

ARBITRATION AND MEDIATION CENTER

# ADMINISTRATIVE PANEL DECISION

International Business Machines Corporation (IBM) v. Info WorkRun, WorkRun, LLC Case No. DAI2023-0043

# 1. The Parties

The Complainant is International Business Machines Corporation (IBM), United States of America ("United States"), internally represented.

The Respondent is Info WorkRun, WorkRun, LLC, United States, internally represented.

# 2. The Domain Name and Registrar

The disputed domain name <ibmexpert.ai> is registered with NameCheap, Inc. (the "Registrar").

# 3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on November 9, 2023. On November 10, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. Also on November 10, 202, 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 (John Doe) and contact information in the Complaint.

The Center sent an email communication to the Complainant on November 17, 2023, 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 November 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 Respondent of the Complaint, and the proceedings commenced on November 22, 2023. In accordance with the Rules, paragraph 5, the due date for Response was December 12, 2023. The Response was filed with the Center on December 7, 2023.

The Complainant submitted a supplemental filing on December 15, 2023.

The Center appointed W. Scott Blackmer as the sole panelist in this matter on December 27, 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.

The Respondent submitted a supplemental filing on January 5, 2024, replying to the Complainant's supplemental filing. The Complainant replied with a "second supplemental statement" on January 9, 2024.

## 4. Factual Background

The Complainant is a corporation established under the laws of the State of New York, United States and headquartered in Armonk, New York, United States, with shares publicly traded on the New York Stock Exchange. The Complainant produces a wide array of information technology products and also offers consulting services, doing business globally with nearly 300,000 employees. Operating as "International Business Machines" since 1924, the Complainant has used the initials "IBM" to brand its goods and services since at least 1925, as demonstrated by photos included in the record.

The record shows that the IBM mark is widely recognized throughout the world. In 2023, the Complainant was ranked the 17th most valuable global brand by "BrandZ". In 2022, when the disputed domain name was registered, the Complainant was listed as the 49th largest company on the "Fortune U.S. 500" list and the 168th largest company on the "Fortune Global 500" list, and IBM was ranked the 18th most valuable global brand by "BrandZ" and the 18th best global brand by "Interbrand". The IBM mark achieved similarly high rankings in 2021 and 2020 and in earlier years. The Complainant spends over USD 1 billion annually marketing goods and services under the IBM mark through multiple channels, including its principal website at "www.ibm.com" (the "Complainant's website"). The mark has frequently been the target of cybersquatters, and panelists have regularly recognized its renown, as in *International Business Machines Corporation v. Sadaqat Khan*, WIPO Case No. D2018-2476: "The panel is of the opinion that the Complainant's trademark has a strong reputation and is widely known throughout the world."

Mark	<b>Registration Number</b>	<b>Registration Date</b>	Goods and Services
IBM (standard characters)	640606	January 29, 1957	Magnetic recording tape (and accessories); IC 9
IBM (standard characters)	1058803	February 15, 1977	Data processing, dictating, photocopying machines and supplies, printer and copier paper and ink, computer programs, typewriters, medical equipment, adhesives; maintenance services, consulting, programming, engineering, and education services; IC 1, 2, 3, 4, 7, 9, 10, 16, 28, 37, 41, 42

The Complainant has trademark registrations for IBM in numerous countries, including the following subsisting United States registrations:

IBM (stylized letters)	1205090	August 17, 1982	Data processing and
			word processing
			equipment and supplies,
			copying machines and
			printers and supplies,
			computer systems,
			terminals, memories,
			medical equipment,
			typewriters, dictating
			equipment, composing
			machines, related
			supplies, maintenance,
			consulting, education,
			engineering, leasing
			office space; IC 1, 2, 7,
			9, 10, 16, 37, 41, 42
IBM (stylized letters)	4181289	December 21, 2010	Wall plaques, hand
,			tools, computer
			software, data media,
			protective cases,
			headsets, miniature
			lamps and similar
			, personal items, books
			and other printed matter,
			briefcases and travel
			bags, sweatshirts and
			other clothing, lanyards
			and badges,
			confectionary,
			advertising and
			consultancy services,
			conference organization
			services; IC 9, 16, 18,
			20, 21, 22, 24, 25, 28,
		1	35, 41

The Registrar reports that the disputed domain name was created on October 6, 2022, and registered in the name of a domain privacy service. After receiving notice of the Complaint in this proceeding, the Registrar identified the underlying registrant as the Respondent, listed as "Info WorkRun" of the organization WorkRun, LLC, with a postal address in Boston, Massachusetts, United States and a contact email address at "[xxxx]@atlas-bench.com". The Response was filed by Atlas Bench, LLC, giving a postal address in Winter Garden, Florida, United States and claiming to be the "Respondent" and filing on its own behalf. The Panel notes that the online database of the Corporations Division of the Massachusetts Secretary of State does not list a "WorkRun, LLC" as a registered company. The online database of the Florida Division of Corporations shows that Atlas Bench LLC is a Texas (United States) limited liability company registered to do business in Florida, with a principal place of business at the same address shown in the Response.

Atlas Bench LLC ("Atlas Bench", hereafter referred to as the "Respondent") operates a website at "www.atlas-bench.com" advertising the Respondent's services as a consultant in Atlassian (collaboration software) and AI (artificial intelligence) solutions for business. The Panel notes that the Respondent's website does not appear to mention the Complainant or the Complainant's IBM-branded products or services.

The disputed domain name does not resolve to an active website at the time of this Decision. The Complainant attaches screenshots showing that at times the disputed domain name has resolved to a landing page with pay-per-click ("PPC") advertising links largely related to third-party technology products and services. The record includes evidence that the Respondent has connected the disputed domain name to an email server, and the Complaint also attaches a report from an information security service indicating that some of the IP addresses that appear in the WhoIs record for the disputed domain name have been associated with phishing attacks, although there is no evidence in the record of actual phishing emails from the disputed domain name.

The Complainant sent a cease-and-desist letter to the Respondent at the email address listed on the Registrar's Whols database on May 26, 2023, claiming trademark infringement and demanding that the Respondent transfer the disputed domain name to the Complainant. The Respondent did not reply to this letter. The Complainant sent a follow-up letter to the Respondent on June 14, 2023. The Respondent replied on June 14, 2023, as follows:

"We understand your concerns and would like to resolve this situation quickly. However, our domain name registration and use do not violate your rights.

Our use of the domain name is in good faith. It is intended to provide a resource for open-source content, specifically for individuals who wish to become experts in utilizing IBM's technology with a focus on artificial intelligence. Our website is non-commercial, does not offer competing products or services to IBM, and is not designed to mislead consumers into believing that we are affiliated with IBM or that our content is endorsed or sponsored by IBM. Instead, we aim to create an online community that encourages learning and using IBM's AI technologies.

Currently, the website is not hosting any content, as we are still in the early stages of development. We are willing to include clear disclaimers on our website to ensure visitors understand that our site is not affiliated with or endorsed by IBM.

We are open to discussing this matter further and finding a mutually beneficial resolution. ..."

The Complainant then asked the Respondent to provide a timeline for expected website development but received no reply. The Respondent also did not reply to another follow-up email from the Complainant on September 22, 2023 (all of these emails are included in the record). The disputed domain name continued to be used for PPC advertising, and this proceeding followed.

## 5. Parties' Contentions

## A. Complainant

The Complainant contends that it has satisfied each of the elements required under the Policy for a transfer of the disputed domain name.

Notably, the Complainant contends that the disputed domain name is confusingly similar to the Complainant's registered and well-established IBM mark, which it incorporates in its entirety. The Complainant argues further that the addition of the dictionary word "expert" does not avoid confusion, nor does the use of the Anguillan country code ".ai", especially given that the Complainant does business in Anguilla and has registered IBM as a mark in Anguilla.

The Complainant states that the Respondent has no permission to use the Complainant's IBM marks and has offered no evidence of rights or legitimate interests in the disputed domain name within the meaning of the Policy. The use of the disputed domain name for automatically generated PPC advertising does not constitute a "bona fide" commercial offering, and the Respondent has not made noncommercial fair use of the disputed domain name in the manner claimed in its correspondence.

Instead, the Complainant urges, these activities reflect bad faith, in an effort to confuse Internet users as to source or affiliation and misdirect them to other sites for pecuniary gain. The Respondent's prior awareness of the IBM mark may be presumed because of its fame, and the Respondent admitted in its correspondence that it intended to create a site offering "open-source" content for individuals who wanted to become "experts in utilizing IBM's technology with a focus on artificial intelligence". The Complainant cites as supporting evidence of bad faith the Respondent's registration of the disputed domain name through a domain privacy service, its connection of an email server and association with URLs linked to known or suspected phishing attacks, and the Respondent's failure to follow up on correspondence with the Complainant, all while the Respondent shows no sign of developing a noncommercial website as claimed and allows the disputed domain name to be used to advertise unrelated or competing businesses.

#### **B. Respondent**

The Respondent, which is not represented by legal counsel, contends that the Complainant has not satisfied all three of the elements required under the Policy for a transfer of the disputed domain name. Specifically, the Respondent acknowledges the Complainant's trademark rights but asserts that it simply wants to make "fair use" of the IBM mark, both in the disputed domain name and ultimately on a "noncommercial" website that would serve as "a platform facilitating learning and knowledge-sharing about IBM's AI technologies".

The Respondent also asserts that the disputed domain name is not confusingly similar to the Complainant's mark, because Internet users would recognize that the "generic" term "expert" refers to those would want to become experts in using IBM technology, and that the top-level domain ".ai" refers to "artificial intelligence" technology.

The Respondent points to its June 14, 2023, email to the Complainant explaining the Respondent's intent to develop a noncommercial, educational website and offering to place on the website a prominent disclaimer of affiliation with the Complainant. The Respondent cites these facts as demonstrating a legitimate, noncommercial fair-use interest in the disputed domain name as well as the Respondent's good faith.

The Respondent denies receiving profits from the PPC advertising associated with the disputed domain name and says that these were the result of "default settings provided by the hosting service or domain registrar". The Respondent attaches a screenshot showing that the Respondent recently changed these settings so that the disputed domain name no longer resolved to a PPC landing page by December 5, 2023. The Respondent notes that registering a domain name through a domain privacy service is a normal practice, as is ordering email hosting along with the registration. The Respondent apologizes for dropping the thread of communications with the Complainant in the press of other business.

The Response did not detail any steps taken to develop the contemplated noncommercial, educational website but asserted that "[s]ignificant resources, time, and financial investment have already been committed to the website's development and it is not yet fully developed." The Respondent suggests that it should be compensated for this investment:

"In the event that a domain transfer becomes a requisite, the Respondent earnestly proposes a transparent procedure that meticulously weighs and compensates for the financial costs borne during the course of development. It is requested that all expenditures incurred up to this juncture, alongside any expenses related to the transfer, be responsibly shouldered by the Complainant."

As discussed below, the Respondent later furnished in its supplemental filing a more detailed description of its plans for the website and a summary of expenses amounting to over USD 110,000 to date. These have been devoted largely to the development of an AI chatbot capable of searching diverse and scattered but publicly available resources of the Complainant.

## 6. Discussion and Findings

Paragraph 4(a) of the Policy provides that a complainant must demonstrate each of the following:

- (i) the domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; and
- (ii) the 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.

Under paragraph 15(a) of the Rules, "[a] Panel shall decide a complaint 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".

## 6a. Preliminary Matter: Supplemental Filings

The Complainant submitted an unsolicited supplemental filing, the Respondent replied, and the Complainant submitted a second supplemental "statement". These filings consisted of multiple pages, accompanied by exhibits.

Neither the Rules nor the Supplemental Rules make provision for supplemental filings, except at the request of the panel (see Rules, paragraph 12). Paragraph 10 of the Rules enjoins the panel to conduct the proceeding "with due expedition". Therefore, UDRP panels are typically reluctant to countenance delay through additional rounds of pleading and normally accept supplemental filings only to consider material new evidence or provide a fair opportunity to respond to arguments that could not reasonably have been anticipated. See WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("<u>WIPO Overview 3.0</u>"), section 4.6.

In this case, the supplemental filings largely re-argue matters already covered in the initial pleadings and do not warrant consideration. However, the Respondent finally submitted evidence concerning its alleged preparations and expenditures for the proposed informational website, and the Complainant replied to this new evidence. The Panel accepts their respective submissions on this topic for its potential relevance to the second and third elements of the Complaint.

#### 6b. Substantive Issues

## A. Identical or Confusingly Similar

It is well accepted that the first element functions primarily as a standing requirement. The standing (or threshold) test for confusing similarity involves a reasoned but relatively straightforward comparison between the Complainant's trademark and the disputed domain name. <u>WIPO Overview 3.0</u>, section 1.7.

The Complainant has shown rights in respect of a trademark or service mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.2.1.

The Panel moreover finds the Complainant has established unregistered trademark or service mark rights for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.3.

The Panel finds the entirety of the mark is reproduced within the disputed domain name. Accordingly, he disputed domain name is confusingly similar to the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.7.

Although the addition of another term here, "expert", may bear on assessment of the second and third elements, the Panel finds the addition of such term does not prevent a finding of confusing similarity between the disputed domain name and the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.8.

The Panel finds the first element of the Policy has been established.

## **B. Rights or Legitimate Interests**

Paragraph 4(c) of the Policy provides a list of circumstances in which the Respondent may demonstrate rights or legitimate interests in a disputed domain name.

Although 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 difficult 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 (although the burden of proof always remains on the complainant). If the respondent fails to come forward with such relevant evidence, the complainant is deemed to have satisfied the second element. <u>WIPO Overview 3.0</u>, section 2.1.

Having reviewed the available record, the Panel finds the Complainant has established a prima facie case that the Respondent lacks rights or legitimate interests in the disputed domain name. The Respondent has not rebutted the Complainant's prima facie showing and has not come forward with sufficient evidence demonstrating rights or legitimate interests in the disputed domain name such as those enumerated in the Policy or otherwise. In its supplemental filing, the Respondent articulated a plan for a noncommercial fair use of the disputed domain name using an Al chatbot, but no such use has been made since registration. The Policy, paragraph 4(c)(i), invites respondents to prove rights or legitimate interests through commercial use or "demonstrable preparations" for such use. Paragraph 4(c)(ii), by contrast, requires a respondent to show that it is "making a legitimate noncommercial or fair use" and does not refer to evidence of "demonstrable preparations" of such use. In any event, the claimed investment here is substantial, but it is reflected only in the Respondent's own summary, not in invoices or other accounting or payment records. Moreover, the Respondent's claimed legitimate interest in noncommercial fair use is undermined by the Respondent's actual use of the disputed domain name, allowing it to be used for PPC advertising over an extended period of time. Accordingly, the Panel does not find that the Respondent has rebutted the Complainant's *prima facie* case on this element of the Complaint.

The Panel finds the second element of the Policy has been established.

# C. Registered and Used in Bad Faith

The Panel notes that, for the purposes of paragraph 4(a)(iii) of the Policy, paragraph 4(b) of the Policy establishes circumstances, in particular, but without limitation, that, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith. These include evidence indicating that the Respondent "(iv) intentionally attempted to attract, for commercial gain, Internet users by creating a likelihood of confusion with the complainant's mark".

In the present case, it is undisputed that the Respondent was aware of the Complainant's mark and, indeed, meant the disputed domain name to refer to the mark. The Respondent asserts a belief that Internet users would not tend to be confused as to source or affiliation, because of the addition of the word "expert" to the domain name string, but the Panel considers this unlikely. As reflected in the record and on the Complainant's websites, the Complainant does not merely sell products but also offers consultancy, training, and educational services and materials, and it provides expert certifications. Hence, the risk of confusion is inherently high and is not averted in the disputed domain name itself. The Respondent claims an intent to dispel any confusion with a disclaimer on the eventual website. It may be possible to create an educational resource website making nominative fair use of the Complainant's mark, with an appropriate, prominent disclaimer, but of course the Respondent has no such website yet.

The Respondent may indeed have intended to create a noncommercial, educational website, and the Respondent may have invested in developing such a site (although there is insufficient proof of that on the current record). The problem is that under the registration agreement, the Respondent remains responsible for lawful use of the disputed domain name at all times in a manner that does not injure third parties, whether or not the Respondent itself profits from that use. The Respondent cannot avoid responsibility for allowing a hosting company or registrar to profit from misdirecting Internet users to commercial sites by using a domain name that incorporates a well-known trademark; that is a foreseeable and illicit exploitation of another's rights. See <u>WIPO Overview 3.0</u>, section 3.5. This might not be deemed bad faith in cases where the domain name was automatically directed to such a landing page for a brief interval after registration until the registrant took steps to redirect it to an active website or an "under construction" page, for example. But in this case, the Respondent allowed others to profit from the commercial PPC links misleadingly associated with the Complainant's mark for over a year, even months after receiving communications from the Complainant alerting the Respondent to the issue. The Panel finds that this course of conduct reflects an indifference to the rights of others indicative of bad faith within the meaning of the Policy.<sup>1</sup> The Panel finds that the Complainant has established the third element of the Policy.

#### 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 <ibmexpert.ai> be transferred to the Complainant.

/W. Scott Blackmer/ W. Scott Blackmer Sole Panelist Date: January 17, 2024.

<sup>&</sup>lt;sup>1</sup>This finding is sufficient to conclude that the Complainant prevails on the third element of the Complaint. The evidence of potential "phishing" uses of the disputed domain name is inconclusive, and the facts that the Respondent registered through a domain privacy service and arranged for an email server host, which may or may not have been put into use, are similarly inconclusive.