

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

A2 Hosting, Inc. v. ASOP Investments Pty Ltd Case No. DAU2023-0019

1. The Parties

The Complainant is A2 Hosting, Inc., United States of America ("United States"), represented by Cooper Mills Lawyers, Australia.

The Respondent is ASOP Investments Pty Ltd, Australia, represented by EAGLEGATE Lawyers, Australia.

2. The Domain Name and Registrar

The disputed domain name <a2hosting.com.au> is registered with GoDaddy.com, LLC.

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on April 18, 2023. On April 18, 2023, the Center transmitted by email to GoDaddy.com, LLC a request for registrar verification in connection with the disputed domain name. On April 18, 2023, GoDaddy.com, LLC transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details.

The Center verified that the Complaint satisfied the formal requirements of the .au Dispute Resolution Policy (the "Policy"), the Rules for .au Dispute Resolution Policy (the "Rules"), and the WIPO Supplemental Rules for .au Domain Name Dispute Resolution Policy (the "Supplemental Rules").

In accordance with the Rules, paragraphs 2(a) and 4(a), the Center formally notified the Respondent of the Complaint, and the proceeding commenced on April 21, 2023. In accordance with the Rules, paragraph 5(a), the due date for Response was May 11, 2023. The Response was filed with the Center on May 11, 2023.

The Center appointed Sebastian M.W. Hughes, Rebecca Slater, and Warwick A. Rothnie as panelists in this matter on May 25, 2023. The Panel finds that it was properly constituted. Each member of 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

A. Complainant

The Complainant is a web hosting company founded in 2001 and headquartered in the State of Michigan in the United States, providing its services under the trade mark A2 HOSTING (the "Trade Mark") and via its website at "www.a2hosting.com" (the "Complainant's Website"), including to customers in Australia. The Complainant is the owner of Australian registration No. 1858722 for the Trade Mark, with a priority date of June 1, 2017, and United States Patent and Trademark Office registration No. 4861938, which was registered on December 1, 2015, citing a first use in commerce date of May 1, 2003.

B. Respondent

The Respondent is a company incorporated in the State of Queensland in Australia. The Respondent registers domain names, including the disputed domain name, for the purpose of monetisation, by (1) gaining pay-per-click revenue via sponsored links on parking pages; and (2) offering domain names for sale via online platforms.

C. The Disputed Domain Name

The disputed domain name was registered on April 11, 2014.

D. Use of the Disputed Domain Name

The disputed domain name is resolved to an English language parking page with sponsored links, some of which are related to web hosting services offered by the Complainant's competitors (the "Website"). It has also been offered for sale by the Respondent for a minimum price of USD 12,000.

5. Parties' Contentions

A. Complainant

The Complainant contends that the disputed domain name is identical to the Trade Mark, the Respondent has no rights or legitimate interests in respect of the disputed domain name, and the disputed domain name has been registered or subsequently used in bad faith.

B. Respondent

The Respondent accepts that the disputed domain name is identical to the Trade Mark, but contends that the disputed domain name was registered three years before the Complainant obtained its registration in Australia for the Trade Mark, and several months before the Complainant obtained registration of the Trade Mark in the United States. The Respondent contends that the evidence provided by the Complainant does not establish any common law rights in the Trade Mark at the time of registration of the disputed domain name. The Respondent also contends that, as a foreign entity, the Complainant does not meet the eligibility requirements for the disputed domain name.

The Respondent contends that it registered the disputed domain name for the purpose of monetisation, that its registration of the disputed domain name can co-exist with the Complainant's rights, and that its use of the disputed domain name in respect of the Website gives rise to rights and legitimate interests. The Respondent argues that the disputed domain name consists of the dictionary word "hosting", that the Website does not resemble the Complainant's Website, and it has not registered and used the disputed domain name to misleadingly divert consumers or to tarnish the Trade Mark.

As for bad faith, the Respondent submits that the registration of domain names under the Policy is conducted on a "first come first served" basis, that its ownership of a portfolio of domain names does not mean that it is a cybersquatter, that there is no direct reference to the Complainant on the Website, and that the Complainant has not yet used its registration for the domain name a complainant has not yet used its registration.

The Respondent submits that the pay-per-click pages linked to the Website do not disrupt the business of the Complainant, and that the Respondent is not attempting to attract Internet users to the Website by confusing Internet users as to the Respondent's association with the Complainant.

The Respondent requests the Panel to make a finding of reverse domain name hijacking ("RDNH") on the grounds that:

- (i) the Complainant did not serve a cease and desist letter;
- the Complainant already has a long list of domain names and wishes to add to its already long list. The Complainant has attempted to use the Policy to resolve a competing rights dispute, rather than a bona fide cybersquatting dispute for which the Policy was created;
- (iii) although failing to make out the necessary grounds under the Policy, the Complainant has used the process to harass and intimidate the Respondent to obtain the disputed domain name; and
- (iv) the Complainant has previously made offers to purchase the disputed domain name (on the platform used by the Respondent) which indicates that this is a "Plan B" Complaint filed because the Complainant was unable to obtain the disputed domain name through negotiation.¹

6. Discussion and Findings

6.1 Eligibility

Schedule A to the .auDA Domain Name Eligibility and Allocation Policy Rules for the Open 2LDs (the "Eligibility Rules") provides relevantly as follows:

ELIGIBILITY AND ALLOCATION RULES FOR ALL OPEN 2LDS

First come, first served

1. Domain name licences are allocated on a 'first come, first served' basis. It is not possible to pre-register or otherwise reserve a domain name.

Registrants must be Australian

2. Domain name licences may only be allocated to a registrant who is Australian, as defined under the eligibility and allocation rules for each 2LD.

Schedule C to the Eligibility Rules provides relevantly as follows:

ELIGIBILITY AND ALLOCATION RULES FOR COM.AU

The com.au 2LD is for commercial purposes.

¹ The evidence relied upon by the Respondent in this regard demonstrates that the Complainant initially offered to buy the disputed domain name for USD 6,340; that the Respondent then made a counter offer of USD 12,000; and the Respondent made a further offer of USD 6,500 was not accepted.

The following rules are to be read in conjunction with the Eligibility and Allocation Rules for All Open 2LDs, contained in Schedule A of this document.

1. To be eligible for a domain name in the com.au 2LD, registrants must be:

- a) an Australian registered company; or
- b) trading under a registered business name in any Australian State or Territory; or
- c) an Australian partnership or sole trader; or
- d) a foreign company licensed to trade in Australia; or
- e) an owner of an Australian Registered Trade Mark; or
- f) an applicant for an Australian Registered Trade Mark; or
- g) an association incorporated in any Australian State or Territory; or
- h) an Australian commercial statutory body.

The Panel notes that the Respondent has expressly submitted in the Response in this proceeding that the Complainant, as a foreign entity, does not meet the eligibility requirements. However, "a complainant's failure to satisfy the eligibility and allocation requirements for a domain name…does not preclude the complainant from bringing, or succeeding in, a complaint (*i.e.*, it does not effect the complainant's standing)". Overview of Panel Views on Selected auDRP Questions, Second Edition ("auDRP Overview 2.0"), section 5.2.

Moreover, the Panel finds that the Complainant, as the owner of an Australian Registered Trade Mark at the date of this Decision, meets the alternative eligibility requirements set out in paragraph 1(e) of Schedule C to the Eligibility Rules. In this regard (and noting also that this is not a point expressly taken by the Respondent in this proceeding), the Panel notes also that there is no requirement under the Eligibility Rules for the Complainant to have been the owner of an Australian Registered Trade Mark at the time of registration of the disputed domain name.

6.2 Substantive Elements of the Policy

The Complainant must prove each of the three elements in paragraph 4(a) of the Policy in order to prevail.

A. Identical or Confusingly Similar

The Panel finds that the Complainant has rights in the Trade Mark acquired through use and registration.

The fact that the disputed domain name was registered before the Complainant acquired (registered or unregistered) rights in the Trade Mark is immaterial for the purpose of the first element under paragraph 4(a) of the Policy.

Disregarding the country code Top-Level Domain ("ccTLD") ".com.au", the disputed domain name is identical to the Trade Mark.

The Panel therefore finds that the disputed domain name is identical to the Trade Mark.

Accordingly, the Complainant has fulfilled the first condition of paragraph 4(a) of the Policy.

B. Rights or Legitimate Interests

Paragraph 4(c) of the Policy provides a list of non-exhaustive circumstances any of which is sufficient to demonstrate that a respondent has rights or legitimate interests in a disputed domain name:

- (i) before any notice to the respondent of the dispute, the respondent's use of, or demonstrable preparations to use, the disputed domain name or a name corresponding to the disputed domain name in connection with a *bona fide* offering of goods or services; or
- (ii) the respondent (as an individual, business, or other organization) has been commonly known by the disputed domain name even if the respondent has acquired no trade mark or service mark rights; or
- (iii) the respondent is making a legitimate non-commercial or fair use of the disputed domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trade mark or service mark at issue.

The Complainant has not authorised, licensed, or permitted the Respondent to register or use the disputed domain name or to use the Trade Mark. The Panel finds on the record that there is therefore a *prima facie* case that the Respondent has no rights or legitimate interests in the disputed domain name, and the burden is thus on the Respondent to produce evidence to rebut this presumption.

The Respondent has failed to show that it has acquired any trade mark rights in respect of the disputed domain name or that the disputed domain name has been used in connection with a *bona fide* offering of goods or services. To the contrary, the disputed domain name has been resolved to the Website with sponsored links, some of which are related to the same web hosting services provided by the Complainant since at least 2003, including in Australia. The disputed domain name has also been offered for sale for a minimum price of USD 12,000.

The Respondent's contention that it registered the disputed domain name before the Complainant registered its Trade Mark does not assist it in the present case as the Complainant began using its Trade Mark well before the Respondent registered the disputed domain name. Furthermore, the Complaint includes evidence that the Complainant's advertisements received over 1.3 million impressions in Australia in 2013; that is, in the year before the Respondent registered the disputed domain name.

The Respondent also points out that the disputed domain name has the word "hosting" which is descriptive of its services. The disputed domain name is not merely descriptive, however, as it includes the element "A2".

As to the Respondent's contention that it registered the disputed domain name for the purpose of monetisation, Schedule C paragraph 3 of the Eligibility Rules provides as follows:

"3. A domain name may also be registered in the com.au 2LD under paragraph 2(b) for the purpose of domain monetisation, in accordance with the explanation of "domain monetisation" set out in the Guidelines on the Interpretation of Policy Rules for the Open 2LDs, provided that the following conditions are met:

a) the content on the website to which the domain name resolves must be related specifically and predominantly to subject matter denoted by the domain name; and

b) the domain name must not be, or incorporate, an entity name, personal name or brand name in existence at the time the domain name was registered*...

"brand name" means the name of an identifiable and distinctive product or service, whether commercial or non-commercial."

Paragraph 11.4 of the Guidelines on the Interpretation of Policy Rules for Open 2LDs explains the above as follows:

The second condition is that "the domain name must not be, or incorporate, an entity name, personal name or brand name in existence at the time the domain name was registered". This condition is intended to ensure that domain monetisation is not used as a cover for cybersquatting or other misleading or fraudulent activity. In determining whether a registrant is in breach of this condition, auDA will take into account whether the domain name is a generic word or may have an alternative meaning which is not related to a specific entity, person or brand.

In light of the Panel's finding (and indeed the Respondent's acceptance) that the disputed domain name is identical to the Trade Mark, the Panel finds that the Respondent is unable to rely upon its monetisation of the disputed domain name to establish rights or legitimate interests in the disputed domain name for the purposes of the Policy. That being said, the Respondent cannot be said to be making a legitimate noncommercial or fair use of the disputed domain name and no evidence has been adduced to demonstrate such.

Further, there has been no evidence adduced to show that the Respondent has been commonly known by the disputed domain name; and the Panel notes the nature of the disputed domain name (being identical to the Trade Mark), carries a high risk of implied association to the Complainant, contrary to the fact.

In light of the above uncontested matters, the Panel finds that the Respondent has failed to produce any evidence to establish genuine rights or legitimate interests in the disputed domain name.

Accordingly, the Complainant has fulfilled the second condition of paragraph 4(a) of the Policy.

C. Registered or Used in Bad Faith

In light of the manner of use of the Website, and the Respondent's offer for sale for an amount likely far in excess of the Respondent's likely out-of-pocket costs directly related to the disputed domain name, the Panel finds that the requisite element of bad faith has been made out pursuant to both paragraph 4(b)(iv) and paragraph 4(b)(i) of the Policy.

The Panel notes in particular the Complainant's claimed date of first use of the Trade Mark in the United States of May 1, 2003; and the evidence filed together with the Complaint that the Complainant had over 1.3 million impressions from Australia for its advertisements in 2013 (before the date of registration of the disputed domain name).

The Panel therefore finds, in all the circumstances, it is reasonable to conclude that the Respondent knew of the Complainant and of its (unregistered) Trade Mark at the time of registration of the disputed domain name.

Accordingly, the Complainant has fulfilled the third condition of paragraph 4(a) of the Policy.

D. Reverse Domain Name Hijacking

Paragraph 15(e) of the 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 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.".

RDNH is furthermore defined under the Rules as "using the Policy in bad faith to attempt to deprive a registered domain-name holder of a domain name".

The Complainant has succeeded in obtaining the transfer of the disputed domain name in this proceeding.

The Respondent's request for a finding of RDNH herein is without merit and is accordingly refused.

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 <a2hosting.com.au> be transferred to the Complainant.

/Sebastian M.W. Hughes/ Sebastian M.W. Hughes Presiding Panelist

/Rebecca Slater/ Rebecca Slater Panelist

/Warwick A. Rothnie/ Warwick A. Rothnie Panelist Dated: June 8, 2023