

ADMINISTRATIVE PANEL DECISION

Azteca Systems LLC v. Domain Manager, iVentures
Case No. DAU2023-0032

1. The Parties

The Complainant is Azteca Systems LLC, United States of America (“United States”), represented by Spruson & Ferguson Lawyers, Australia.

The Respondent is Domain Manager, iVentures, Australia represented by Cooper Mills Lawyers .

2. The Domain Name and Registrar

The disputed domain name <cityworks.com.au> (“the Disputed Domain Name”) is registered with Drop.com.au Pty Ltd (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on July 21, 2023. On July 24, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Disputed Domain Name. On August 1, 2023, the Registrar 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 proceedings commenced on August 3, 2023. In accordance with the Rules, paragraph 5(a), the due date for Response was August 23, 2023. The Response was filed with the Center on August 22, 2023.

The Center appointed Nicholas Weston as the sole panelist in this matter on August 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 company incorporated under the laws of the United States founded in 1986, owned since 2019 by Trimble Inc, that operates a business providing Geographic Information Systems (GIS)-centric software applications for public asset management used by hundreds of utilities and local governments that captures, stores, analyzes, and manages data and associated attributes. The Complainant holds a portfolio of registrations for the trade mark CITYWORKS, and variations of it, including Australian Trade Mark Registration No. 1482147 registered on March 26, 2012 in class 9.

The Respondent is an Australian company incorporated in Victoria in July 2009 that operates a business creating and developing online businesses.

The Disputed Domain Name was registered on October 27, 2014 and resolves to a pay-per-click (“PPC”) parking webpage.

Insofar as records crawled and stored by the Wayback Machine at the Internet Archive disclose, the Disputed Domain Name appears to have been inactive. A screen capture on January 11, 2016 indicates it then resolved to a third party webpage that displayed the Disputed Domain Name and stated “Make an offer using the form below”, “Offers above \$1,488.” The Wayback Machine at the Internet Archive crawled the Disputed Domain Name on October 3, 2016 disclosing that it then displayed a webpage that stated “this domain is for sale.”

In January 2022, the Complainant, through a domain name broker, sent an email to obtain the Respondent’s asking price for the Disputed Domain Name to which the Respondent advised that the asking price to transfer the Disputed Domain Name was USD 55,000.

The Complainant, through a legal representative, sent a cease-and-desist letter dated August 2, 2022 to the Respondent. The Respondent, through a representative, replied by email on August 15, 2022, denying the claims, and alleging that the claims were attempted reverse domain name hijacking. The Complainant replied on December 2, 2022, rejected the Respondent’s assertions and offered to pay AUD 300 for the transfer of the Disputed Domain Name. No response to that letter was received.

At the time of this decision, the Disputed Domain Name redirects a PPC parking page with the following three links “CityWorks.com.au – Fashion”, “CityWorks.com.au – Clothing” and “CityWorks.com.au – Designs”.

5. Parties’ Contentions

A. Complainant

The Complainant cites its Australian trade mark registration, and several other registrations around the world, for the mark CITYWORKS and variations of it as, *prima facie*, evidence of ownership.

The Complainant submits that its rights in the mark CITYWORKS predate the Respondent’s registration of the Disputed Domain Name. It submits that the Disputed Domain Name is identical or confusingly similar to its trade mark, because the Disputed Domain Name incorporates in its entirety the CITYWORKS trade mark and that identity is not removed by the addition of the Second-Level Domain Suffix (“ccTLD”) “.com.au”.

The Complainant contends that the Respondent has no rights or legitimate interests in respect of the Disputed Domain Name because it “redirected to a landing page...offering the Disputed Domain Name for sale”, and submits that the Respondent had not previously used the Disputed Domain Name in connection with a *bona fide* offering of goods or service prior to August 2, 2022, when the Complainant gave notice to the Respondent of the subject matter of this dispute by causing its lawyers to send the relevant cease-and-desist letter. The Complainant contends that “[t]hat Landing Page also promotes, via pay per click through

ads, third party websites including a website promoting software for “Monitoring and bigdata analytics for infrastructure, network and application performance. End-to-end visibility with unified application and network performance management tools.” The Complainant also contends that the Respondent is not commonly known by the Disputed Domain Name, is not an authorized user of the CITYWORKS trade mark, and has no other rights or legitimate interests in the Disputed Domain Name. The Complainant also alleges that the Respondent has engaged in a pattern of registering domain names corresponding to marks held by the Complainant and a third party and contends that doing so is not consistent with a pattern of *bona fide* activity.

Finally, the Complainant alleges that the registration and use of the Disputed Domain Name was, and currently is, in bad faith, contrary to the Policy and Rules and submits that “the Respondent has not published any dedicated website in connection with the Disputed Domain Name since it registered the [Disputed] [D]omain [N]ame in (by its own admission) 2014 other than the parked landing page with pay per click promoted links and offer to sell the [Disputed] [D]omain [N]ame as outlined above).” The Complainant alleges that “[t]he Respondent is currently using the Disputed Domain Name to redirect users looking for the Complainant to a webpage which has (advertising revenue generating) pay-per-click links to third party software sites including those relating to competing software to that of the Complainant”. The Complainant also alleges that “[t]he Respondent has also demanded payment of [USD]55,000 in response to a reasonable offer through a domain name broker [] in about January 2022 by the Complainant to transfer the Disputed Domain Name.”

B. Respondent

The Respondent submits that the term CITYWORKS is “a common term used by local governments in Australia” and the Complainant does not own an exclusive right to use the term. The Respondent also contends that “[b]ecause there is no evidence that the Complainant has used the trademark in Australia in the past 3 years, the Respondent has filed a non-use removal action against Australian Trademark Number 1482147 which forms the sole basis of the Complainant’s claim in respect of the first element of the Policy”.

On the issue of Rights or Legitimate Interests, the Respondent submits that the Disputed Domain Name is “highly descriptive” and that when it “purchased the [D]isputed [D]omain [N]ame at auction for \$1.10 on 27 October 2014”...it...“was unaware of the Complainant or its alleged trademark rights when the Respondent registered the [D]isputed [D]omain [N]ame in 2014”. It submits that it purchased the Disputed Domain name with the intention of starting a fashion business and submits that “[b]efore 2 August 2022 (the date the Respondent became aware of the Complainant’s rights), the Respondent made bona fide and demonstrable preparations to use the [D]isputed [D]omain [N]ame with an offering of goods or services (not being the offering of domain names that you have acquired for the purpose of selling, renting or otherwise transferring).” It submits that the demonstrable preparations to use the Disputed Domain Name occurred in or around April 2016 by obtaining quotes for website and corporate identity development from a design company. It submits that the PPC landing page evidence supplied by the Complainant is “not the landing page but a search query result” and that “[t]here is a risk that the Complainant’s evidence is intentionally misleading because search or prior searches undertaken by the Complainant have influenced the PPC links and content that are displayed.”

On the issue of Registered or Used in Bad Faith, the Respondent denies that the Disputed Domain Name was registered or is being used in bad faith. On the issue of Registration in bad faith the Respondent submits that the Complainant does not have a reputation in the words “city” and “works”, and denies knowledge of the Complainant’s business, before commencement of the dispute. On the issue of use in bad faith, the Respondent denies use in bad faith and submits, *inter alia*, that “[t]he Complainant cannot say that ‘City Works’ is a unique term. “City Works is a common term used by local governments in Australia” citing examples of a number businesses and municipalities that make use of the term. The Respondent denies the allegation of passive holding, and, on the request for payment of USD 55,000 to transfer the Disputed Domain Name, submits that “[t]he Respondent never approached the Complainant” submitting that the Panel should draw a distinction between an offer to transfer that is unsolicited and an offer to transfer that is solicited by the Complainant.

The Respondent also submits that the conduct of the Complainant in bringing the proceeding amounts to Reverse Domain Name Hijacking.

6. Discussion and Findings

Paragraph 4(a) of the Policy provides that, for the Complainant to succeed, it has the burden of proving the following:

- (i) the disputed domain name is identical or confusingly similar to a name, trade mark or service mark in which the Complainant has rights; and
- (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 or subsequently used in bad faith.

A. Identical or Confusingly Similar

The Complainant must first establish that the Disputed Domain Name is identical with, or confusingly similar to, the Complainant's name, trade mark or service mark by demonstrating that it has rights in a trade mark at the date the Complaint was filed and, if that is the case, the Disputed Domain Name must also be identical or confusingly similar to the trade mark.

This Panel finds that the Complainant has rights in the CITYWORKS trade mark acquired through use and registration, including United States trade mark Registration No. 2499499 registered on October 23, 2001 in class 9. It is well established that a complainant's trademark registrations in foreign jurisdictions are also sufficient to demonstrate rights for the purposes of the first element of paragraph 4(a) of the auDRP (see: *Doteasy Technology, Inc. v. M Makras and E.A Nahed dba Dot Easy Australia*, WIPO Case No. [DAU2006-0011](#); *Marshmallow Skins, Inc. v. Piipiinoo Australia Pty Limited*, WIPO Case No. [DAU2013-0015](#), *EventXtra Limited v. Event X Pty Ltd / Catherine L'Huillier, DPMEW Pty Ltd*, WIPO Case No. [DAU2021-0033](#)).

Turning to whether the Disputed Domain Name is identical or confusingly similar to the CITYWORKS trade mark, the Panel observes that the Disputed Domain Name comprises: (a) an exact reproduction of the Complainant's trade mark CITYWORKS; (b) followed by the ccTLD ".com.au".

The relevant comparison to be made is with the Second-Level portion of the Disputed Domain Name, specifically: "cityworks". It is well-established that the Second Level Domain, ".com.au" used as the technical part of a domain name may be disregarded (see Overview of Panel Views on Selected auDRP Questions, Second Edition ("auDRP Overview 2.0"), section 1.11.1).

The Panel finds that the Disputed Domain Name, which contains the CITYWORKS trade mark in its entirety, is identical to the CITYWORKS trade mark. It is well established that, where a domain name incorporates the entirety of a trade mark, the domain name will normally be considered confusingly similar to that mark for purposes of auDRP standing.

In considering the element of paragraph 4(a)(i) of the Policy, the contents of a website are typically not relevant, albeit relevant for the assessment of the second and third elements. In *The Crown in Right of the State of Tasmania trading as "Tourism Tasmania" v. Gordon James Craven*, WIPO Case No. [DAU2003-0001](#), the panel held that: "the test of confusing similarity under the Policy is confined to a comparison of the disputed domain name and the name or trademark alone, independent of the other marketing and use factors usually considered in trademark infringement or unfair competition cases."

Accordingly, the Panel finds that the Complainant has established the first element of paragraph 4(a) of the Policy.

B. Rights or Legitimate Interests

Paragraph 4(c) of the Policy provides that the following circumstances may be situations in which a respondent has rights or legitimate interests in a disputed domain name:

- (i) before any notice to you 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 (not being the offering or domain names that the respondent has acquired for the purpose of selling, renting or otherwise transferring); or
- (ii) you (as an individual, business, or other organization) have been commonly known by the domain name, even if you have acquired no trade mark or service mark rights; or
- (iii) you 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 trade mark or service mark at issue.

These are examples only. The Policy also places the burden on the complainant to establish the absence of respondent's rights or legitimate interests in the disputed domain name. Because of the inherent difficulties in proving a negative, previous panels generally accept that a complainant need only put forward a *prima facie* case that the respondent lacks rights or legitimate interests in the disputed domain name. If the complainant makes out a *prima facie* case, the burden of production of evidence then shifts to the respondent to rebut that *prima facie* case (see *GlobalCenter Pty Ltd v. Global Domain Hosting Pty Ltd*, WIPO Case No. [DAU2002-0001](#));

It is not in dispute that the Complainant has not authorised, licensed, or permitted the Respondent to register or use the Disputed Domain Name or to use the Complainant's trade mark. Furthermore, the Disputed Domain Name is not derived from the Respondent's name or any name by which it or those behind it were commonly known before registering the Disputed Domain Name. The Disputed Domain Name may be comprised of words commonly used by municipalities, and a small number of other businesses in other fields, but it is also a trade mark registered by the Complainant and the only registered trade mark on the register in Australia using the term. Moreover, the Disputed Domain Name was registered as a domain name by the Respondent on October 27, 2014, two years and six months after the Complainant's registered Australian trade mark, CITYWORKS, took effect in October 2012 and more than 13 years and six months after the Complainant's registered United States trademark, CITYWORKS, took effect in October 2001.

It is uncontroversial that a domain name investor, or anyone else, can register a commonly used word or term as a domain name and hold it provided that the circumstances do not indicate illegitimate conduct or bad faith.

The Respondent's evidence is that that the term "cityworks" is used by a number of municipalities in Australia and a limited number of other businesses. It is also apparent that the Complainant's Registered Trade Mark No. 1482147 does not extend to fashion goods.

According to the evidence in this proceeding, the only use made of the Disputed Domain Name was to offer it for sale on a PPC webpage. That conduct may ordinarily qualify as legitimate. Registering a descriptive term as a domain name to offer it for sale for its intrinsic value may be a legitimate use under the Policy, as is use on a PPC webpage, provided these are not simply a pretext to trade on another's rights. The term is a portmanteau of the words "city" and "works", and does not strike the Panel as descriptive of a software or fashion business. In any event, that is not the only reason why the Respondent claims to have registered the Disputed Domain Name.

The Panel finds there is a *prima facie* case that the Respondent has no rights or legitimate interests in the Disputed Domain Name. It is the Respondent's burden to produce evidence to rebut this presumption.

Against this, the Respondent contends that it has rights or a legitimate interest in the Disputed Domain Name on the basis of its “demonstrable preparations” to use the Disputed Domain Name in connection with its plans to launch a fashion business under the name CITY WORKS FASHION. Thus, the Respondent seeks to bring itself within paragraph 4(c)(i) of the Policy because it contends that it has made “demonstrable preparations” to use the Disputed Domain Name in connection with a *bona fide* offering of goods or services.

The Disputed Domain Name was purchased on October 27, 2014. The cease and desist letter was sent on August 2, 2022 which seems to have been the first the Respondent would have known of the dispute. It has therefore had nearly eight years to make “demonstrable preparations” to use the domain name for a *bona fide* offering of goods or services.

As expressed in previous analogous UDRP decisions, non-exhaustive examples of demonstrable preparations to use the domain name, in connection with a *bona fide* offering of goods or services may include:¹ (i) evidence of business formation-related due diligence/legal advice/correspondence, (ii) evidence of credible investment in website development or promotional materials such as advertising, letterhead, or business cards (iii) proof of a genuine (i.e., not pretextual) business plan utilizing the domain name, and credible signs of pursuit of the business plan, (iv) bona fide registration and use of related domain names, and (v) other evidence generally pointing to a lack of indicia of cybersquatting intent” (see WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition (“[WIPO Overview 3.0](#)”), section 2.2).

In support of its claim, the Respondent has provided evidence of steps taken to have occurred in or around April 2016 by obtaining a quote for website and corporate identity development from a design company, well before the cease and desist letter was sent. Given the evidence is supported by a statutory declaration, the Panel considers it is not appropriate to go behind the Respondent’s declarations about its intended purpose in registering the Disputed Domain Name, and accepts the veracity of the evidence of the fee estimate for webdev and branding. The Panel is not persuaded that the step taken by the Respondent amounts to “demonstrable preparations” given that in the eight years since the Disputed Domain Name has remained parked according to the Respondent “in accordance with auDA’s Licensing Policy”. The Panel finds that the Respondent’s conduct is not consistent with demonstrating that it wanted to keep the Disputed Domain Name and to use it for a *bona fide* fashion business. This Panel finds that the examples in [WIPO Overview 3.0](#), section 2.2 have not been satisfactorily demonstrated. It is moreover unclear how the Respondent’s mention of other (some 16) third party uses of the relevant mark would assist in showing preparations of its own business plan.

For at least some of the period prior to the cease and desist letter, and to the present time of determining this proceeding, the Disputed Domain Name resolved to a parking page which included PPC links which do not appear to fall within the scope of the Complainant’s registered trade marks for CITYWORKS, and a generalized offer for sale of the Disputed Domain Name. The Panel considers the PPC parking page and generalized offer for sale over an extended period of eight years does exclude a good faith offering in the circumstances of this case (see auDRP Overview 2.0, section 2.6).

The Respondent also submits that the Complainant’s trade mark was not very well-known in Australia in 2014 and further alleges that the Complainant’s registered Australian trade mark is the subject of the Respondent’s own application to remove it from the register for non-use. These points do not assist the Respondent. Under the Policy, the question is whether or not the Disputed Domain Name has been registered opportunistically to take advantage of the Complainant’s trade mark. That issue is not automatically limited by national or jurisdictional boundaries given the global nature of the Internet. Further, the Complainant has multiple trade mark registrations in several jurisdictions, including Australia, that pre-date the registration of the Disputed Domain Name, and the Disputed Domain name is in direct conflict with those registered trade marks.

¹ Noting the substantial substantive similarities between the Policy and the Uniform Domain Name Dispute Resolution Policy (“UDRP”), the Panel has referred to prior UDRP cases and the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition (“[WIPO Overview 3.0](#)”), where appropriate.

There has been no evidence adduced to show that the Respondent has been commonly known by the Disputed Domain Name, nor does any of the evidence demonstrate that the Respondent is making legitimate noncommercial or fair use of the Disputed Domain Name. The Respondent has failed to rebut the *prima facie* case established by the Complainant that the Respondent has no rights or legitimate interests in the Disputed Domain Name.

The Panel therefore finds that the Complaint fulfils the second condition in paragraph 4(a)(ii) of the Policy.

C. Registered or Subsequently Used in Bad Faith

The third element of the Policy that the Complainant must also demonstrate is that the Disputed Domain Name has been registered or subsequently used in bad faith. Paragraph 4(b) of the Policy sets out certain circumstances to be construed as evidence of both.

The evidence is that the Respondent has registered or used the Disputed Domain Name in bad faith. The *onus* is on the Respondent to make the appropriate enquiries when registering a domain name. Paragraph 2 of the Policy clearly states: “It is your [domain-name holder’s] responsibility to determine whether your domain name registration infringes or violates someone else’s rights.” The Disputed Domain Name registered by the Respondent, the unlikelihood that registering such Disputed Domain Name identical to the Complainant’s word trade mark attributable to pure coincidence, and the apparent lack of any good faith attempt to ascertain whether or not the Respondent was registering and using someone else’s trade marks, such as by conducting trade mark searches or search engine searches, supports a finding of bad faith.

A simple Internet search would have alerted the Respondent to the Complainant’s prior rights, the Respondent’s registration of the Disputed Domain Name incorporating the Complainant’s trade mark could not be attributable to pure coincidence and creates a presumption of bad faith. The trademark record is there for everyone to see. The Panel finds that the Respondent must have been aware of the relevant trade mark given the registration of the Disputed Domain name consists solely of the Complainant’s trade mark and has the effect of preventing the Complainant from reflecting its name in the Disputed Domain Name. The Panel’s finding is reinforced given the Complainant’s use of the domain name <cityworks.com> and the Respondent’s only use of the Disputed Domain Name over an eight year period being to host a PPC parking page and offer the Disputed Domain Name for sale. The Panel finds that these circumstances amount to evidence of bad faith and is satisfied that the Respondent registered the Disputed Domain Name to prevent the Complainant from reflecting its trade mark in a corresponding domain name, contrary to paragraph 4(b)(ii) of the Policy.

Although that finding of itself is sufficient to dispose of the proceeding, paragraph 4(b)(i) of the Policy provides that bad faith can be evidenced also where there are “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 another person for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name”.

This Panel accepts the Complainant’s evidence that the Disputed Domain Name has been offered for sale to the Complainant in January 2022 for USD 55,000. In this case the Respondent confirmed that “[t]he Respondent never approached the Complainant” but that it had made such an offer to a third party broker. Panels have drawn a distinction between an offer to transfer that is unsolicited and an offer to transfer that is solicited by a complainant. Where a complainant approached a respondent soliciting an offer to transfer a domain name, a consequential offer to transfer for a price is generally considered insufficient of itself, to demonstrate bad faith on the part of the relevant respondent.

The Wayback Machine at the Internet Archive discloses a screen capture on January 11, 2016 – which is before the Respondent’s (April 2016) evidence that it claims shows its “demonstrable preparations” to use the same – that indicates the Disputed Domain Name at that time resolved to a third party webpage that displayed the Disputed Domain Name and stated “Make an offer using the form below”, “Offers above

\$1,488.” This is at odds with its claimed fashion business, and on the Respondent’s own evidence, it paid AUD 1.10 for the Disputed Domain Name and there is no other evidence in relation to its actual expenditure associated with the Disputed Domain Name. There is no evidence that the corporate branding preparations went past the stage of obtaining quotes or fee estimates. In view of the Panel’s finding that the Respondent was aware of the Complainant and its trade marks when it registered the Disputed Domain Name, the panel also considers it reasonable to conclude that the combination of “circumstances” support a further finding of bad faith.

The Panel therefore also finds that the Respondent has registered the Disputed Domain Name for the purpose of selling, renting, or otherwise transferring the Disputed Domain Name registration to another person for valuable consideration in excess of the Respondent’s reasonable documented out-of-pocket costs directly related to the Disputed Domain Name, contrary to paragraph 4(b)(i) of the Policy.

Accordingly, the Panel finds that the Complainant has satisfied the requirements of paragraph 4(a)(iii) of the Policy.

D. Reverse Domain Name Hijacking

The Respondent has requested that the Panel make a finding of Reverse Domain Name Hijacking (“RDNH”). The Panel declines to make a finding of RDNH.

The Disputed Domain Name closely resembles the Complainant’s registered trade mark. When the Complaint was filed, the Disputed Domain Name was being used to resolve to a parking page with PPC links and had been offered for sale for USD 55,000. The Respondent failed to avoid liability under the Policy. In any event, until the proceeding was brought, the obtaining of quotes for website and branding was known only to the Respondent and not publicly available, as none of these materials appear to have been commissioned or used.

In these circumstances, the Panel considers a finding of reverse domain name hijacking is not warranted.

7. Decision

For all 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 <cityworks.com.au> be transferred to the Complainant.

/Nicholas Weston/

Nicholas Weston

Sole Panelist

Date: September 13, 2023