

## **Compubyte Ltd. v. Ruslan Zhulidov**

### **IL-DRP Panel Decision**

#### **1. The Parties**

The Complainant is Compubyte Ltd. of British Virgin Islands, represented by Adv. Ilan Troyanovsky.

The Respondent is Ruslan Zhulidov of Ariel, Israel, represented by Adv. Natalie El Al.

#### **2. The Domain Name and Registrar**

The disputed domain name <ucoz.co.il> is registered with InterSpace Ltd.

#### **3. Procedural History**

The Complaint was filed with ISOC-IL on April 5, 2012. The Complaint was transmitted to the Israeli Dispute Resolution Panel of ISOC-IL ("**IL-DRP**") under the IL-DRP Rules ("**Rules**").

On April 17, 2012 the IL-DRP appointed Jonathan Agmon as the sole panelist.

In accordance with the Rules, on April 18, 2012, the Panel transmitted to the Respondents by electronic format a copy of the Complaint, providing the Respondent 15 days to respond to submit his Response.

On May 3, 2012 the Respondent submitted a Response. Due to technical difficulties, the Response was transmitted directly to the Panel and not to the mailing list address for the case.

On May, 10, 2012, the Panel Transmitted the Respondent's Response to the Complainant.

On May 15, 2012, the Complainant submitted a supplemental communication, responding to the Respondent's Response.

#### **4. Factual Background**

The disputed domain name <ucoz.co.il> was registered by the Respondent on December 4, 2008.

The Complainant Compubyte Ltd. is a company that was founded under the laws of the British Virgin Islands, which engages in selling, creating, registering, hosting operating and servicing websites.

The Complainant has been providing its services under the mark UCOZ since 2005.

The Complainant registered a subsidiary company in Russia under the name Ukoz Media LLC. The Complainant subsidiary also provides web services under the mark UCOZ.

The Complainant filed on October 14, 2010 for an application for the registration of the trademark UCOZ in the Russian Federation.

The Complainant also developed its presence on the Internet, and is the owner of numerous domain names, consisting of the mark UCOZ. For example: <ucoz.com>, <ucoz.net>, <ucoz.ru>, <ucoz.org.il>, <uciz.org> and many more.

The disputed domain name currently resolves to an offline webpage.

#### **5. Preliminary Issue – The Complainant's Supplemental Response**

The Complainant submitted a Supplemental Response in this IL-DRP proceeding.

According to the Rules, the IL-DRP proceeding concludes when a Response is filed. In addition, section E of the Rules allows the Panel to request from the parties additional materials relevant for its decision.

The Rules do not indicate that the parties have the right to submit supplemental responses without the request of the Panel. The procedure that allows the parties to submit supplemental filings is by filing a request to the Panel for permission to request to file a supplemental filing. The Panel may then, at its discretion, allow such a supplemental filing to be made. The rationale for limiting the number of filings by the parties is to enable the conduct of the proceeding in an efficient and speedy manner.

In the present case, the Complainant submitted a Supplemental Response without filing a proper request and awaiting the Panel's decision. The Panel decides that the Supplemental Response is excluded from the case file and will not be regarded in this Panel's decision. To avoid doubt, this exclusion is made after the Panel has reviewed the Supplemental Response and finds that nothing contained therein would have changed the outcome of the present decision.

## **6. Parties' Contentions**

### **A. Complainant**

The Complainant argues that its UCOZ mark is a well known mark throughout the world.

The Complainant further argues that the Respondent provides the same services as the Complainant.

The Complainant further argues that the Respondent registered the disputed domain name with knowledge of the Complainant and the Complainant's use of its UCOZ mark and intended to enrich himself at the Complainant's expense.

The Complainant further argues that the Respondent used a website under the disputed domain name to attract clients by offering similar services to the Complainant's services. The Complainant further contends that the Respondent later used the website under the disputed domain name to direct users, by hyperlinks, to another website under a different domain name owned by the Respondent that also offers web services similar to those of the Complainant's

The Complainant further argues that the Respondent added some non-relevant information in the website under the disputed domain name in order to disguise his real intentions of directing traffic to another website he registered.

The Complainant further argues the Complainant's representative contacted the Respondent and offered to purchase the disputed domain name. The Complainant further contends that the Respondent changed his position several times, each time requesting larger amounts of money in exchange for the disputed domain name.

The Complainant further argues that the Respondent requested USD1,000 for the transfer of the disputed domain name, which is undoubtedly in excess of the sum required to register the disputed domain name.

The Complainant further argues that the disputed domain name is identical to the Complainant's mark. The Complainant further contends that the addition of the suffix ".co.il" is to be ignored when examining confusing similarity.

The Complainant further argues that the Complainant causes confusion among customers due to the fact that the disputed domain name is recognized with the Complainant.

The Complainant further argues that the Respondent has no rights in the disputed domain name, due to the fact that the Respondent has no business relationship with the Complainant. The Complainant further contends that it did not license nor authorize the Respondent to use the UCOZ mark.

The Complainant further argues that the UCOZ mark is a unique mark, which consists of a combination of letters that has no meaning.

For all of the above reasons, the Complainant requests the transfer of the disputed domain name.

## **B. Respondent**

The Respondent argues that the services he provides are different from the services the Complainant provides.

The Respondent further argues that the website under the disputed domain name never displayed the UCOZ mark. The Respondent further contends that the content of the website under the disputed domain name was different from the Complainant's website.

The Respondent further argues that he registered the disputed domain name for a client who identified himself as a representative of the Complainant and paid for the Respondent's services.

The Respondent further argues that the Complainant agreed to buy the disputed domain name for a sum of USD581. The Respondent further contends that an agreement for the purchase of the disputed domain name was reached and signed by both parties (Hereinafter: "**the Agreement**")

The Respondent further argues that after the Agreement was reached, the disputed domain name registration period ended and the Respondent renewed the registration on his own expense, since the client refused to renew the registration of the disputed domain name.

The Respondent further argues that the Complainant never performed his end of the Agreement and did not pay the Respondent.

The Respondent further argues that he never intended to enrich himself on the Complainant's expense.

The Respondent further argues that he left the website under the disputed domain with no significance content.

The Respondent argues that due to the Complainant's actions the agreement is now canceled and in accordance to the world market, the price for the disputed domain name is now USD8,081.

For all of the above reasons, the Respondent requests the denial of the Complaint.

## **7. Discussion and Findings**

A.

### **General**

The IL-DRP is an alternative dispute resolution procedure intended to provide expedited resolution to disputes regarding the allocation of domain names under the .IL ccTLD in accordance with the Rules. The Respondent submitted to this process and Rules when he applied for and registered the disputed domain name. The InterSpace domain name registration agreement provides that the applicant for the domain name accepts the ISOC-IL registration rules (see section B(1) on [http://www.internic.co.il/domain\\_agreement.htm](http://www.internic.co.il/domain_agreement.htm), which also provides a link to the ISOC-IL registration rules). The ISOC-IL registration rules provide that "the [domain name] holder agrees to the jurisdiction of the IL-DRP." (See section 24.4). The Respondent, therefore, by applying for and registering the disputed domain name agreed to the IL-DRP and the Rules.

As previous Panels noted the Rules now adopted by ISOC-IL follow closely those of the Uniform Dispute Resolution Policy (UDRP) and therefore the WIPO Arbitration and Mediation Center case law (and others interpreting the UDRP) can be used as examples of how previous panels have adopted and interpreted provisions similar to the Rules and UDRP.

The Rules provide that disputes regarding the allocation of a domain name by a Holder may be brought by a Complainant on the following grounds:

- 3.1. the disputed domain name is the same or confusingly similar to a trademark, trade name, registered company name or legal entity registration of the Complainant; and
- 3.2. the Complainant has rights in the Name; and
- 3.3. the holder has no rights in the Name; and
- 3.4. the application for allocation of the disputed domain name was made or the disputed domain name was used in bad faith.

#### **B. Same or Confusingly Similar**

It is up to the Complainant to show that the disputed domain name is identical or confusingly similar to a trademark, trade name, registered company name or legal entity registration of the complainant.

The disputed domain name comprises of the words "ucoz" and the suffix .co.il. The suffix .co.il is ignored for the purpose of determination the similarity between the disputed domain names and the mark UCOZ since it is a common suffix showing that the domain name is part of the .il domain and associated with commercial activities (.co suffix) (See Sao Paulo Alpargatas S.A v. Ilan Omer, IL-DRP Panel Decision).

The relevant part of the disputed domain name is therefore the word "ucoz".

The Complainant does not own a trademark registration for the terms "ucoz". The Complainant filed an application to register the mark UCOZ in the Federation of Russia, however the application is still pending.

The Complainant owns a subsidiary company registered in Russia under the name UKOZ MEDIA. The company's English name, as it appears on the registration form, is a translation of the Russian registration, it is presumable that the name "ukoz" can be written in English as UCOZ. In any case, the name UKOZ is similar to the word "ucoz".

Also, the Complainant operates under the trade name UCOZ. The Complainant owns numerous domain name registrations for domain names consisting the mark UCOZ. The Respondent did not refute this claim. On the Contrary, the Respondent mentioned that the Complainant has rights in the UCOZ mark.

It is therefore the finding of the Panel that the disputed domain name is identical or confusingly similar to a legal entity owned by the Complainant and the trade name of the Complainant.

### **C. Rights in the Name**

Next, it is up to the Complainant to show that the Complainant has rights in the mark UCOZ, and that the Respondent has no rights in the mark UCOZ.

The Complainant showed sufficient evidence showing it has rights in the mark UCOZ. The Complainant provided that the mark UCOZ is its trade name. The Complainant owns a subsidiary company that operates under the mark UCOZ and owns numerous registrations for domain names containing the mark UCOZ.

It is also up to the Complainant to show that the Respondent has no rights in the Name.

Complainant has provided that it has not approved for the Respondent to use its Name.

While the Complainant bears the "general burden of proof" under Rule 3.3, this burden shifts to the Respondent once Complainant makes a prima facie showing that the Respondent lacks rights or legitimate interests. (See: Wikimedia Foundation Inc v. Oren Shatz, IL-DRP Decision (concerning the domain name Wikipedia.co.il), Neusiedler Aktiengesellschaft v. Kulkarni, WIPO Case No. D2000-1769; see also Dow Jones & Company and Dow Jones LP v. The Hephzibah Intro-Net Project Limited, WIPO Case No. D2000-0704.)

The Panel finds that the Complainant established such a prima facie case inter alia due to the fact that the Complainant has not licensed or otherwise permitted the Respondent to use its UCOZ Name or a variation of it.

The Respondent did not provide in his Response any evidence or claim that he is known by the disputed domain name or that he developed any rights in the disputed domain name. In fact, the Respondent claims that he registered the disputed domain name for the benefit of a client of the Respondent, who decided not to renew the registration.

The Respondent therefore failed to assert any such rights, or legitimate interests. Thus, the Respondent did not rebut the Complainant's prima facie case.

Accordingly, the Panel finds that the Respondent has no rights or legitimate interests in respect of the disputed domain name.

### **D. Application and Use in Bad Faith**

Finally, it is up to the Complainant to show that the Respondent applied for allocation of the disputed domain name or the disputed domain name was used in bad faith.

WIPO panels, relying on Rule 4.1 of the UDRP Rules, ruled that the bad faith clause provides a non-exclusive list of circumstances which can be helpful in showing that the Respondent acted in bad faith when he or she applied for or used the disputed domain name:

"For the purposes of [Paragraph 3.4 above], the following circumstances, in particular but without limitation, if found to be present, shall be evidence of the allocation or use of a domain name in bad faith:

- a. the Holder continues to hold the domain name during or after termination of employment or work for hire contract where the domain name allegedly should have been allocated to the employing/contracting party; or
- b. the Holder has requested allocation of the domain name primarily for the purpose of disrupting the business of a competitor; or circumstances indicating that the Holder has requested allocation or holds the Domain Name primarily for the purpose of selling, renting, or otherwise transferring the Domain Name allocation to the complainant who is the owner of the trademark or service mark or to a competitor of that Complainant, for valuable consideration in excess of documented out-of-pocket costs directly related to the domain name; or
- c. the Holder has requested allocation of the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that there is evidence of having engaged in a pattern of such conduct; or
- d. by using the domain name, the Holder has intentionally attempted to attract, for commercial gain, Internet users to its web site or other on-line location, by creating a likelihood of confusion with the Complainant's Name as to the source, sponsorship, affiliation, or endorsement of its web site or location or of a product or service on its web site or location".

Rule 4.1(b) provides that this Panel can find that the Respondent acted in bad faith if there are circumstances showing that the Respondent requested allocation of the disputed domain name primarily for the purpose of disrupting the business of a competitor; or circumstances indicating that the Respondent requested allocation or holds the disputed domain name primarily for the purpose of selling, renting, or otherwise transferring the disputed domain name allocation to the Complainant, who is the owner of the trademark or the service mark, or to a competitor of the Complainant, for valuable consideration in excess of documented out-of-pocket costs directly related to the domain name.

The Respondent claims that he registered the disputed domain name upon the request of a client, who identified himself as a representative of the Complainant. The Respondent

claims that he registered the disputed domain name on the Respondent's name, for the client's benefit.

According to the Rules for Allocation of Domain Names under .IL The Respondent should have registered his client as the owner of the disputed domain name. Under the presence circumstances, it is unnecessary to decide if the Respondent is the correct party for this proceeding because the Respondent's client did not wish to renew the registration of the disputed domain name and the Respondent renewed the disputed domain name at his own expense. It should be noted that the renewal of the disputed domain name by the Respondent took place after the Respondent clearly became aware of the Complainant.

In some circumstances the renewal of a domain name registration shall be considered equivalent to a new registration in certain circumstances (see for example, Ticketmaster Corporation v. Global Access, WIPO Case No.D2007-1921). The Panel finds that the circumstances of the present case also require the Panel to refer to the Respondent's renewal of the disputed domain name as a new registration, *inter alia*, due to the fact that the renewal of the registration was solely for the Respondent's benefit and not for the benefit of a the same third party, where the Respondent serves merely as a technical address for service.

It appears from the record before the Panel that the reason for the Respondent's renewal of the disputed domain name was to offer it to the Complainant for monetary compensation. The Complainant claims that the Respondent requested large sums of money, in excess of the Respondent's out-of-pocket costs. The Respondent states in his Response that the disputed domain name is now for sale for USD8,081. Such amount is clearly considered as valuable consideration in excess of the Respondent's out of pocket costs directly related to the domain name and clearly indicates bad faith on behalf of the Respondent (see The Ritz-Carlton Hotel Company L.L.C. v. Mr. Boaz Bar Lavy, ILDRP Case No. 37, 16 May 2011; see also Merck KGaA v. Sunmeet Jolly, WIPO Case No. D2004-0195).

The Panel therefore finds that the Respondent registered the disputed domain name primarily for the purpose of selling the disputed domain name to the Complainant, who owns rights in the name UCOZ and uses it as a service mark, for valuable consideration in excess of documented out-of-pocket costs directly related to the domain name.

Also, it has been established that the Respondent was aware of Complainant's use of the name UCOZ before renewing the registration of the disputed domain name. A finding of bad faith can be made whether the Respondent knew or should have known of the Complainant's use of its mark prior to registering the domain: (Façonnable SAS v. Names4Sale, WIPO Case No. D2001-1365, Vakko Holding Anonim Sti. v. Esat Ist WIPO Case No. D2001-1173).

The Respondent clearly knew of the Complainant's use of the mark UCOZ and registered it in order to offer it to the Complainant for exchange of certain monetary sums. Under these circumstances, the Respondent's knowledge of the Complainant when registering the disputed domain name is considered bad faith.

Rule 4.1(d) provides that this Panel can find that the Respondent acted in bad faith if there are circumstances showing that the Respondent has intentionally attempted to attract, for commercial gain, Internet users to its web site or other on-line location, by creating a likelihood of confusion with the Complainant's Name as to the source, sponsorship, affiliation, or endorsement of its web site or location or of a product or service on its web site or location.

The Respondent's use of a highly distinctive name, which the Complainant owns rights in, also suggests of the Respondent's bad faith. It was held in UDRP decisions that it is presumptive that using a highly distinctive mark with longstanding reputation is intended to make an impression of an association with the Complainant.

The Respondent used the website under the disputed domain name in order to offer services that are similar to the services of the Complainant, while the Respondent was clearly aware of the Complainant and the Complainant's rights in the mark UCOZ.

These facts prove that the Respondent was attempting to confuse internet users as to the source of the disputed domain name for commercial gain.

The Panel therefore finds that the Respondent requested the allocation of the disputed domain name in order to intentionally attempt to attract, for commercial gain, Internet users to its web site by creating a likelihood of confusion with the Complainant's name as to the source, sponsorship, affiliation, or endorsement of its web site or location or of a product or service on its web site or location.

In regards to this matter, the Respondent raises arguments relating to contractual obligations for payment of money by the Complainant in exchange for the disputed domain name. The Response claims that the Agreement was concluded and signed between the Complainant and Respondent to transfer the disputed domain name for US\$581. The Respondent claims that the Complainant breached the Agreement. While such arguments by the Respondent are seen as additional evidence of bad faith on behalf of the Respondent, showing the Respondent took to the disputed domain name to force the Complainant to pay him certain funds, the Panel also notes that such claims are not within the scope of the IL-DRP proceeding. The parties are free to pursue such causes of action in a civil court, in accordance with section 20 of the Rules.

Given the above, the Panel finds that there are circumstances showing that the Respondent acted in bad faith as provided in Rule 4.1(b) and 4.1(d) thus, it is the

finding of the Panel that the Complainant met the burden of showing that the Respondent used the disputed domain name in bad faith in accordance with Rule 3.4.

**7. Decision**

For all the foregoing reasons, in accordance with the Rules, the Panel orders that the domain name, <ucoz.co.il> be transferred to the Complainant.



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Jonathan Agmon  
Sole Panelist

Date: May 29, 2012.