

ARBITRATION AND MEDIATION CENTER

# ADMINISTRATIVE PANEL DECISION

Texas Media Properties, LLC v. Bart Peters Case No. D2023-0671

## 1. The Parties

Complainant is Texas Media Properties, LLC, United States of America ("United States" or "US"), represented by Munsch, Hardt, Kopf & Harr, P.C., United States.

Respondent is Bart Peters, United States.

## 2. The Domain Name and Registrar

The disputed domain name <texasmediaproperties.com> (hereinafter the "Disputed Domain Name") 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 February 9, 2023. On February 14, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Disputed Domain Name. On February 15, 2023, 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 (Domains By Proxy, LLC) and contact information in the Complaint. The Center sent an email communication to Complainant on the same date, providing the registrant and contact information disclosed by the Registrar, and inviting Complainant to submit an amendment to the Complaint. On the same date, Respondent sent an informal email communication to the Center requesting to be provided with copies of annexes to the Complaint. Complainant filed an amendment to the Complaint on March 1, 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 2, 2023. In accordance with the Rules, paragraph 5, the due date for Response was March 22, 2023. The Response was filed with the Center on March 22, 2023.

The Center appointed Lawrence K. Nodine as the sole panelist in this matter on April 5, 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 is an advertising company that specializes in creating digital billboards in Texas. Complainant has used the TEXAS MEDIA PROPERTIES mark in connection with its advertising services since its formation in September 2009. Complainant does not own a federal trademark registration for the TEXAS MEDIA PROPERTIES, but claims (common law) trademark rights in the mark.

Respondent owns a media company that registers and creates websites related to Texas and its cities. Respondent purchased the Disputed Domain Name as a portfolio site to display all of its domain names and currently is using the site for the purpose of sharing links for its "regional" domain names.

The Disputed Domain Name was created on September 18, 2009 and, according to the Respondent's claim, it seems the Disputed Domain Name was operated by Complainant from that date until September 18, 2012. Respondent purchased the Disputed Domain Name from GoDaddy on October 27, 2012, after Complainant failed to renew it.

## 5. Parties' Contentions

## A. Complainant

Complainant alleges it has (common law) rights in the TEXAS MEDIA PROPERTIES mark because it has continuously and substantially exclusively used the mark since September 2009. Complainant states that it has generated significant revenue and incurred substantial costs to promote the TEXAS MEDIA PROPERTIES mark over the past decade. Complainant contends that the Disputed Domain Name is identical to its TEXAS MEDIA PROPERTIES mark.

Complainant alleges that Respondent does not have rights or legitimate interests in the Disputed Domain Name because Respondent purportedly has made no effort to make any legitimate use of the Disputed Domain Name. Complainant alleges that Respondent registered the Disputed Domain Name on September 18, 2009, which was one week after Complainant filed its certificate of formation documents with the State of Texas. Here, the Panel notes that Complainant seems to confuse its own initial registration of the Disputed Domain Name with the later acquisition, in an October 2012 auction, by Respondent.

Complainant argues that Respondent has made no effort to use the Disputed Domain Name in connection with a *bona fide* offering of goods or services since that time. Complainant alleges that this purported "passive holding" is evidence of bad faith. Complainant alleges bad faith registration and use based on the same "passive holding" contentions.

## **B.** Respondent

Respondent argues that Complainant does not have any common law trademark rights in the TEXAS MEDIA PROPERTIES mark because Complainant has failed to establish that the TEXAS MEDIA PROPERTIES mark has acquired distinctiveness. Respondent contends that Complainant has only used "Texas Media Properties" as a trade name, not as a trademark. Respondent further states that Complainant's supporting declaration does not prove that Complainant has used "Texas Media Properties" in a significant way outside the geographic regions of its billboards in Texas, specifically in Waco, Greenville, Lindale, and Corsicana.

Respondent disputes Complainant's assertion that Respondent registered the Disputed Domain Name on September 18, 2009, a week after Complainant was formed. Respondent explains that he purchased the Disputed Domain Name on October 27 (and "took possession" on October 30), 2012 via GoDaddy's Expired Domain Process after Complainant allowed the Disputed Domain Name to lapse. Respondent suggests – incorrectly, as the Panel will address below – that therefore "there should be no bad faith in the timing of the original registrations".

Respondent also disputes Complainant's assertion that he has made no use of the Disputed Domain Name. Respondent states that he owns a media company, and as part of that business, he has invested in building multiple websites and/or domain names related to Texas and its cities. Respondent claims that he purchased the Disputed Domain Name to be a portfolio site to display all of the regional domain names his company has acquired and operates. As evidence of his use, Respondent offers screen shots from the Internet Archive demonstrating his claimed use over the decade.

Respondent further claims that his use of the Disputed Domain Name constitutes fair use because he is using the Disputed Domain Name for the descriptive purpose of sharing links for his company's domain names that are "Texas media properties." Respondent states that he has almost 11 years of use of the website associated with the Disputed Domain Name and such use was not aimed to take away from Complainant's business.

Respondent alleges that Complainant has been aware of Respondent's use of the Disputed Domain Name since 2012. Respondent states that a representative for Collin Street Bakery, Inc., which Respondent contends is associated with Complainant, contacted him in November 2012 asking to purchase the Disputed Domain Name. According to Respondent, he did not respond to the email because the representative did not mention that he worked for a company that held a valid trademark associated with the Disputed Domain Name. Respondent also alleges that Complainant was the undisclosed buyer who reached out in November 2022 via GoDaddy's domain name broker to purchase the Disputed Domain Name.

Respondent states that he did not register and has not used the Disputed Domain Name in bad faith because he has purchased the Disputed Domain Name via the expired domains process, has never reached out to sell the Disputed Domain Name to Complainant, has not tried to use Complainant's business information, and does not offer competing services to those of Complainant. Respondent further alleges that he did not know that Complainant had let the Disputed Domain Name expire though the Panel would note that Respondent does acknowledge it was purchased in an expired auction and did not try profit off this expiration. Respondent contends that he did not know nor would have thought the Complainant was still in business as the Disputed Domain Name had expired as Complainant had no web visibility at the time he registered the Disputed Domain Name.

Finally, Respondent alleges that Complainant has engaged in reverse domain name hijacking by filing the Complaint.

## 6. Discussion and Findings

## A. Identical or Confusingly Similar

Complainant contends it has (common law) rights in the name TEXAS MEDIA PROPERTIES, which it has used as a business name since 2009. The Policy recognizes that a trademark or service mark need not be registered in order to support a complaint. However, "[i]n cases involving unregistered or common law marks that are comprised solely of descriptive terms which are not inherently distinctive, there is a greater onus on the complainant to present evidence of acquired distinctiveness/secondary meaning." WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("<u>WIPO Overview 3.0</u>"), at section 1.3.

Complainant submits a declaration from its manager who attests to Complainant's annual revenue and advertising expenditures from 2012-2022<sup>1</sup> as well as examples of Complainant's promotional materials. However, the declaration provides no further information about the number of underlying transactions or whether (or how) the promotional and advertising expenditures were focused on Complainant's mark and resulted in secondary meaning. "[T]he mere expenditure of money is not, in itself, determinative of the actual result in buyer's minds. From experience, we know that some forms of advertising are like 'water off the consumer's back', and have no effect. For this reason, many cases, as a matter of weighing the evidence, say that the mere fact of extensive advertising did not, in a particular case, result in secondary meaning in the buyers' minds." McCarthy on Trademarks, § 15:51 (5th Edition). The Panel acknowledges that its subjective view should not control when assessing the sufficiency of Complainant's advertising expenditures, but Complainant does not offer any objective way to measure the sufficiency of the reported numbers (for example number of customers or sales transactions), which moreover seem modest in the Panel's view.

In addition, Complainant's conclusory claim of substantially exclusive use is contradicted by Respondent's use. Respondent has been using the Disputed Domain Name for a decade since it acquired it and after Complainant allowed it to lapse.

Although the Panel has serious doubts about the sufficiency of Complainant's evidence of common law rights, it will assume for arguments' sake and for completeness of the present decision on the full merits that Complainant has satisfied the standing requirement under paragraph 4(a)(i) and address the other elements of the Policy, which Complainant fails to satisfy. This extra discussion is appropriate to explain why the Panel finds Reverse Domain Name Hijacking.

## B. Rights or Legitimate Interests, and Bad Faith

Complainant has first of all, in the Panel's view, not established that the Respondent lacks rights or legitimate interests in the Disputed Domain Name. Complainant incorrectly alleges that "Respondent's domain was register on September 18, 2009 - one week after Complainant filed its certificate of formation documents with the Texas Secretary of State. Since that time, Respondent has made no effort to make any legitimate use of the domain name at issue." This is incorrect in two important respects. First, it was Complainant, not Respondent, that registered the Disputed Domain Name "one week after Complainant filed its formation documents .... " Complainant also failed to disclose that it lost the Disputed Domain Name because it failed to renew it in 2012, whereupon Respondent acquired it. Second, Respondent has made use of the website to display its other Texas-themed domain names (and, in some cases, linked websites; in other cases there is no content or merely a blog template). Respondent offers evidence demonstrating his use for over a decade of the Disputed Domain Name for a website where he collected and displayed links to various domain names he owned that relate to Texas, such as <dallasboat.org> and <texasjobhunter.com>. Complainant ignores this use, and makes no effort to challenge Respondent's use of the Disputed Domain Name in this descriptive fashion. Complainant could have, but did not, contend that there was something illegitimate about Respondent's use of the Disputed Domain Name - for example that it knew of Complainant's prior use and purchased the Disputed Domain Name in an auction to take unfair advantage of a competitor. Instead Complainant simply asserted contrary to fact that Respondent made no use and alleges (without any analysis) "passive holding."

Complainant has not carried its burden to prove bad faith registration. Complainant makes no explicit allegation or argument that Respondent registered the Disputed Domain Name in bad faith. Instead, it implies bad faith registration with the allegation that the Disputed Domain Name was registered one week after Complainant filed formation documents with the Texas Secretary of State. As observed above, this allegation was factually incorrect as Respondent acquired the Disputed Domain Name in 2012.

Furthermore, there is no evidence that Complainant's descriptive mark had acquired secondary meaning

<sup>&</sup>lt;sup>1</sup> The question under paragraph 4(a)(i) of the Policy is whether the asserted mark had acquired distinctiveness as of the filing date of the complaint. <u>WIPO Overview 3.0</u>, section 1.1.3. By contrast, when the issue is in bad faith registration, the question is whether the asserted mark had acquired secondary meaning before the date that the Disputed Domain Name was registered. *Id.* 

before Respondent acquired the Disputed Domain Name in October 2012. Even though, as explained above, the Panel assumes (despite reservations) that Complainant has submitted sufficient evidence to show that TEXAS MEDIA PROPERTIES had acquired distinctiveness as of the filing date of the complaint here, and therefore has standing under Policy paragraph 4(a)(i), this is not sufficient to prove bad faith registration in 2012 when Respondent registered the Disputed Domain Name.

The only evidence Complainant has submitted in support of its claim of common law rights in TEXAS MEDIA PROPERTIES is the declaration of the Complainant's manager, who attests to Complainant's sales and advertising expenditures since 2012. He declares that Complainant began using "Texas Media Properties" in 2009, but offers no evidence of sales or advertising before 2012.

"Where a domain name has been registered before a complainant has acquired trademark rights, only in exceptional cases would a complainant be able to prove a respondent's bad faith." <u>WIPO Overview 3.0</u>, section 1.3.

In some circumstances, a party who acquires a domain name in a "drop catch" context may have a duty to investigate whether the prior owner who allowed the Disputed Domain Name to lapse has rights relevant to the Disputed Domain Name, as was the case in *Supermac's (Holdings) Limited v. Domain Administrator, DomainMarket.com*, WIPO Case No. D2018-0540, where the Respondent acquired the domain name <supermacs.com> after the prior owner mistakenly allowed it to lapse. The panel found that there a domainer had a duty to investigate to determine whether the prior owner had rights in a trademark related to the lapsed domain name. An online search would likely have revealed that the complainant owned and operated over a hundred restaurants in Ireland.

The instant facts are distinguishable from *Supermac's*. Although Complainant here apparently owned the Disputed Domain Name from 2009 until Respondent acquired it in October 2012, this is not sufficient in itself in the circumstances of the case to conclude that TEXAS MEDIA PROPERTIES acquired secondary meaning before Respondent acquired the Disputed Domain Name in 2012. Indeed, there is no evidence that a reasonable online investigation in 2012 would have uncovered any evidence of Complainant's prior use, much less that any detectable use was sufficient to support a claim of common law rights based on secondary meaning. There is also no basis to conclude that Respondent's motive for the registration of the Disputed Domain Name was connected to taking unfair advantage of Complainant. In this regard, it is noted that Respondent owns a portfolio of domain names with the geographical term "Texas".

Complainant has not satisfied Policy paragraph 4(a)(iii).

## C. Reverse Domain Name Hijacking

Paragraph 15(e) of the UDRP Rules provides that, if "after considering the submissions the panel finds that the complaint was brought in bad faith, for example in an attempt at Reverse Domain Name Hijacking ("RDNH") or was brought primarily to harass the domain-name holder, the panel shall declare in its decision that the complaint was brought in bad faith and constitutes an abuse of the administrative proceeding". <u>WIPO Overview 3.0</u>, section 4.16. That section of the <u>WIPO Overview 3.0</u> further provides a number of non-exclusive factors, which, in appropriate circumstances, support a finding of RDNH. Such factors as may be relevant to the instant proceeding include "the provision of false evidence, or otherwise attempting to mislead the panel"; and "the provision of intentionally incomplete material evidence--often clarified by the respondent".

Complainant misstated some facts and failed to disclose others. Complainant alleged that Respondent registered the Disputed Domain Name "on September 18, 2009- one week after Complainant filed its certificate of formation documents with the Texas Secretary of State. Since that time, Respondent has made no effort to make any legitimate use of the domain name at issue." This was incorrect.

Complainant has the duty to investigate diligently and candidly disclose relevant facts, especially the facts to which it has superior access (like the dates it registered the Disputed Domain Name and then let it lapse) of

its claim under the Policy. Complainant did not fulfill these duties, but the Panel is not persuaded that Complainant intended to mislead.

Accordingly, the Panel does not find Reverse Domain Name Hijacking.

## 7. Decision

For the foregoing reasons, the Complaint is denied.

/Lawrence K. Nodine/ Lawrence K. Nodine Sole Panelist Date: April 19, 2023