomputing.com>, <ibmcomputing.info>, <ibmconnectivity.com>, <ibmcreativity.com>, <ibmcreators.com>, <ibmcrm.com>, <ibmcybersafety.com>, <ibmcybersecurity.com>, <ibmcyberspace.com>, <ibmcyberspace.info>, <ibmcyberstudy.com>, <ibmdatabase.com>, <ibmdatacenter.com>, <ibmdatacloud.com>, <ibmdata.info>, <ibmdataprotection.com>, <ibmdatasoftware.com>, <ibmdatastorage.com>, <ibmdatawarehouse.com>, <ibmdatawebsite.com>, <ibmdecisions.com>, <ibmdigitalcloud.com>, <ibmdigitalize.com>, <ibmdigitize.com>, <ibmdi <ibmhybridcloud.com>, <ibmhybridoffice.com>, <ibmhybridplatform.com>, <ibmhybridsoftware.com>,

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<redhataistrategy.com>, <redhataiteam.com>, <redhatteam.website>, <yahooibmai.com>, and
<yahooibm.com> are registered with GoDaddy.com, LLC (collectively the "Registrars").

#### 3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on April 4, 2023. On April 5, 2023, the Center transmitted by email to the Registrars a request for registrar verification in connection with the disputed domain names. On April 6 and April 7, 2023, the Registrars transmitted by email to the Center the verification responses disclosing registrant and contact information for the disputed domain names which differed from the named Respondent and contact information in the Complaint. The Center sent an email communication to the Complainants on April 17, 2023, providing the registrant and contact information disclosed by the Registrars, and inviting the Complainants to submit an amendment to the Complaint. The Complainants filed an amendment to the Complaint on April 21, 2023.

The Center verified that the Complaint together with the amendment to the 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 Respondents of the Complaint, and the proceedings commenced on April 28, 2023. In accordance with the Rules, paragraph 5, the due date for Response was May 18, 2023. The Response was filed with the Center on May 18, 2023.

The Center appointed Kathryn Lee as the sole panelist in this matter on June 9, 2023. 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.

### 4. Factual Background

The Complainant International Business Machines Corporation, or IBM, is a United States technology company specializing in the design and manufacture of computer hardware, middleware, and software, as well as hosting and consulting services. Incorporated in 1911, it officially began using the IBM trademark in 1924. In 2022, IBM was ranked the 18th most valuable global brand by BrandZ, the 18th best global brand by Interbrand, the 49th largest company on the Fortune U.S. 500 list, and the 168th largest company on the Fortune Global 500 list. The IBM trademark was valued by BrandZ as worth over USD 96 billion in 2022 and over USD 91 billion in 2021. IBM has trademark registrations for IBM in a number of jurisdictions worldwide including US Reg. No. 640,606 registered on January 29, 1957 and US Reg. No. 1,694,814 registered on June 16, 1992.

<sup>&</sup>lt;sup>1</sup> The Complainants removed 69 domain names from the Complaint upon receipt of the Center email regarding multiple underlying registrants.

The Complainant Red Hat, Inc., a provider of open source internet infrastructure solutions, was acquired by IBM in 2019. It has used the RED HAT mark since 1994 in connection with computer software, and owns trademark registrations to the mark in about 57 jurisdictions around the world including US Reg. No. 2142662 registered on March 10, 1998 and US Registration No. 2561410 registered on April 16, 2002.

The disputed domain name <ibmcloud.ai> was registered on October 15, 2022, by Registration Private, Domains By Proxy, LLC, United States.

The other disputed domain names at issue in the subject Complaint were registered between June 22, 2022 and March 5, 2023 by the Respondent Terry McGlynn who appears to be an individual with an address in the United States.

## 5. Parties' Contentions

#### A. Complainants

First, the Complainants contend that Terry McGlynn actually controls disputed domain name <ibmcloud.ai>, in addition to the 154 other disputed domain names registered in his name. The Complainants point out that Terry McGlynn offered to sell <ibmcloud.ai> to IBM, and that <ibmcloud.ai> was listed as a domain name for sale on Terry McGlynn's website at <ibmcloud.ai> has the same naming pattern as the domain names registered by Terry McGlynn.

Next, the Complainants contend that the disputed domain names are confusingly similar to the IBM and RED HAT trademarks in which the Complainants have rights. Specifically, the Complainants note that each of the disputed domain names contains either the IBM or RED HAT mark along with one or more additional terms which are either a well-known brand name (*i.e.* bing, google, etc.), a descriptive term (*i.e.*, hr, strategy, team, etc.), or a technology term (*i.e.*, ai, cloud, gpt, etc.). The Complainants argue that these are minor variations which do not obviate confusing similarity between the disputed domain names and the IBM and RED HAT trademarks.

The Complainants also contend that the Respondents have no rights or legitimate interests in the disputed domain names and confirm that they have not authorized or licensed rights to the Respondents in any respect. The Complainants also state that there was no legitimate noncommercial or fair use, nor use with a bona fide offering of goods and services.

Finally, the Complainants contend that the disputed domain names were registered and used in bad faith. The Complainants contend that the IBM and RED HAT trademarks are famous worldwide with a long history of use and strong online presence, and the Respondents would surely have been aware of the Complainants and their trademarks at the time of registration. The Complainants also contend that the Respondent Terry McGlynn has pointed several of the disputed domain names to pages with pay-per-click links which creates a likelihood of confusion as to the relationship between the Complainants and the Respondent. The Complainants further contend that some of the disputed domain names were pointed to <ibmplatforms.com> where Terry McGlynn markets consulting services in the exact area of business as IBM under the corporate name "IBMCRM.com Sales Force" which shows intent to generate illegitimate commercial gain by capitalizing on the goodwill associated with the IBM mark. And as for the disputed domain names which do not show use (i.e. <biquibm.com>, <cloudibm.info>, <googleibm.cloud>, <googleibm.com>, <googleibmai.com>, <googleibmcloud.com>, <googleibmprofile.com>, <googleibmsoftware.cloud>, <googleibmsoftware.com>, <googleibmsoftware.website>, <ibmchat.com>), the Complainants argue that under the doctrine of passive holding, non-use of a domain name does not prevent a finding of bad faith. The Complainants also point out that they sent several cease and desist letters to Terry McGlynn with no response and that the disputed domain names were registered through a privacy shield service, which are further evidence of the Respondent's bad faith.

#### **B.** Respondent

The Respondent Terry McGlynn asserts that he is a former IBM employee and that he registered the disputed domain names in order to sell them to IBM. In the Response, he states, "I placed IBM.com domains together to capture and enhance the Internet search and Protect the content within IBM CORP." He also admits that he contacted IBM three times with an offer for sale. He states, "I contacted IBM CORP. on three previous occasions, beginning 05/22. I proposed [an] amicable resolution, a fair exchange and purchase, and transfer of the entire IBM database. . . The new domain names offered, would improve sales success, performance, productivity. Most importantly, the domain names were provided to protect IBM CORP." Further, he states that he did not provide any services in competition with IBM and that he operated the website at <ibmplatforms.com> without receiving any compensation or revenue from it.

The Respondent Registration Private, Domains By Proxy, LLC did not submit any response.

#### 6. Discussion and Findings

### A. Consolidation of Multiple Respondents

According to WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 4.11.2, "where a complaint is filed against multiple respondents, panels look at whether (i) the domain names or corresponding websites are subject to common control, and (ii) the consolidation would be fair and equitable to all parties." Here, the subject Complaint concerns 155 domain names, one of which - <ibmcloud.ai> - is registered by Registration Private, Domains By Proxy, LLC, and the rest are registered by Terry McGlynn. However, the facts suggest that all 155 disputed domain names are controlled by Terry McGlynn.

For one, the disputed domain name <ibmcloud.ai> was included in the list of domain names offered to IBM for sale by Terry McGlynn. Also, <ibmcloud.ai> was offered for sale on the website at <ibmplatforms.org> - which is one of the disputed domain names registered by Terry McGlynn. Not only that, the disputed domain name <ibmcloud.ai> has the same naming pattern as many of the disputed domain names registered by Terry McGlynn since it consists of the mark IBM in combination with "cloud" and the country code Top-Leval Domain ("ccTLD") ".ai" which are two terms commonly used by Terry McGlynn in the disputed domain names..

Given these circumstances, the Panel is of the opinion that all 155 disputed domain names at issue in the subject Complaint are subject to common control of Terry McGlynn and that it would be fair and equitable, and also administrative efficient, to consolidate the Complaint for all the disputed domain names.

## **B.** Identical or Confusingly Similar

The Complainants have demonstrated with supporting evidence that it has rights to the trademarks IBM and RED HAT. As for the disputed domain names, they each contain the IBM or RED HAT trademarks in full, along with one or two terms. According to WIPO Overview 3.0, section 1.7, a domain name is considered confusingly similar to a trademark if it "incorporates the entirety of a trademark, or where at least a dominant feature of the relevant mark is recognizable in the domain name". In this regard, the Complainants' trademarks IBM and RED HAT are each readily recognizable within the disputed domain names, and therefore, the disputed domain names are confusingly similar to the Complainants' trademarks. The additional terms do not prevent a finding of confusing similarity (see WIPO Overview 3.0, section 1.8).

For the reasons mentioned above, the Panel finds that the first element has been established.

### C. Rights or Legitimate Interests

The Respondents did not submit evidence of use or demonstrable preparations to use the disputed domain

names in connection with a *bona fide* offering of goods or services, nor evidence that they are commonly known by the disputed domain names, nor evidence of a legitimate noncommercial or fair use.

Some of the disputed domain names forward to websites displaying pay-per-click links that redirect to technology and business services related to the Complainants' business. Panels have found that the use of a domain name to host a parked page comprising pay-per-click links does not represent a *bona fide* offering where such links compete with or capitalize on the reputation and goodwill of the complainant's mark or other mislead Internet user (see <u>WIPO Overview 3.0</u>, section 2.9).

Further, a respondent's use of a domain name is not considered "fair" if it falsely suggests affiliation with the trademark owner. Additionally, a domain name consisting of a trademark plus an additional term(s) cannot constitute fair use if it falsely suggests sponsorship or endorsement by the trademark owner (see WIPO Overview 3.0, section 2.5.1). Here, the dominant element of the disputed domain names corresponds exactly to the Complainants' trademarks, and the additional terms (*i.e.*, 5g, ai, ar, application, apps, azure, b2b, bing, brand, broadband, career, center, certificate, certificates, chat, chatter, chip, chips, cloud, cognitive, communication, computing, connectivity, creativity, creators, crm, cyber, data, database, decision, digital, digitalize, digitize, ecosystem, expert, firewall, google, hybrid, internet, international, innovate, innovative, innovations, innovator, ios, isp, leadership, learning, machine, marketing, markets, meet, meeting, mobi, office, online, physics, planning, platforms, profile, proposition, protocol, protection, relationship, quantum, sales, science, security, server, service, software, space, storage, strategy, study, synaptic, system, team, technology, trainer, trust, value, vip, warehouse, web, website, wireless, workbook, workforce, works, and yahoo) each either has an inherent Internet connotation and/or is directly related to the business areas of the Complainants and therefore suggest sponsorship or endorsement by the Complainants. Accordingly, the disputed domain names carry a risk of implied affiliation.

Likewise, the Respondent Terry McGlynn used the disputed domain name <ibmplatforms.com> (to which a majority of the remaining disputed domain names redirect to) as a website for his consultancy service, but the use was certainly not "a legitimate noncommercial or fair" given the use of the famous IBM mark in the disputed domain name and the name of his consulting business (*i.e.* "IBMCRM.com Sales Force"), which strongly suggests sponsorship or endorsement by IBM and carries a risk of implied affiliation

For the reasons provided above, the Panel finds that the Respondent has no rights or legitimate interests in the disputed domain names, and that the second element has been established.

## D. Registered and Used in Bad Faith

The Panel finds that there is sufficient evidence to find bad faith in this case pursuant to paragraph 4(b).

First, the Respondent Terry McGlynn claims to have been an employee at IBM, so he was clearly well aware of the Complainants and their trademarks. Even if he were not formerly affiliated with IBM, the Respondent would likely have been aware of the Complainants and their marks given the high levels of fame associated with them.

Next, the Respondent Terry McGlynn's response strongly suggests that he registered the disputed domain names specifically with the intent to offer them for sale to the Complainants. Under Policy paragraph 4(b)(i), registering a domain name primarily for the purpose of sale to the trademark owner for valuable consideration in excess of the respondent's out-of-pocket costs directly related to the domain name constitutes bad faith. Based on the record, Terry McGlynn has not made an offer of a specific amount, but the Panel presumes that it would likely be in excess of the Respondent's out-of-pocket costs directly related to the disputed names given the considerable efforts expended by the Respondent in acquiring the 155 disputed domain names, not to mention creating the website at "www.ibmplatforms.com" and sending multiple letters to IBM. Therefore, the Panel is of the opinion that on the balance of probabilities, sale to the Complainants for significant profits was very likely the motivation for registering the disputed domain names, which constitutes bad faith.

In addition, the Respondent linked some of the disputed domain names (*i.e.* <bingibm.com>, <cloudibmdata.com>, <googleibmdata.com>, <ibmplatformstrategy.com>, and <yahooibm.com>) to pages displaying pay-per-click links to services that are similar to those of the Complainants. By doing so, the Respondent created a likelihood of confusion and likely benefited commercially from the confusion of Internet users that visited the site by mistake as per paragraph 4(b)(iv) of the Policy.

Furthermore, some of the disputed domain names does not display any content, but from the inception of the UDRP, UDRP panelists have found that the non-use of a domain name would not prevent a finding of bad faith under the doctrine of passive holding (see <u>WIPO Overview 3.0</u>, section 3.3). Considering the reputation of the Complainant's trademarks and the implausibility of any good faith use to which the disputed domain name may be put, the Panel finds that there was bad faith use with respect to such disputed domain names.

Not only that, the Panel finds that there is sufficient evidence of bad faith based on paragraph 4(b)(ii) of the Policy, which provides that bad faith registration and use is found where 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." In addition, a pattern of abuse can be found "where a respondent, on separate occasions, has registered trademark-abusive domain names, even where directed at the same brand owner" (see WIPO Overview 3.0, section 3.1.2). Here, Terry McGlynn has registered more than 150 domain names incorporating the Complainants' trademarks over the course of ten months, and the Panel finds that there is bad faith based on Policy paragraph 4(b)(ii).

For the reasons given above, the Panel finds that the third element has been established.

#### 7. Decision

For the foregoing reasons, in accordance with paragraphs 4(i) of the Policy and 15 of the Rules, the Panel orders that the disputed domain names, <ibmcloud.ai>, <azureibm.com>, <bingibmai.com>, <bingibm.com>, <cloudibmdata.com>, <cloudibmdigital.com>, <cloudibm.info>, <crmibm.com>, <googleibmai.com>, <googleibmar.com>, <googleibmchip.com>, <googleibm.cloud>, <googleibmcloud.com>, <googleibmcloud.info>, <googleibmcloud.mobi>, <googleibmcloud.online>, <googleibmcloud.website>, <googleibm.com>, <googleibmcybersecurity.com>, <googleibmdata.com>, <googleibm.info>, <googleibmprofile.com>, <googleibmsoftware.cloud>, <googleibmsoftware.com>, <googleibmsoftware.website>, <googleibmstrategy.com>, <googleibmweb.com>, <googleibmwebsite.com>, <googleibm5g.com>, <googleredhat.com>, <ibmaichat.com>, <ibmai.cloud>, <ibmaicloud.com>, <ibmaicybersecurity.com>, <ibmaidata.com>, <ibmaiecosystem.com>, <ibmaifirewall.com>, <ibmaionline.com>, <ibmaiplatform.com>, <ibmaiserver.com>, <ibmaisoftware.com>, <ibmaistrategy.com>, <ibmaisynaptic.com>, <ibmaisystem.com>, <ibmapplication.com>, <ibmazure.com>, <ibmbrand.cloud>, <ibmbrand.info>, <ibmbrand.online>, <ibmbroadband.com>, <ibmb2b.com>, <ibmcareercertificates.com>, <ibmcertificate.com>, <ibmchat.com>, <ibmchatter.com>, <ibmchip.com>, <ibmchips.com>, <ibmcloudai.com>, <ibmcloudapps.com>, <ibmclouddata.com>, <ibmcloudexpert.com>, <ibmcloudfirewall.com>, <ibmcloud.online>, <ibmcloudplatforms.com>, <ibmcloudserver.com>, <ibmcloud.site>, <ibmcloudsoftware.com>, <ibmcloudstrategy.com>, <ibmcloudtrainer.com>, <ibmcloudweb.com>, <ibmcognitivesoftware.com>, <ibmcommunication.com>, <ibmcomputing.com>, <ibmcomputing.info>, <ibmconnectivity.com>, <ibmcreativity.com>, <ibmcreators.com>, <ibmc <ibmcybersafety.com>, <ibmcybersecurity.com>, <ibmcyberspace.com>, <ibmcyberspace.info>, <ibmcyberstudy.com>, <ibmdatabase.com>, <ibmdatacenter.com>, <ibmdatacloud.com>, <ibmdata.info>, <ibmdataprotection.com>, <ibmdatasoftware.com>, <ibmdatastorage.com>, <ibmdatawarehouse.com>, <ibmdatawebsite.com>, <ibmdecisions.com>, <ibmdigitalcloud.com>, <ibmdigitalize.com>, <ibmdigitize.com>, <ibmfirewall.com>, <ibmhybridcloud.com>, <ibmhybridoffice.com>, <ibmhybridplatform.com>, <ibmhybridsoftware.com>, <ibminnovate.com>, <ibminnovations.com>, <ibminnovative.com>, <ibminnovator.com>, <ibminternational.com>, <ibm-internet.com>, <ibminternetmarketing.com>, <ibminternet.online>, <ibminternetservice.com>, <ibminternetservice.info>,

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/Kathryn Lee/
Kathryn Lee
Sole Panelist
Date: July 14, 2023