

Jonathan Agmon (Chairman)
Neil Wilkof
Ellen Shankman

In the matter between

Accenture Global Services GmbH
v.
Eyal Har-Tuv

In respect of the domain Name: ACCENTURE.CO.IL

Decision

Jonathan AGMON (Chairman):

In accordance with sections 16, 19.4 and 21 to the Rules for Allocation of Domain Names under the .IL (Israel) Top Level Domain dated December 1998 (hereafter: "**the Rules**") this panel decides as follows.

Background

On 5 November 2002 Accenture Global Services GmbH (hereafter: "**Accenture**") filed notice pursuant to Rule 19.3 of the Rules requesting the Advisory Committee Panel to reconsider the allocation of the domain name ACCENTURE.CO.IL to Eyal Har-Tuv (hereafter: "**the Domain Name**" and "**Har-Tuv**" respectively).

Procedure

This Panel was established on 7 November 2002. Pursuant to establishment of the Panel, the Panel delivered a copy of the notice to Har-Tuv on 10 November 2002. On 18 November 2002 Har-Tuv filed his Statement of Response. On 25 November 2002 Accenture filed a Response. The Panel has carefully considered all the materials and arguments submitted by the parties.

Nature of the Dispute

Pursuant to rule 19.3 of the Rules any person or organization that disputes the allocation of a Domain Name to a Holder may request reconsideration of the allocation, including transfer of the allocation to the challenger upon application to the Advisory Committee.

Finding of Facts and Arguments

Accenture was known up and until 26 October 2000 as Anderson Consulting. Accenture is a multinational corporation providing various services relating to business entities. Under the name Anderson Consulting the company is widely known as a business consulting firm. Accenture generated net revenues of \$11.44 billion for the fiscal year ended August 31, 2001. On 26 October 2000 Anderson Consulting announced its adoption of a new name – ACCENTURE – as its business name and trademark. In due course Accenture filed numerous trademark applications for the mark ACCENTURE in Israel claiming Paris Convention priority from a filing in the Benelux dated 6 October 2000. The trademarks were accepted for registration in Israel. Among those are registered trademarks in classes 9,

16, 35, 36, 37, 41 and 42, which include business services. Accenture began its operations in Israel on November 2001 and later opened a branch during April 2002. Accenture did not apply for the Domain Name at the time of filing its trademark applications for the mark ACCENTURE.

At present, Accenture is using its .com web site to refer its clients to Accenture in Israel. The Accenture web site referring to Israel provides that “We are now working in Israel too, with projects in the Financial Services, Communications & High Technology, Resources and Products sectors, in an environment that offers us excellent opportunities in areas that are directly related with innovation and new technologies. “

Har-Tuv is a US educated attorney and accountant. Har-Tuv teaches courses in English and has made use of the name River Business English for his business. Upon hearing that Anderson Consulting was changing its name to ACCENTURE, Har-Tuv decided that the name was “fun sounding” and requested its allocation from ISOC-IL on 30 October 2000. Har-Tuv was aware the name is fanciful and was conceived by an employee of Accenture prior to requesting its allocation.

Har-Tuv stipulated that he has not made any business use of the Domain Name. This panel determines that this statement is not true. A person using the Domain Name is referred to internic.co.il – a domain names sales center. On the website internic.co.il a counter of hits shows how many visitors visited the domain accenture.co.il. Irrespective of whether the number is accurate at the time of this decision the counter shows over 2,580,000 hits.

Statements by the parties show that on June 13, 2002 Accenture contacted Har-Tuv and requested Har-Tuv to cease and desist use of the Domain Name and request ISOC-IL to transfer the Domain Name to Accenture. On June 25, 2002 Har-Tuv wrote back to Accenture admitting he took the name after hearing of Anderson Consulting name change plan, but requested a monetary offer. Accenture offered to return to Har-Tuv his out-of-pocket costs, but Har-Tuv, while not providing a specific sum, asked for what he referred to as “fair and square” and asked Accenture to “quit looking for a quick solve.”

Har-Tuv submitted to this panel that he has a valid claim for the Domain Name because it was allocated to him prior to Accenture’s applications for trademarks in Israel. Har-Tuv also claims that ACCENTURE is not a well-known or famous mark, that Accenture has no presence in Israel that he has not made commercial use of the Domain Name and he is in the business of language instruction and therefore has developed a long-term plan for the use of the Domain Name. Har-Tuv claims that Accenture does not have the right to the Domain Name in Israel.

Accenture claims it has rights to the Domain Name because it registered the trademark ACCENTURE in Israel, the priority date to which supercedes the Domain Name allocation, and that the Domain Name is identical to its registered trademark in Israel. Accenture also claims Har-Tuv applied for and is using the Domain Name in bad faith, that Har-Tuv does not have a legitimate or legal right to the Domain Name and that the use of the Domain Name by Har-Tuv is contrary to Israeli law.

Opinion

Having reviewed the arguments and facts presented to us by the parties we accept the petition. The reasons for my decision are as follows:

1. ISOC-IL processes domain name allocation requests on a first come, first served basis. See Rule 3. The Rules however, provide that domain names will not be accepted for allocation if they do not comply with the rules or with the laws of Israel. See Rule 3.1. Applicants are required to represent

when requesting the domain name that the allocation does not infringe on a legal right of a third person. See Rule 26.1 and the application form.

2. Although Har-Tuv requested the Domain Name first in time, upon his own admission Har-Tuv knew at the time of making the request that Anderson Consulting intended to use the name ACCENTURE for business related services. Har-Tuv therefore, acted in bad faith when he applied for the Domain Name. Har-Tuv should have known at the time of application that Accenture is likely to request for its use the Domain Name in Israel. Har-Tuv should have alerted ISOC-IL as to the origin of the name. Failing to do so constitutes bad faith on Har-Tuv's part. See In the matter re Amdocs (Israel) Ltd. and Ofir Sharon, decided 2 January 2002. Har-Tuv knew at the time of his application that his statement that he was not in violation of anyone else's rights in the name was not correct.
3. The name Accenture is not a dictionary word in English. It is a fanciful term with no apparent meaning. Accenture filed trademark applications in Israel, which predates through the Paris Convention priority date, the allocation of the Domain Name. The ACCENTURE trademark is registered to Accenture in Israel. As such Accenture has better rights than Har-Tuv to the mark ACCENTURE in Israel.
4. Accenture has been using the trademark in Israel while Har-Tuv has only utilized the Domain Name for referral services to another domain. The continued use of Har-Tuv of the Domain Name is therefore contrary to the laws of Israel and specifically to section 46(a) of the Trademark Ordinance [New Version], 1972 which provides that a person who is the owner of a registered trademark shall enjoy the exclusive use of the trademark in connection with goods or services it is registered in connection with. See also Section 60. The trademark ACCENTURE is registered to Accenture in a number of classes, including class 9 for computer software, class 35 for business information services (which is currently being used by Har-Tuv in connection with the referral to internic.co.il) and class 41 for educational services (for which Har-Tuv intends to use in connection with his future activities).
5. This panel rejects Har-Tuv's argument that the Domain Name is not being used. Clients or other persons attempting to reach Accenture operations in Israel are likely to try to find Accenture by typing in the domain name ACCENTURE.CO.IL. Such persons will be directed to a domain name's sale web site instead of to Accenture's web site. Such use is in my opinion contrary to the laws of the State of Israel because it constitutes an unreasonable interference according to section 3 of the Commercial Torts Law, 1999. According to section 3 of the Commercial Torts Law, 1999 it is unlawful to prevent or restrict access of customers, employees, or agents to a business, asset or service in an unfair manner. See In the matter re Disney Enterprises Inc.; See also my analysis in Amdocs [The existence of business persons; interference with access to a business and the actions of the defendant are unfair.]
6. Har-Tuv also acted in bad faith when he refused Accenture offer to pay his costs and expenses, but notified Accenture he expects Accenture to offer him a monetary sum greater than the costs he incurred in the allocation and renewal of the Domain Name. Har-Tuv intended to sell the Domain Name to Accenture and was using the fact that the Domain Name was allocated to him as leverage for persuading Accenture to pay him a substantial amount. As previous panels stated the fact that Accenture has a .com or other country level domain name is immaterial to the right of Accenture over the Domain Name. See Amdocs.

7. This panel determines that ISOC-IL shall transfer the domain name ACCENTURE.CO.IL to Accenture upon payment of the costs noted below.
8. As to costs in accordance with Rule 24, we hold that Accenture and Har-Tuv shall each pay ISOC-IL the sum of \$250.

Neil WILKOF, (Member):

I concur with the result in the decision by the Chairman. The reasons for my decision are as follows:

Rule 3.1 empowers the ACP to rest its decision on the laws of Israel. On the basis of the bad faith conduct of the registrant Har-Tuv, I am of the view that the scale tips in favor of Accenture.

The duty of good faith is expressly provided for by the Contracts Law (General Part), 5733-1973. The duty covers both good faith in negotiations (section 12) and in performance (section 39) of the contract. As well, subsection 61(b) of the Contracts Law extends the duty to circumstances in which there is no contractual obligation. Taken together, these sections cover the situation here.

The registrant had knowledge that Accenture was about to launch a new name for its various services and that in the absence of such announcement, there is no reason to believe that the registrant would have ever created the name on his own. Further, the written exchanges between the parties show that the registrant clearly had every intention of capitalizing on the registration of the domain name to extract a sum from Accenture. A domain name is allocated in order that the registrant will then make use thereof and not in order to hold the name ransom to a person with an expressed commercial interest in making use of the name. Such conduct amounts to bad faith conduct by the registrant with respect to the registration.

This is not to say that Accenture's conduct does not itself raise questions. Accenture did not take the steps at an early stage that one might expect (in particular from a multinational company) to protect its interest in the domain name Accenture.co.il. However, when Accenture's conduct is weighed against that of the registrant, the conclusion remains that the registrant acted in bad faith and should be required to transfer the registration..

One last word: I do not view the body of decisions rendered by this ACP, and other Advisory Committee Panel decisions regarding a challenge to the registration of a domain name under the Rules (or indeed any other similar panel empowered to rule other top level domain names under different applicable rules), as constituting a body of precedent.

Ellen SHANKMAN, (Member):

I agree with the result of the decision on the basis of the bad faith conduct of the registrant Har-Tuv. In this case, I am of the view that it is sufficient to base the "bad faith" element under the cited provisions of the Contracts Law.

15 January 2003

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