

ADMINISTRATIVE PANEL DECISION

Steinberg Media Technologies GmbH v. king mark
Case No. D2022-4831

1. The Parties

The Complainant is Steinberg Media Technologies GmbH, Germany, represented by Raffay & Fleck Patentanwälte, Germany.

The Respondent is king mark, United States of America

2. The Domain Name and Registrar

The disputed domain name <vstsale.com> is registered with NameCheap, Inc. (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on December 16, 2022. On December 16, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On December 16, 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 (Privacy service provided by Withheld for Privacy ehf) and contact information in the Complaint. The Center sent an email communication to the Complainant on December 16, 2022 providing the registrant and contact information disclosed by the Registrar, and inviting the Complainant to submit an amendment to the Complaint. The Complainant filed an amendment to the Complaint on December 22, 2022.

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”).

Prior to the case commencing, the Center received several informal communications (described below) from the Respondent by email on December 21, 2022. In accordance with the Rules, paragraphs 2 and 4, the Center formally notified the Respondent of the Complaint, and the proceedings commenced on January 3, 2023. In accordance with the Rules, paragraph 5, the due date for Response was January 23, 2023. The Respondent did not submit any response. On January 24, 2023, the Center informed the Parties that it would proceed to panel appointment.

The Center appointed Zoltán Takács as the sole panelist in this matter on January 30, 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 is a German company being renowned for among others developing the Virtual Studio Technology (VST for short), which is an audio plug-in software interface that allows integration of virtual effect processors and instruments into the digital audio environment.

Launched in 1996, VST creates a full, professional studio environment on Windows and Mac OS computers and is used widely for music production via the Complainant's audio programs such as Cubase and in addition via licensing for other parties' audio software such as Ableton Live, Adobe Premiere Pro, Sony Vegas, and Magix Music Maker.

The Complainant is owner of the trademark registrations for the VST word mark in various jurisdictions, such as the International Trademark Registration ("IR") No. 946646 registered on November 23, 2007 for computer programs on data carriers of class 9 and computer programming of class 42.

The disputed domain name was registered on October 3, 2020 and resolves to a website that purports to offer a variety of VST plug-ins and – according to the Complaint illegal, so-called "cracked" software.

5. Parties' Contentions

A. Complainant

The Complainant contends that the disputed domain name, which incorporates its VST trademark, is confusingly similar to it because addition of the term "sale" to the trademark does not distinguish the disputed domain name.

The Complainant alleges that the Respondent has no rights or legitimate interests in respect of the disputed domain name and is unable to rely on any of the circumstances set out in paragraphs 4(c)(i), (ii), or (iii) of the Policy.

The Complainant contends that the Respondent's unauthorized use of its trademark and offering of illegal copies of software (including its own) amounts to bad faith registration and use of the disputed domain name.

The Complainant requests that the disputed domain name be transferred from the Respondent to the Complainant.

B. Respondent

On December 21, 2022 the Respondent transmitted the following messages to the Center:

- "Hello we were threatening by the company to give them our domain name if we did not they will take it forcely here is the screenshot",
- "here is our website and we are not doing anything illegal", and
- "Hello we need more time on this please".

Apart from these messages the Respondent did not reply to the Complainant's contentions.

6. Discussion and Findings

Paragraph 15(a) of the Rules requires that the Panel's decision be made "on the basis of the statements and documents submitted and in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable".

A complainant must evidence each of the three elements required by paragraph 4(a) of the Policy in order to succeed on the complaint, namely that;

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

A. Identical or Confusingly Similar

Under paragraph 4(a)(i) of the Policy, there are two requirements which the Complainant must establish, first that it has rights in a trademark or service mark, and second that the disputed domain name is identical or confusingly similar to the trademark or service mark.

It has been a consensus view among UDRP panels that if the complainant owns a nationally or regionally registered trademark, then it generally satisfies the threshold requirement of having trademark rights.

The Complainant produced evidence of having registered rights in the VST trademark and for the purpose of this proceeding the Panel finds that the IR No. 946646 satisfies the requirement of having trademark rights for the purpose of the Policy.

Having determined the presence of the Complainant's trademark rights, the Panel next assesses whether the disputed domain name is identical or confusingly similar to the Complainant's trademark.

According to section 1.7 of the [WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition \("WIPO Overview 3.0"\)](#), the standing (or threshold) test for confusing similarity involves a reasoned but relatively straightforward comparison between the complainant's trademark and the domain name. This test typically involves a side-by-side comparison of the domain name and the textual components of the relevant trademark to assess whether the mark is recognizable within the domain name.

According to section 1.8 of the [WIPO Overview 3.0](#), where the relevant trademark is recognizable within the domain name, the addition of other terms (whether descriptive, geographical, pejorative, meaningless, or otherwise) would not prevent a finding of confusing similarity under the first element.

According to section 1.11.1 of the [WIPO Overview 3.0](#), the applicable Top-Level Domain ("TLD") in a domain name (in this case ".com") is viewed as a standard registration requirement and as such is generally disregarded under the first element confusingly similar test.

The disputed domain name incorporates the Complainant's trademark in its entirety. In view of the Panel, the addition of the term "sale" to the Complainant's trademark does not prevent a finding of confusing similarity between the Complainant's trademark and the disputed domain name.

The Panel finds that the disputed domain name is confusingly similar to the Complainant's trademark and that the first ground of the Policy is established.

B. Rights or Legitimate Interests

Under paragraph 4(c) of the Policy, a respondent may demonstrate its rights or legitimate interests in a domain name by showing any of the following circumstances, in particular but without limitation:

- (i) its use of, or demonstrable preparation to use the domain name or a name corresponding to the domain name in connection with a *bona fide* offering of goods and services;
- (ii) it has been commonly known by the domain name;
- (iii) it is making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert customers or to tarnish the trademark or service mark at issue.

In the present case, the Complainant has submitted sufficient and uncontested evidence that it holds well-established rights in the VST trademark.

According to section 2.1 of the [WIPO Overview 3.0](#), 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 the 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.

The Complainant’s prior rights in the VST trademark long precede the date of registration of the disputed domain name.

The Respondent is not affiliated with the Complainant and the Complainant has never authorized the Respondent to use its VST trademark in a domain name or otherwise.

The disputed domain name consists of the Complainant’s VST trademark in its entirety, along with the term “sale” and the website to which it resolves features the Complainant’s trademark repeatedly. However, the website at the disputed domain name fails to include any identifying information as to the relation or lack thereof to the Complainant, reinforcing the false impression that the disputed domain name is in some way associated with the Complainant.

In addition, the Respondent’s is using the disputed domain name in connection with a website that according to the unchallenged assertions in the Complaint allows illegal downloads of “cracked” software, including that of the Complainant.

Software cracking is broadly understood to refer to modifications of software to remove or disable protection or security features and allow copying and use without authorization from the relevant intellectual property owner. Use of a domain name to facilitate copyright infringement cannot confer rights or legitimate interests on a respondent (see section 2.13.1 of the [WIPO Overview 3.0](#)).

The Respondent chose not to respond to the Complainant’s contentions, and by doing so failed to offer the Panel any type of evidence set forth in paragraph 4(c) of the Policy, or otherwise counter the Complainant’s *prima facie* case.

The Panel finds that the Respondent has no rights or legitimate interests in the disputed domain name in accordance with paragraph 4(a)(ii) of the Policy.

C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy lists a number of factors which, if found by the panel to be present, shall be evidence of registration and use of a domain name in bad faith. This non-exclusive list includes:

- “(i) circumstances indicating that you have registered or you have 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 your documented out-of-pocket costs directly related to the domain name; or
- (ii) you have 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 you have engaged in a pattern of such conduct; or
- (iii) you have registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- (iv) by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your website or other online location, by creating a likelihood of confusion with the complainant’s mark as to the source, sponsorship, affiliation, or endorsement of your website or location or of a product or service on your website or location.”

The VST trademark, which the disputed domain name fully contains is a term invented and owned by the Complainant; it is distinctive for the corresponding goods and services and recognized in the computer based digital audio sector.

The Respondent’s intentional use of the Complainant’s trademark in the disputed domain name and at the website to which the disputed domain name resolves – which also bears the Respondent’s own logo – in view of the Panel clearly indicates that the Respondent was well aware of the Complainant and its well-reputed trademark at the time of registration of the disputed domain name.

Taking into account the scope of reputation of the Complainant and its VST trademark in the digital audio sector the Panel finds that the Respondent choose to incorporate the Complainant’s VST trademark in the disputed domain name to create a false impression of an association with the Complainant and trade off of the goodwill the Complainant has established in its trademark. This qualifies as bad faith within the meaning of paragraph 4(b)(iv) of the Policy.

In addition, the Respondent has not rebutted the compelling evidence provided by the Complainant that shows the Respondent’s offering of illegally reproduced, “cracked” version of the Complainant’s Cubase software as well as of “cracked” version software Ableton Live that is using the Complainant’s VST product and trademark through license. These activities of the Respondent are manifestly fraudulent and further evidence of bad faith.

For the reasons set out above, the Panel finds that the Respondent has registered and is using the disputed domain name in bad faith within the meaning of the Policy and that paragraph 4(a)(iii) of the Policy is satisfied.

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 name <vstsale.com> be transferred to the Complainant.

/Zoltán Takács/

Zoltán Takács

Sole Panelist

Date: February 13, 2023