

Appendix A



WIPO Arbitration and Mediation Center

ADMINISTRATIVE PANEL DECISION

Robert G. Jacobsen v. Jerry R. Britton

Case No. D2007-0763

1. The Parties

Complainant is Robert G. Jacobsen, Berkeley, California, United States of America, represented by Law Office of Victoria K. Hall, United States of America.

Respondent is Jerry R. Britton, Etners, Pennsylvania, United States of America.

2. The Domain Name and Registrar

The disputed domain name <decoderpro.com> (the “Domain Name”) is registered with Network Solutions, LLC.

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on May 24, 2007. On May 30, 2007, the Center transmitted by email to Network Solutions, LLC a request for registrar verification in connection with the domain name at issue. On May 30, 2007, Network Solutions, LLC transmitted by email to the Center its verification response confirming that Respondent is listed as the registrant and providing the contact details. The Center verified that the Complaint satisfied the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the “Policy”), 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(a) and 4(a), the Center formally notified Respondent of the Complaint, and the proceedings commenced on June 8, 2007.

In accordance with the Rules, paragraph 5(a), the due date for Response was June 28, 2007. Respondent did not submit any response. Accordingly, the Center notified Respondent’s default on July 2, 2007.

On July 10, 2007, Complainant submitted to the center a Supplemental Filing. The Panel accepts the filing.

The Center appointed John R. Keys, Jr. as the sole panelist in this matter on July 12, 2007. 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 Robert Jacobsen is a founder of and is affiliated with a group called Java Model Railroad Interface (JMRI). Complainant and Mathew Katzer are competitors in the model railroading market. They have known each other through model railroading activities and business since 2000. Respondent Jerry Britton is also involved in model railroading and has known both Jacobsen and Katzer for some time, as further described below.

Complainant owns the registration of the trademark DECODERPRO on the Principal Register of the United States in connection with computer software for operating model railroads. The United States Patent and Trademark Office (USPTO) registered the mark on May 16, 2006. The application was filed October 27, 2004, claiming a first use in commerce of July 12, 2001.

On February 22, 2004, Matthew Katzer registered the Domain Name, <decoderpro.com>. Katzer and a partner transferred the Domain Name to Respondent pursuant to a confidential Settlement Agreement and Release dated February 15, 2005, resolving litigation between the Katzer partnership and Respondent.

The Katzer-Britton Settlement Agreement provided, *inter alia*, that “Britton shall not sell or otherwise transfer ownership of <decoderpro.com>”, and, further, that Britton will direct the domain name <decoderpro.com> only to the ‘sourceforge.net’ website. . . .” Failure to do so for any period of five consecutive days would cause ownership of <decoderpro.com> to revert to the Katzer partnership. The Agreement provided that upon breach of any of its terms, the breaching party is liable to pay the non-breaching party, on demand, the sum of \$20,000.

Respondent continues to own the Domain Name which is now directed to the JMRI website at “www.sourceforge.net”.

5. Parties’ Contentions

A. Complainant

Complainant contends that the Domain Name is identical or confusingly similar to a trademark in which Complainant has rights.

Complainant contends that he and two other persons created an open source group called Java Model Railroad Interface (JMRI) and that he is the main contact for JMRI and represents their interests in this proceeding.

Complainant contends that JMRI produces computer software, called DecoderPro, to run model trains on a model railroad layout. He contends that he and JMRI began using the DecoderPro mark in 2001 and have used it continuously since that time. DecoderPro software was first published on the web in July 2001. Model railroaders have given clinics on the use of DecoderPro, and, by January 1, 2004, DecoderPro had been downloaded more than 10,000 times. Numerous persons used the DecoderPro mark in connection with JMRI's product regularly in 2002 and 2003, and there are more than 2,500 postings to various model train listservs mentioning DecoderPro. Several for-profit manufacturers have obtained licenses to distribute DecoderPro software.

Complainant contends that he had common law rights in the trademark DECODERPRO even before filing an application on October 27, 2004, to register the mark and that he obtained registration of the mark in his name on May 16, 2006.

Complainant further contends that the Domain Name is identical or confusingly similar to his DECODERPRO trademark. The only difference is the addition in the Domain Name of the top-level domain, ".com", which is insignificant.

Complainant contends that Respondent has no rights or legitimate interests in respect of the Domain Name. He asserts that he has never authorized Respondent or the prior Domain Name registrant, Mathew Katzer, to use the DECODERPRO mark. Neither Respondent nor Katzer has ever been known by the name "decoderpro".

Complainant contends that Respondent is not using the Domain Name in connection with a *bona fide* offering of goods or services. Complainant contends that Respondent has no products that he is offering, has no products or services using the name "decoderpro", and has made no preparations to offer goods or services using the name DecoderPro.

Complainant contends that neither Respondent nor Katzer is making, or has made, a noncommercial or fair use of the Domain Name. Katzer used the Domain Name only to point to a domain "parking" service. Respondent now has the Domain Name pointed to Complainant's own JMRI website, located at "www.sourceforge.net", which use, Complainant contends, is not a legitimate or fair use but is essentially a non-use of the Domain Name.

Finally, Complainant contends that the Domain Name was registered and is being used in bad faith. In this connection, Complainant levels a number of allegations directed principally against Mathew Katzer, whose bad faith Complainant contends should be imputed to Respondent. Complainant contends that the following evidence Katzer's bad faith:

- Katzer, a competitor of Complainant's in the model railroading world, registered the Domain Name in February 2004, with full knowledge of Complainant's existing use of the DecoderPro mark in connection with Complainant's software. Katzer intended to use the Domain name to disrupt Complainant's business by interfering with Complainant's trademark rights. Katzer knew that use of DecoderPro in a domain name would deprive Complainant of being able to have a domain name that reflected his trademark. Deliberately appropriating a mark that one knows belongs to another is evidence of misappropriating that mark and its accompanying good will.

- Katzer knew that use of DecoderPro in a domain name would cause confusion among others who were familiar with Complainant's product and would cause at least initial interest confusion as to the source of DecoderPro.

Katzer violated his registration agreement with Network Solutions because he knew of Complainant's rights in DecoderPro when he registered the Domain Name.
- Katzer engaged in multiple other abusive registrations.
- Katzer held the Domain Name passively. After registering the name, he left it directed to a parked page for over a year before transferring it to Respondent.
- Katzer failed to respond to a November 8, 2004 demand letter to return the Domain Name to Complainant.
- After the dispute arose between Complainant and Katzer over the Domain Name, Katzer sued Respondent on unrelated claims. That suit was settled, but as part of the Settlement Agreement, Katzer transferred the Domain Name to Respondent, subject to the stipulation that Respondent could not transfer the Domain Name to anyone else. If Respondent breaches this aspect of the Settlement Agreement, he may be required to pay Katzer \$20,000, plus attorneys fees. This arrangement with Respondent constitutes cyberflight by Katzer. Katzer is still exercising control over the Domain Name and the right to control transfer of the Domain Name for consideration of \$20,000.

Complainant contends that Katzer and Respondent knew each other before the transfer. They had a business relationship prior to the transfer. They had been involved in litigation and had entered into an agreement providing for Katzer's transfer of the Domain Name to Respondent, which agreement allows Katzer to exercise control over further transfer of the Domain Name and to profit if the Domain Name is transferred to a third party, including the Complainant. Respondent knew all of this when he entered into the Settlement Agreement. Complainant contends, therefore, that Katzer's bad faith in registering and using the Domain Name must be imputed to Respondent.

Finally, Complainant contends that Respondent's own actions constitute bad faith. Respondent points the Domain Name to a JMRI web page and can do nothing else with it pursuant to the Settlement Agreement. Respondent has no active or contemplated use of the Domain Name that would be legitimate. This indicates bad faith and tends to hurt Complainant's reputation in the eyes of consumers because it looks unprofessional and makes it look like the owner of the mark is too disorganized to put up a web page.

In March 2006, Complainant filed a civil action against Katzer in United States District Court for the Northern District of California alleging, among other things, cybersquatting with respect to <decoderpro.com> and seeking, among other things, transfer of the Domain Name to himself. The action remains pending.

B. Respondent

Respondent did not reply to Complainant's contentions.

6. Discussion and Findings

Because Respondent did not respond to the Complaint, the Panel first considers whether Respondent has been given adequate notice of the proceeding. The evidence indicates that the Center sent the Complaint in electronic form to the e-mail addresses required under paragraph 2(a)(ii) of the Rules and in hard copy by courier service to the address provided in Respondent's registration information. The Panel concludes that the Center discharged its responsibility under the Rules to notify Respondent of the Complaint and the administrative proceeding.

Where a respondent does not respond to the complaint, the panel must decide the dispute based upon the complaint. Rules, paragraphs 5(e) and 14(a). The panel is to decide the complaint on the basis of the statements and documents submitted, in accordance with the Policy, the Rules and any principles of law the panel deems applicable. Rules, paragraph 15(a). Under paragraph 14(b) of the Rules, Respondent's failure to answer entitles the Panel to "draw such inferences therefrom as it considers appropriate".

Under paragraph 4(a) of the Policy, Complainant must prove each of the following three elements of its case in order to obtain the requested relief:

- (i) Respondent's 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) Respondent's Domain Name has been registered and is being used in bad faith.

The Panel considers each element in order.

A. Identical or Confusingly Similar

Complainant must show that the Domain Name is identical or confusingly similar to a trademark in which Complainant has rights. He has done so here. Complainant owns a valid registration on the Principal Register of the United States of the trademark DECODERPRO. The Domain Name, <decoderpro.com>, is identical to Complainant's trademark, except for the addition of the top level domain ".com", which is considered insignificant in precluding confusion with respect to the mark. *Playboy Enterprises International, Inc. v. Global Media Domain Trust*, WIPO Case No. D2006-1543.

B. Rights or Legitimate Interests

Complainant must establish that Respondent has no rights or legitimate interests in the Domain Name. See paragraph 4(a)(ii) of the Policy. Once a complainant has made a *prima facie* case that a respondent lacks rights or legitimate interests, the burden shifts to Respondent to come forward with evidence demonstrating its rights and legitimate interests.

The evidence of record is sufficient for the Panel to infer that Respondent is not using the Domain Name in connection with a *bona fide* offering of goods or services. See paragraph 4(c)(i) of the Policy. It does not appear that Respondent has in fact used the Domain Name in connection with any offering of goods or service whatsoever.

The Domain Name is being used only to point to Complainant's website. This is not a *bona fide* offering of goods or services by Respondent.

There is no evidence that Respondent is commonly known by the Domain Name, that Complainant authorized or licensed Respondent to use Complainant's trademark in the Domain Name or that Respondent is making a legitimate noncommercial or fair use of the Domain Name. See paragraphs 4(c)(ii) and (iii) of the Policy.

Complainant has established a *prima facie* case that Respondent possesses no rights or legitimate interests in the Domain Name, and Respondent, in default, has not come forward with evidence to demonstrate that he does. The Panel therefore concludes that Respondent does not have rights to or legitimate interests in the Domain Name.

C. Registered and Used in Bad Faith

Finally, Complainant must show that Respondent both registered and is using the Domain Name in bad faith. See paragraph 4(a)(iii) of the Policy. Paragraph 4(b) of the Policy prescribes four circumstances that will be considered evidence of bad faith registration and use, but also makes clear that bad faith is not necessarily limited to these four.

Complainant makes a number of distinct assertions of bad faith registration and use, most of which are directed principally against the original Domain Name registrant, Mathew Katzer. Some of Complainant's contentions concerning bad faith are not sustainable on the record. However, in the Panel's view, we are left with this: Complainant's competitor and rival in their area of mutual endeavor, Katzer, following some personal conflict between them, registered a domain name identical to a trademark he knew Complainant had used for several years, did not use the Domain Name for over a year, except to park it, and then, after Complainant demanded transfer of the Domain Name to himself, arranged in a confidential agreement to transfer the Domain Name to Respondent on terms allowing Katzer to prevent Respondent from transferring the Domain Name to Complainant and to dictate where the Domain Name would be directed. Respondent's breach of these terms could cause reversion of the Domain Name to Katzer and/or a requirement that Respondent pay Katzer \$20,000.

Imputing Katzer's Bad Faith to Respondent

Complainant's contention that Katzer's bad faith should be imputed to Respondent is key, and maybe even necessary, to Complainant's case so we address it before dealing with the specifics of any bad faith by either Katzer or Respondent.

Prior panels have in certain situations imputed the bad faith of an original registrant to a subsequent transferee registrant to establish bad faith registration and use. *National Collegiate Athletic Association v. Dusty Brown*, WIPO Case No. D2004-0491. As the Panel in the *NCAA* case observed, where there exists a continuing relationship between the prior and the present registrants, "the question arises whether, under the facts at issue and given the nature of the relationship, the actions of the prior registrant should be imputed to the present registrant such that the conduct of both entities, from the perspective of assessing the propriety of that action, is viewed collectively, i.e., as one single entity, one single actor". *Id.* The *NCAA* Panel went on to state that "UDRP Panels need to be acutely sensitive to the existence of any past, present and/or continuing relationship among the relevant actors when assessing the facts in any given case scenario in order to discern [whether] the relationship itself engendered any untoward influence, motivation or opportunity which would color an otherwise

legitimate domain name transfer or related transaction between the actors, when transacting on an arms-length, disinterested basis, a sham; specifically a sham intentionally calculated and undertaken to deprive a third-party trademark owner of its right to a domain name”. *Id.*

Were it not possible to impute the bad faith of one registrant to another in appropriate circumstances, the prior registrant could easily and successfully shield its domain names from transfer and thereby thwart the operation of the Policy. *Id.* The prior registrant could, in effect, launder his own bad faith by transferring the domain name to another person whose own conduct might not warrant a finding of bad faith under the Policy but who is nevertheless controlled by the prior registrant to the detriment of the trademark owner who is unable to obtain the domain name reflecting his mark.

In this case, Katzer’s bad faith, as discussed below, can and should be imputed to Respondent. Katzer and Respondent knew each other before transfer of the Domain Name, had a business relationship, engaged in litigation, and knowingly entered into a settlement agreement which transferred the Domain Name to Respondent on terms and conditions which essentially allow Katzer to continue to control any disposition or use of the Domain Name. See *KSL Recreation Management Operations, LLC v. KSL Recreation Management Operations LLC*, NAF Case No. FA876390. Under the circumstances, there is a continuing relationship between Katzer and Respondent which allows Katzer’s bad faith to be imputed to Respondent. Katzer and Respondent, therefore, should be viewed collectively as a single entity for purposes of assessing bad faith registration and use.

Katzer’s Bad Faith

Substantial authority exists that registration of a domain name that is confusingly similar to a famous trademark by any entity that has no relationship to that mark is itself sufficient evidence of bad faith registration and use. *Sporty’s Farm LLC v. Sportsman’s Market, Inc.*, 202 F.3d 489, 498 (2d Cir. 2000); *Pfizer Inc. v. NA*, WIPO Case No. D2005-0072; *AT&T Corp. v. John Zuccarini d/b/a Music Wave and the Domain Name RaveClub Berlin*, WIPO Case No. D2002-0440; *America Online, Inc. v. Anson Chan*, WIPO Case No. D2001-0004; *Veuve Clicquot Ponsardin, Maison Fondée en 1772 v. The Polygenix Group Co.*, WIPO Case No. D2000-0163 (use of a name connected with such a well-known product by someone with no connection with the product suggests opportunistic bad faith); *Research in Motion Limited v. Dustin Picov*, WIPO Case No. D2001-0492.

Katzer clearly knew of Complainant’s and JMRI’s use of the DECODERPRO mark in connection with its software product when he registered the Domain Name and must clearly have known that he, Katzer, had no rights in that mark. Indeed, the evidence supports the conclusion that Katzer had no purpose in registering the name except to keep it out of others’ hands, including Complainant’s hands.

After registering the Domain Name, Katzer then made no use of it. Passive use has been found by prior WIPO UDRP Panels to constitute evidence of bad faith where *inter alia* there is no conceivable active or contemplated use of the domain name that would be legitimate. *Deutsche Telekom AG v. Domibot*, WIPO Case No. D2006-0154; *Telstra v. Nuclear Marshmallows*, WIPO Case No. D2000-0003. Given that the Domain Name and Complainant’s trademark are identical, it is difficult to conceive of a legitimate use Katzer could make of the Domain Name. Such passive use would also tend to be injurious in that it would reflect badly on Complainant and JMRI by

suggesting that there was no content to the DecoderPro website, when in fact that was not the case.

The Policy provides that registration of a domain name primarily for the purpose of disrupting the business of a competitor shall be evidence of registration and use of a domain name in bad faith. See paragraph 4(b)(iii) of the Policy. In the Panel's view, there is essentially a purpose on the part of Katzer to disrupt the business of a competitor by interfering with Complainant's exercise of his trademark rights. Katzer registered the Domain Name and used his registration to keep the name away from the trademark owner. While Katzer subsequently transferred the Domain Name to Respondent, and Respondent is now using the Domain Name to direct users to the JMRI site on "www.sourceforge.net", Katzer is still exercising substantial control over the Domain Name by preventing its transfer to Complainant and specifying the only site to which the Domain Name can be directed. In the circumstances, this amounts to an illegitimate use of the Domain Name in that it prevents the owner of the trademark from controlling its use as he sees fit for his own purposes.

The Panel concludes that Complainant has demonstrated sufficient evidence of bad faith registration and use of the Domain Name on the part of Katzer, and, as discussed above, that such bad faith should be imputed to Respondent under the circumstances of this case based on their continuing relationship through the Settlement Agreement.

Respondent's bad faith

While Respondent may not have harbored some of the same personal animosities or motives as did Katzer when he first registered the Domain Name, the fact remains that Respondent knew of Complainant's trademark when he entered into the Settlement Agreement with Katzer. Respondent, by knowingly acting in concert with Katzer pursuant to the terms of their 2005 Settlement Agreement, is in effect carrying out Katzer's bad faith agenda with the result that Respondent too is interfering with Complainant's exercise of legitimate trademark rights and preventing Complainant from controlling use of his own registered trademark.

The Panel concludes that Complainant has shown bad faith registration and use of the Domain Name and has therefore established the third and final element of his case.

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 domain name <decoderpro.com> be transferred to the Complainant.

John R. Keys, Jr.
Sole Panelist

Dated: July 26, 2007