

**ADVISORY COMMITTEE PANEL
FOR THE INTERNET SOCIETY OF ISRAEL**

Dr. Neil Wilkof, Chair
Leehee Feldman
Brian Negin

In the matter between

Skype Technologies SA and Skype Limited
Represented by Don Moody, Esq., of Genga & Associates
(the “Complainant”)

and

Mr. Gal Vallerius

DECISION

1. The Parties

The Complainant is Skype Technologies SA and it is licensee Skype Limited

The Respondent is Gal Vallerius.

2. The Domain Name and Registrar

The disputed domain name is <skype.co.il>. It is registered with Interspace Ltd.

3. Procedural History

On January 31, 2006, the Complainant filed a request for the formation of an Advisory Committee Panel (hereinafter: the Panel) to reconsider the allocation of the domain name >skype.co.il> (hereinafter: the Domain Name). The Panel—consisting of Leehee Feldman, Brian Negin and Neil Wilkof, who was appointed chairman—was thereupon established. The Panel finds that it was properly constituted. In accordance with the Rules for the Allocation of Domain Names under the .il Top Level Domain (December 1998, as amended 2000) (hereinafter: the “Rules”), the Panel notified the Registrant of the Complainant’s request

(hereinafter: the Request). The Respondent did not submit any response to the Request within the period set out in the Rules.

4. Parties' Facts and Contentions

A. Complainant

The Complainant has alleged the following salient facts in support of the Request.

1. The Complainant is the owner of a registration in Israel (reg. no. 170106) for the mark "SKYPE" (hereinafter: the Mark), with a Paris Convention priority date of January 15, 2004. The Complainant has obtained similar trademark registrations for the Mark in Finland, Lichtenstein, Switzerland, the Benelux Countries, the United States of America, Australia, New Zealand, the Republic of Korea, Hong Kong and Taiwan. The Complainant has submitted applications for registration of the Mark in additional countries throughout the world.
2. The mark is well-known throughout Israel and the world. As of the filing of the Petition, there have been more than 245 million downloads from the Complainant's homepage. In October 2005 alone, there were recorded over 694,000 hits from users traceable to internet protocol addresses deemed to be located in Israel.
3. The Respondent is a cybersquatter and domain squatter who has registered an array of domain names calculated to infringe upon or do harm to the rights and sensitivities of others, including <ilovehitler.info>; <skype-ebay.com>; <microsoftbrower.com>; <yahoo-microsoft.com>; and <hacker-software.com>.

The Complainant has made the following arguments in support of the Petition:

1. The Domain Name should be reallocated on the basis of Section 46(a) of the Torts [sic] Ordinance, which provides that a person who is the owner of a registration shall enjoy exclusive use of the trademark in connection with the goods and services in respect of which it is registered.
2. The Domain Name should be reallocated on the basis of the three-part test provided for under the rules of the UDRP, namely that (i) the Domain Name is identical or confusingly similar to a trademark in which the Complainant has rights; (ii) the Respondent has no rights or legitimate interests in the Domain Name; and (iii) the Respondent has acted in bad faith.

3. Based on previous decisions of the ACP (*Amdocs ((Israel) Ltd. V. Ofir Sharon*, decided on 15 July 2001; *Accenture Global Services GmbH v. Eyal Har-Tuv*, decided on 15 January 2003), the use of the Domain Name violates section 3 of the Commercial Torts Law, 1999, which prohibits unreasonable interference with a business's access to customers

B. Respondent

The Respondent did not reply to the Complainant's contentions.

5. Discussion and Findings

Though no formal rules apply under the Rules with respect to the applicable bases by which the ACP is to render its decision, the Panel is of the view that the three-part test set provided by under the UDRP is the most appropriate framework by which the Panel should carry out its analysis. In that regard, it is noted that in the previous Panel decision of <waltdisney.co.il>, it was observed stated that reliance on the UDRP could be seen as being derived from the general duty of good faith, as provided for in sections 39 and 61(b) of the Law of Contract (General Part), 1973.

In accordance with the foregoing, the Panel will proceed on the basis of the UDRP test. In so doing, the Panel will not eschew any consideration of claims based on the Israel Torts [sic] Ordinance or the Commercial Torts Law.

Based on the three-part test employed by the URDP, the Complainant must prove each of the following elements to support the transfer of a domain name:

- (i) the domain registered by the Respondent 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 Respondent has registered and is using the domain name in bad faith.

The Panel has taken the required steps to provide actual notice of the Complaint to the Respondent in compliance with the Rules. Pursuant to the Rules, the Respondent was then called upon to provide a full and complete response to the statements and allegations made in the Complaint to support the conclusion that the Respondent should retain registration and use of the disputed domain name

The Respondent did not file any such response. As stated in the Panel in *Sanofi-Aventis v. Darko*, WIPO Case No. D2005-1357, “the Respondent’s default entitles the Panel to infer that Respondent has no arguments or evidence to rebut the assertions of the Complainant. The Panel has to take his decision on the basis of the statements and documents submitted by the Complainant and in accordance with the Policy, the Rules, and rules and principles of law that it deems applicable.”

The Complainant has submitted evidence of its registration of the mark SKYPE in Israel and other countries, including Finland, Lichtenstein, Switzerland, The Benelux Countries, the United States of America, Australia, New Zealand, the Republic of Korea, Hong Kong and Taiwan. The Complainant has also alleged that the word “skype” is fanciful word that confers upon it a high degree of inherent distinctiveness. The Complainant has also provided information about the extensive scope of its activities under the SKYPE mark, including in Israel. While this Panel does not express any opinion on whether the SKYPE mark should be deemed a “well-known” mark within the meaning of applicable domestic law, the evidence is sufficient to support the conclusion that enjoys significant recognition and goodwill in Israel and that the Mark is well-recognized by users of the Internet in Israel.

The addition of the country code “co.il”, which is required for registration of the domain name with the Registrar, has no distinguishing capacity in this context. The relevant comparison for determining confusing similarity focuses solely and squarely on the word “skype”

As noted, the Complainant has pointed to the extensive use and recognition of the mark. As well, the Complainant has alleged that the word is fanciful and that it enjoys a high degree of inherent distinctiveness. Under the circumstances of this Petition, the Panel accepts these claims as true. Since “co.il” has no distinguishing capacity, given that the Mark has been registered in Israel and is presumed to be fanciful and inherently distinctive, and given that the relevant portion of the Domain Name is identical to the Mark, confusion is presumed.

Accordingly, the Complainant has satisfied the first element of the test.

B. No Rights or Legitimate Interests

Here, as well, it is noted that the Respondent has failed to respond to the Complaint. Therefore, the Panel may accept all reasonable allegations set forth by the Complainant as true and accurate.

Based on Policy 4(c) of the UDRP, the Panel notes three suggested grounds, whereby a Respondent may support a claim that it has a legitimate right and interest in the Domain Name. These three grounds are as follows:

- i. Before notice of the dispute, the Respondent used the Domain Name in connection with a *bona fide* offering of goods or services;

- ii. The Respondent has commonly been known by the Domain Name, even in the absence of any trademark or service mark rights;
- iii. The Respondent has made legitimate noncommercial or fair use of the Domain Name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

The Respondent has not filed any response to support a claim under any of these grounds. Nevertheless, the question still remains whether the information and documentation, as submitted by the Complainant, point to any possible conclusion to the contrary. The Panel has not made any independent inquiry regarding any information or documentation

The Complainant itself has pointed to certain facts with respect to the Respondent that might prima facie support the Respondent's claim of "rights or legitimate interests", in particular with respect to grounds (i) and (iii). In particular, the Complainant points to the fact that text displayed on the website suggests that the website deals "with parachute equipment", whereby the Respondent claims to do business under the name "Sky P.E.", which is presumed to be an abbreviation for "Sky Parachute Equipments." The Panel is not convinced that this claim can support the Respondent's position that there is a good faith use of the word "skype." As such, there was no reason for the Complainant to pursue this line of hypothetical argument and counter-argument further

Nevertheless, having raised the possibility that such purported use might support a claim by the Respondent of a "right or legitimate interest" in the Domain Name, the Complainant proceeds to raise arguments that cast doubt on the viability of such a claim. Thus, the Complainant points out that the "header", suggesting that the Respondent is using the word SKYPE in connection with "sky parachute equipment", appeared only after the Respondent had been contacted by a representative of the Complainant in connection with the use and registration of the Domain Name. Prior to that time, use of the website has alternated between pointing to the Complainant's website and other HTML pages that ape the look-and-feel of those of the Complainant, and to websites that discuss website hosting services. Even if there might be merit to an argument based on the reference to "Sky P. E.," these counter-counterarguments would appear to refute such argument

Taken as a whole, therefore, the Panel is of the view that there is no reasonable basis for the conclusion that the Respondent has a claim of a "right or legitimate interest" in the Domain.

C. Registered and Used in Bad Faith

Once again, it is noted that the Respondent has failed to respond to the Complaint. Therefore, the Panel may accept all reasonable allegations set forth by the Complainant as true and accurate.

It is instructive to note that Section 4(b) of the Policy sets out a non-exhaustive list of circumstances which point to bad faith conduct by the Respondent, as follows:

- (1) The circumstances indicate that the Respondent has registered the domain name primarily to sell or otherwise transfer it to the Respondent, or a competitor of the Complainant, who is owner of the trademark, for valuable consideration.
- (2) The domain name has been registered to prevent the Complainant from reflecting its mark in a corresponding domain name.
- (3) The domain name has been registered primarily for the purpose of disrupting the business of a competitor.
- (4) The use of the domain name indicates an intention to attract Internet users to your website, for commercial gain, by creating a likelihood of confusion.

The Complainant has alleged that the bad faith of the Respondent in selecting the Domain Name is manifested in several ways:

1. The Respondent misrepresents that dealing in parachute equivalent and that the Domain Name is a good faith use of the word "skype."
2. The Respondent, in registering the Domain Name, did so in order to prevent the Complainant from using the Mark in a corresponding domain name.
3. The Respondent has used "sponsored link" advertisements in such a way as to reap commercial gain.
4. The Respondent, in a prior incarnation of the website, used the names of the two founders of the SKYPE service as Metatags in the HTML code to increase the priority of the website's placement in search results, such as Google and Yahoo.

(1) The circumstances indicate that the Respondent has registered the domain name primarily to sell or otherwise transfer it to the Respondent, or a competitor of the Complainant, who is owner of the trademark, for valuable consideration.

- (2) The domain name has been registered to prevent the Complainant from reflecting its mark in a corresponding domain name.

- (3) The domain name has been registered primarily for the purpose of disrupting the business of a competitor.
- (4) The use of the domain name indicates an intention to attract Internet users to your website, for commercial gain, by creating a likelihood of confusion.

Having regard to these four exemplars, the Panel believes that the alleged conduct described above falls within the scope of both number 2 and number 4 above. There does not appear to be any reasonable explanation for the Respondent's choice of the Domain Name in light of the Complainant's demonstrated prior rights in the Mark. Also, there appears to have used the Domain Name in order to create a likelihood of confusion for the purpose of commercial gain.

Moreover, the list set is only by way of example. Bad faith can be evidenced in a myriad of ways, and it is ultimately a futile task to attempt to catalogue all such *indicia* within the context of rules, guidelines and the like. Under the circumstances, there is a reasonable basis to conclude that the Respondent intended to exploit the rights of the Complainant in the SKYPE mark in a bad faith manner.

Accordingly, the Panel is of the view that the Respondent has registered and used the Domain Name in bad faith.

7. Decision

For all the foregoing reasons, the Panel orders that the domain name <skype.co.il> be transferred to the Complainant.

Dated: January 7, 2007