

ADMINISTRATIVE PANEL DECISION

Valhallan, LLC v. Casey Strattan
Case No. D2023-0977

1. The Parties

Complainant is Valhallan, LLC, United States of America (“United States” or “US”), internally represented.

Respondent is Casey Strattan, United States.

2. The Domain Name and Registrar

The disputed domain name <vallhallan.com> (the “Domain Name”) is registered with Google LLC (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on March 3, 2023. On March 3, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Name. On March 3, 2023, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the Domain Name which differed from the named Respondent (CONTACT PRIVACY INC. CUSTOMER 7151571251) and contact information in the Complaint. The Center sent an email to Complainant on March 9, 2023, providing the registrant and contact information disclosed by the Registrar, and inviting Complainant to submit an amendment to the Complaint. Complainant filed an amendment to the Complaint on the same date. On March 7, 2023, the Center received an email from an email address different from that included with the disclosed registrant information. The Center requested to the sender of that email to identify itself clarifying its relationship with Respondent on March 15, 2023. The sender of the email confirmed to be the Respondent disclosed by the Registrar on March 16, 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 Respondent of the Complaint, and the proceedings commenced on March 20, 2023. In accordance with the Rules, paragraph 5, the due date for Response was April 9, 2023. The Response was filed with the Center on April 9, 2023.

The Center appointed Robert A. Badgley, as the sole panelist in this matter on April 28, 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

Complainant does not describe its business in the Complaint. In an annex to the Complaint, however, it is apparent that, on February 8, 2022, Complainant filed an application for the trademark VALHALLAN with the United States Patent and Trademark Office (“USPTO”) in connection with “entertainment in the nature of e-sports competitions,” with a claimed date of first use in commerce of January 21, 2022. Submitted with the USPTO application is a specimen of use of the mark VALHALLAN, which specimen is comprised of the home page of Complainant’s website at the domain name <valhallan.com>. That site features the messages: “LEGENDARY ESPORTS TRAINING” and “PLAY THE LEGENDARY TITLES.”

According to Complainant, this USPTO application “is still pending.”

Another annex to the Complaint indicates that, on April 11, 2022, the United Kingdom granted Complainant’s application to register the mark VALHALLAN No. UK00003815810 , with an effective date of February 8, 2022, for goods and services in the following Classes: “computer games; computer and electronic gaming and esports software; interactive game software; training software; downloadable computer and electronic game and esports programs...” (Class 9); printed matter (Class 16); clothing (Class 25); telecommunication services (Class 38); and education (Class 41).

Complainant alleges that it “has clearly demonstrated a right to a common law trademark in the US.” There is no evidence in the record to support this statement.

The Domain Name was registered on February 18, 2022, ten days after Complainant filed its USPTO trademark application. The Domain Name resolves to a website entitled “VALHALLAN FRANCHISE REVIEW.” Below this header is the large-print text: “OWNED BY AN ASSHOLE.” The following text appears below that, in smaller font (with the boldface content added after the Complaint in this proceeding was initiated):

“This website has no affiliation with valhallan franchise. All opinions stated here in this review, are just that, opinions. Here is why we think the owner is an asshole. And why we would never trust him. He took over an esports company and then quickly tried to shut it down (narrator, “he didn’t”). He then started his own esports company. Did he take over one company to just run it into the ground and eliminate the competition for his start up? Would you want to be a part of a company like this? He and his lawyer also threatened to file federal lawsuits if this website (valhallan.com) wasn’t immediately turned over to him (they didn’t). See email below. I’m no lawyer, but I wonder if this is extortion?”

“More to come...”

Respondent states (and there is no mention of this in the Complaint) that he and Complainant’s president have a prior relationship. According to Respondent, he was a franchisee of a company that president owned before it “failed.”

Respondent also states (and, again, there is no mention of this in the Complaint) that, prior to initiating this proceeding, Complainant’s president had approached Respondent (through the latter’s domain broker) with an offer to purchase the Domain Name. The first offer was USD 250, which Respondent refused with a statement that he would sell the Domain Name for USD 10,000. Complainant made two more offers, including a final offer for USD 5,000. Respondent never moved off his USD 10,000 price.

After this UDRP proceeding was underway, Complainant became aware of Respondent's identity (which had been thitherto undisclosed because of a privacy service offered by the Registrar). Complainant's president sent at least two emails to Respondent, one threatening to file a federal lawsuit against Respondent (with president's comment that "I have unlimited time and resources"), and the other rescinding the USD 5,000 offer. In the latter missive, president offered to withdraw the UDRP Complaint if Respondent would sign a non-disparagement and non-interference agreement, and transfer the Domain Name.

Respondent further states (and, yet again, there is no mention of this in the Complaint) that the USPTO took a "Non final Office Action" on November 23, 2022 which refused Complainant's application to register VALHALLAN. This USPTO notice, which was addressed to Complainant's counsel in this proceeding, confirmed that the application had been rejected for two reasons.

First, the USPTO found a likelihood that the VALHALLAN mark would cause consumer confusion with a registered trademark (VALHALLA VALKYRIES) held by a third party already using that mark in connection with, among other things, "entertainment services in the nature of eSports and video game contests..."

Second, the USPTO rejected Complainant's trademark application because the specimen of use submitted with the application (a screenshot of Complainant's home page at <valhallan.com>) "does not show a direct association between the mark and its services and fails to show the applied-for mark as actually used in commerce with the identified services in International Class 41."

It appears, from an excerpted document apparently filed with the USPTO by Complainant (which excerpt is annexed to the Response, not the Complaint) that Complainant has sought to challenge the USPTO's refusal to register the VALHALLAN mark. In that sense, strictly speaking, the application is, as Complainant states, "still pending."

5. Parties' Contentions

A. Complainant

Complainant contends that it has established all three elements required under the Policy for a transfer of the Domain Name.

B. Respondent

Respondent challenges Complainant's alleged common law trademark rights, and asserts that he has the right to criticize Complainant and its president, to make prospective consumers and franchisees aware of what Respondent believes to be unscrupulous business practices.

Respondent also asks the Panel to make a finding of Reverse Domain Name Hijacking against Complainant, largely due to the allegedly false statements and factual omissions contained in the Complaint.

6. Discussion and Findings

Paragraph 4(a) of the Policy lists the three elements which Complainant must satisfy with respect to the Domain Name:

- (i) the Domain Name is identical or confusingly similar to a trademark or service mark in which Complainant has rights; and
- (ii) Respondent has no rights or legitimate interests in respect of the Domain Name; and
- (iii) the Domain Name has been registered and is being used in bad faith.

A. Identical or Confusingly Similar

Contrary to Complainant's statement that it "has clearly demonstrated a right to a common law trademark in the U.S.," the Panel does not accept that bald and unsupported allegation. The Panel concludes, however, that Complainant has rights in the trademark VALHALLAN through registration in the United Kingdom.

The Panel also concludes that the Domain Name is confusingly similar to that mark.

The Domain Name incorporates the VALHALLAN mark and adds an additional "L."

Notwithstanding the additional letter, the mark is recognizable within the Domain Name. A domain name which consists of a common, obvious, or intentional misspelling of a trademark is considered by panels to be confusingly similar to the relevant mark for purposes of the first element.

Complainant has established Policy paragraph 4(a)(i).

B. Rights or Legitimate Interests

Pursuant to paragraph 4(c) of the Policy, Respondent may establish its rights or legitimate interests in the Domain Name, among other circumstances, by showing any of the following elements:

- (i) before any notice to you [Respondent] of the dispute, your use of, or demonstrable preparations to use, the Domain Name or a name corresponding to the Domain Name in connection with a *bona fide* offering of goods or services; or
- (ii) you [Respondent] (as an individual, business, or other organization) have been commonly known by the Domain Name, even if you have acquired no trademark or service mark rights; or
- (iii) you [Respondent] are making a legitimate noncommercial or fair use of the Domain Name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

The Panel concludes that Complainant has not established Policy paragraph 4(a)(ii). Respondent is obviously no fan of Complainant's president, and he makes this as clear as possible on the website. The unflattering headline, the immediate comment that the site is not affiliated with Complainant, and the content that follows makes it clear that the site is unaffiliated with Complainant.

The Panel also notes for completeness that this is not a case where the disputed domain name is identical to the concerned mark (which may trigger the impersonation test, *e.g.*, as described in section 2.5.1 of the WIPO Overview), but is a typo.

The Panel finds Respondent's free-speech criticism of Complainant and its president – using a typo domain name – to be genuine and not pretextual. The fact that Respondent rebuffed Complainant's unsolicited offers to buy the Domain Name, and Respondent's setting a price of USD 10,000 as an asking price, does not alter this determination. To the extent it matters, it was Complainant who approached Respondent to discuss a sale, and not the other way around.

Moreover, albeit somewhat as an aside (noting that this is a typo case, and there is no evidence it presents a pretext for cybersquatting), in its apparent reply to the USPTO's rejection of the VALHALLAN trademark application, Complainant itself states that there is little chance of consumer confusion (between the VALHALLAN mark and the existing VALHALLA VALKYRIES mark) because Complainant's customers are sophisticated, and by implication not susceptible to confusion.

Complainant has not established Policy paragraph 4(a)(ii).

C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy provides that the following circumstances, “in particular but without limitation,” are evidence of the registration and use of the Domain Name in “bad faith”:

- (i) circumstances indicating that Respondent has registered or has acquired the Domain Name primarily for the purpose of selling, renting, or otherwise transferring the Domain Name registration to Complainant who is the owner of the trademark or service mark or to a competitor of that Complainant, for valuable consideration in excess of its documented out of pocket costs directly related to the Domain Name; or
- (ii) that 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 Respondent has engaged in a pattern of such conduct; or
- (iii) that Respondent has registered the Domain Name primarily for the purpose of disrupting the business of a competitor; or
- (iv) that by using the Domain Name, Respondent has intentionally attempted to attract, for commercial gain, Internet users to Respondent’s website or other online location, by creating a likelihood of confusion with Complainant’s mark as to the source, sponsorship, affiliation, or endorsement of Respondent’s website or location or of a product or service on Respondent’s website or location.

The Panel need not address this issue, given its ruling above that this case does not present a situation of cybersquatting masked as free speech, *i.e.*, Complainant has not established Policy paragraph 4(a)(ii).

D. Reverse Domain Name Hijacking

The Panel finds that Complainant has committed Reverse Domain Name Hijacking (“RDNH”). First, Complainant offered no evidence to support its bald claim that it has “clearly demonstrated” common law rights in the U.S. for the VALHALLAN mark. One would have expected some effort to prove such rights, especially after the USPTO rejection, but none was forthcoming in the Complaint.

Second, and most importantly to this RDNH finding, the fact that Complaint omitted the USPTO refusal from its pleading, and even referred to the USPTO application as “still pending,” is, to put it most gently, highly misleading. It is akin to telling a court of law, “My client has filed a lawsuit in another jurisdiction against XYZ, which is still pending,” without telling the court that the lawsuit was dismissed six months ago and is now on appeal.

It is not the job of a UDRP complainant’s counsel to make out the respondent’s case for him, but a modicum of candor is required, particularly given the lack of discovery, cross-examination, and so forth in UDRP cases. Complainant, represented by counsel (indeed, the same counsel who received the USPTO refusal notice), has abused this process by concealing the true status of the USPTO application. If there had been no Response filed in this action, the Panel would have been under the false impression that the USPTO application was sailing along smoothly, with no obstacles in its way.

Third, the Panel notes that Complainant entirely omitted the fact that Complainant initiated discussions with Respondent about a possible sale of the Domain Name, and that Respondent thrice refused to sell. This omission is not as serious, in this case, as the failure to disclose the USPTO refusal notice, but it underlines an apparent strategy by Complainant here to keep the Panel on a “need to know” basis.

The Panel does not fault Complainant for failing to disclose a prior relationship between the Parties, because it appears that Complainant simply did not know who Respondent was until this proceeding was already underway, and Respondent had used a privacy shield when registering the Domain Name. (In other contexts, however, the failure by a UDRP complainant to disclose a prior relationship with the respondent can be a basis for a RDNH finding.)

7. Decision

For the foregoing reasons, the Complaint is denied. The Panel finds that Complainant brought this Complaint in bad faith and has committed Reverse Domain Name Hijacking.

/Robert A. Badgley/

Robert A. Badgley

Sole Panelist

Date: May 12, 2023