

Zabbix SLA v. High-T Cloud Computing Technologies Ltd.

IL-DRP Panel Decision

The Parties

1. The Complainant, Zabbix SIA (hereinafter: "**the Complainant**"), is a company incorporated under the laws of Latvia with the address at Dzelzavas Street 117, LV-1021 Riga, Latvia, represented by Attorneys at Law Jens Liesegang and Normen Lang of Kettenhofweg 1, 60325 Frankfurt am Main, Germany.
2. The Respondent, High-T Cloud Computing Technologies Ltd. is a company incorporated under the laws of Israel with the address at 83 Hazav Street, Zikhron-Ya'akov 30932280, Israel, represented by Mr. Amit Dunskey (hereinafter: "**the Respondent**").

The Domain Name and Registrar

3. The disputed domain name <zabbix.co.il> is registered with Gorni Interactive Ltd.

Procedural History

4. The Complaint was filed with ISOC-IL and transmitted to the Israeli Dispute Resolution Panel of ISOC-IL ("**IL-DRP**") under the IL-DRP Rules ("**Rules**").
5. On June 19th, 2019 the IL-DRP appointed Adi Barkan-Lev as the Sole Panelist.
6. In accordance with the Rules, on June 23rd, 2019, the Panel transmitted to the Respondent by e-mail a copy of the Complaint and attached materials, providing the Respondent 15 days to respond to the Complaint.
7. On July 7th, 2019, the Respondent submitted its Response to the complaint.

Factual Background

8. The disputed domain name <zabbix.co.il> was assigned to the Respondent on November 9th, 2014.
9. According to annex 1 to the Complaint, the Complainant, Zabbix SIA, develop open source software for monitoring of networks and applications and provide implementation, integration, development and consulting services and training programs services.
10. The Complainant claim that its main product is branded "Zabbix" and is an open source monitoring software. The Complainant claim that the Zabbix product was first released in 2001 and is being used by vast number of companies.

11. It appears that the Complainant is operating through offices in Europe, USA, Russia and Japan and is the owner of the domain zabbix.com.
12. According to annex 2 to the Complaint, the Complainant is the owner of international registration wordmark number 1004776 **ZABBIX** in classes 41 and 42 for "*computer software as well as monitoring software development, enhancement, support and consultancy services in the field*" ("**the Mark**"). The Mark was registered with the priority date of May 15, 2009 and was designated to Israel through the Madrid system as Israeli registered trademark number 299174 (see annex 4 to the Response).
13. The Respondent claim that it provides professional cloud services including monitoring services. The Respondent claim that it is a well-known company in the Israeli cloud computing industry, working and partnering with AWS, Google and other globally leading cloud services providers. No documents were provided by the Respondent to support these facts. Upon a superficial google search, the Panel found a LinkedIn account and a Facebook account associated with the Respondent's activity. A search after the domain <http://www.high-t.co.il/> that was referred to by the Respondent's LinkedIn account, was indicated as not being connected yet to a website.
14. The Complainant claim that if one follows the disputed domain name, www.zabbix.co.il, the indication "*web server is down*" appear (see annex 6 to the Complaint) and that no entries were found in the wayback machine for the disputed domain (see annex 7 to the Complaint). The Panel indeed verified that following the disputed domain name, www.zabbix.co.il, indicates that the relevant web server is down.
15. The Respondent answers that the disputed domain is being used for the purpose of operating a portion of the monitoring services and that the reason for not showing any activity on the wayback machine website is that all activity is obscured by means of security technologies.
16. Both Complainant and Respondent agree that during September 2018 the Respondent released to the Complainant the domain name zabbix.cloud while stating "***I have no business in holding any domain names associated with and/or infringing trademark right***" (see annex 2 to the Response). Based on the correspondence enclosed to the Complaint and Response, the domain name zabbix.cloud was owned by the Respondent and according to the Respondent, managed by a third party on behalf of the Respondent. At first, acting on behalf of the Respondent, this third party was willing to transfer the domain name zabbix.cloud to the hands of the Complainant for the amount of USD 127,000 and it was indicated that they are "*currently negotiating this domain name with some other interested bodies*" (see page 8 of annex 8 to the Complaint). Eventually, and after the Respondent (thorough its representative Mr. Amit Dunsky) intervened, the domain name zabbix.cloud was released, with no monetary compensation, to the hands

of the Complainant following the Complainant's approach as to this matter to the Respondent.

17. The Respondent claim that on January 10th, 2019 the Complainant's representative sent an initial e-mail requesting the transfer of the disputed domain to their hands (see annex 5 to the Response).
18. Based on the correspondence enclosed to the Complaint and Response, it seems that the parties failed to reach an agreement as to the appropriate monetary compensation with regard to the transfer of the disputed domain name from the Respondent to the Complainant.
19. The Panel notes that it seems that this was a long-term negotiation until eventually, on May 10th, 2019, the Complainant notified the Respondent as to the filing of an IL-DRP complaint.

Parties' Arguments

A. Complainant

20. The Complainant claim that the disputed domain, zabbix.co.il, is identical to the Mark according to clause 3.1 to the Rules.
21. The Complainant claim that it is the rightful owner of the brand and Mark "ZABBIX" according to clause 3.2 to the Rules.
22. The Complainant claim that the Respondent has no rights, including common law rights, regarding the brand and Mark "ZABBIX" according to clause 3.3 to the Rules.
23. The Complainant claim that the allocation and the use of the disputed domain by the Respondent were made in bad faith according to clause 3.4 to the Rules since the Respondent has allocated and used the disputed domain for selling it and for preventing the Complainant from reflecting its mark in corresponding domain and according to clause 4.1 (c) to the Rules.
24. The Complainant claim that the disputed domain is identical to the Mark, owned by the Complainant, and that the abbreviations of the topleveldomains.co.il are merely descriptive parts and therefore not relevant when comparing the trademarks. The Complainant further claim that the Respondent, when requested to transfer the disputed domain name to the Complainant, offered to negotiate the sale of the disputed domain name and that these facts indicate bad faith behavior as clause 4(c) sets especially in light of the parallel dispute over the domain zabbix.cloud.
25. The Complainant claim that the Respondent holds the disputed domain in order to prevent the Marks' owner from reflecting the Mark in a corresponding domain name and that it has demonstrated a pattern of such a conduct according to clause 4.1 (d) to the

Rules. The Complainant claim that the fact that the Respondent demands an un reasonable purchase price indicate the Respondent's intentions on that regard.

26. As detailed above, the Complainant claim that if one follows the disputed domain name, www.zabbix.co.il, the indication "*web server is down*" appear (see annex 6 to the Complaint) and that no entries were found in the wayback machine for the disputed domain (see annex 7 to the Complaint).

B. Respondent

27. The Respondent claim that they are operating and leasing services from various services providers and software vendors, including the Complainant's software and that the Respondent's main use of the Complainant's software is to monitor its own resources.
28. The Respondent claim that the disputed domain is being used for the purpose of operating a portion of the monitoring services.
29. The Respondent claim that its website was never running under the apex domain record, nor under the www record and that this explains how Wayback machine website will not show any activity at the disputed domain name as all activity is obscured by means of security technologies.
30. The Respondent claim that at no point of time had the Respondent put the disputed domain name for sale and/or auction.
31. The Respondent claim that at no point of time had the Respondent introduced itself as a Zabbix (i.e. the Complainant) partner and/or representative and/or experts.
32. The Respondent claim that at no point of time had the Respondent submitted the disputed domain name in any search engine.
33. The Respondent claim that at no point of time had the Respondent used the disputed domain name in any adds and/or any other monetization services.
34. The Respondent claim that the Complainant has been granted its Mark on October 3rd, 2018, 47 months post the initial registration of the disputed domain name by the Respondent.
35. The Respondent argue that since the purchase of the disputed domain name, the Respondent invested a substantial amount of working hours in configuring the web site acting under the disputed domain name to provide the necessary functionality to its monitoring services. The Respondent further claim that the direct costs made by them until the Complainant approached them with the request to transfer the disputed domain name, are 11,000 USD that were calculated as the costs for about 140 working hours. The Respondent further claim that the estimation of the direct costs for migrating its current working "*zabbix based monitoring services*" to an alternative environment are

4000 USD that are calculated as the costs for about 50 working hours. The Respondent does not enclose any documents to support these claims. Nor do they provide details as to the manner in which they reached these sums.

36. The Respondent argue that the Complainant's representative, Mr. Sorokin, suggested a free seat for training courses due to take place in Tel Aviv on May 26-30, 2019 as compensation for the transfer of the disputed domain (see annex 5 of the Response). The Respondent claim that these courses cost 3,700 USD. Since no agreement was reached, the Panel conclude that the Respondent refused.
37. The Respondent claim that they demonstrate good will and fair business through all communications regarding both zabbix.cloud domain and the disputed domain and that the Respondent respects the Complainant's business interests.
38. The Respondent claim that they never acted to hold the Complainant's domain names hostage. The Respondent further claim that the domain zabbix.cloud was released with no charges and that the disputed domain is to be released subject to the payment of costs and charges made by the Respondent as a result of the Complainant's request to release the disputed domain.

Discussion and Findings

39. 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 it applied for and registered the disputed domain name with Gorni Interactive Ltd. registration agreement that oblige the applicant for the domain name to accept the ISOC-IL registration rules (see <https://www.box.co.il/%d7%aa%d7%a0%d7%90%d7%99-%d7%a9%d7%99%d7%9e%d7%95%d7%a9/> that refer to ISOC Rules).
40. The ISOC-IL registration rules provide that "*the [domain name] holder agrees to the jurisdiction of the IL-DRP.*" (See section 12.3). The Respondent, therefore, by applying for and registering the disputed domain name agreed to the IL-DRP and the Rules.
41. It is also noted that the Rules 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.
42. The Rules (section 3) provide that disputes regarding the allocation of a domain name by a Holder may be brought by a Complainant on the following grounds:

- a. the disputed domain name is the same or confusingly similar to a trademark, trade name, registered company name or legal entity registration ("Name") of the Complainant; and
- b. the Complainant has rights in the Name; and
- c. the holder has no rights in the Name; and
- d. the application for allocation of the disputed domain name was made or the disputed domain name was used in bad faith.

A. Same or Confusingly Similar

43. It is up to the Complainant to show that 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.
44. The Complainant, Zabbix SIA, is an international organization that develop open source software for monitoring of networks and applications and provide implementation, integration, development and consulting services and training programs services.
45. The Complainant develop and market its software products under the mark "zabbix" for many years and its products are being used by vast number of companies, including the Respondent.
46. It appears that the Complainant is operating through offices in Europe, USA and Japan.
47. The Complainant is the owner of the domain names zabbix.com and zabbix.cloud that was released to it by the Respondent.
48. The Complainant is the owner of the Mark. The Mark is registered with the Israeli official Trademark Registry - registered trademark number 299174 based on international registered wordmark number 1004776 in classes 41 and 42 for "*computer software as well as monitoring software development, enhancement, support and consultancy services in the field*".
49. The disputed domain name <zabbix.co.il> comprises of the Mark that is also the Complainant's trade name – the word "zabbix" and the suffix ".co.il".
50. The suffix ".co.il" is ignored for the purpose of determination of the similarity between the disputed domain name since it is a common suffix showing that the domain name is part of the .il domain and associated with commercial activities (.co suffix). This issue was considered for example in *Rollerblade, Inc. v. Chris McCardy*, WIPO case no. D2000-0429; *Arthur Guinness Son & Co. (Dublin) Limited v. Dejan Macesic*, case No. D2000-1698.

51. Therefore, the Panel finds that the Complainant's rights in the "ZABBIX" mark have been established in this case.
52. As detailed above, the term "ZABBIX" of the disputed domain name is identical to the Mark owned by the Complainant and thus confusingly similar. In view of the above, the Panel concludes that the first requirement under the Rules, is fulfilled

B. Rights in the Name

53. Next, it is up to the Complainant to show that the Complainant has rights in the Mark, and that the Respondent has no rights in the Mark.
54. The Complainant showed sufficient evidence showing it has rights in the Mark. The evidence, also provided by the Respondent, shows that the Complainant's registered Mark has gained significant goodwill in Israel.
55. The Panel finds it can be determined that the Mark should be regarded as associated with the Complainant.
56. It is also up to the Complainant to show that the Respondent has no rights in the disputed domain. The Complainant has provided that it has not approved or permitted for the Respondent to use its Mark or trade name.
57. While the Complainant bears the "general burden of proof" under Rule 3.3, this burden shifts to the Respondent once the Complainant makes a prima facie showing that the Respondent lacks rights or legitimate interests. (See *Neusiedler Aktiengesellschaft v. Kulkarni*, WIPO Case No. D2000-1769; *Dow Jones & Company and Dow Jones LP v. The Hephzibah Intro-Net Project Limited*, WIPO Case No. D2000-0704.)
58. In the present case, the Respondent themselves acknowledges that the rightful owner of the disputed domain is the Complainant and that their only request is to be compensated for the losses due to their investments in configuring the web site acting under the disputed domain and migration costs.
59. The Panel therefore concludes that the Respondent has no rights or legitimate interests in respect of the disputed domain name.

C. Application and Use in Bad Faith

60. Finally, it is up to the Complainant to show that the Respondent applied for allocation of the disputed domain name in bad faith or that the disputed domain name was used in bad faith.
61. WIPO and IL-DRP Panels, relying on Rule 4.1 of the Rules, often rule 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:

"4.1 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
- c. 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
- d. 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
- e. 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".

62. The Complainant claim that the Respondent acted in bad faith according to clauses 4.1 (c) and (d) of the IL-DRP rules.
63. The Complainant claim that the disputed domain was not in use by the Respondent but nevertheless, the Respondent requested about 15,000 USD for the transfer. The Complainant further argue that the previous Respondent's conduct with regard to the domain zabbix.cloud shows that the Respondent only holds domains for the purpose of selling it and that these facts indicate bad faith behavior as clause 4(c) sets.
64. The concept of a domain name being used in bad faith is not limited to positive action: inaction is within the concept (See *Cho Yong Pil v. Kee Dooseok*, WIPO Case No. D2000-0754).

65. According to Rule 4.1(c) "*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*" are considered as "bad faith" behavior.
66. In the present case, it is clear that the Respondent is familiar with the Complainant's rights in the Mark. It is clear that the Respondent is familiar with the Complainant's activity in the field of open source software. It is clear that the disputed domain name directs to the indication "*web server is down*" and that no entries were found in the wayback machine for the disputed domain. It is not clear how the Respondent based its demand for compensation in the sum of 15,000 USD. Finally, it is not clear why the disputed domain name was purchased by the Respondent in the first place.
67. These facts indicate some degree of bad faith on the Respondent's behalf that can be considered as circumstances indicating that the Respondent has requested allocation or holds the disputed Domain primarily for the purpose of selling, renting, or otherwise transferring it to the Complainant who is the owner of the Mark.
68. In the present case, the Respondent had no legitimate prior interest in the disputed domain name and since it was holding it in a passive manner, the Panel concludes that it was made for the purpose of selling it subsequently supports the conclusion of bad faith under section 4.1(c) to the Rules (see also *Mondich v. Brown* WIPO Case No. D2000-0004).
69. The Complainant further claim that the disputed domain was purchased by the Respondent in bad faith since the Respondent requested its allocation in order to prevent the owner of the Mark from reflecting the Mark in a corresponding domain name and that this conduct is to be considered as a pattern conduct due to the Respondent's previously holding also the domain zabbix.cloud as clause 4.1(d) sets.
70. The Respondent claim that his conduct on the matter of the domain zabbix.cloud indicate fair business.
71. As detailed above, at first, a third party that presented himself as the zabbix.cloud domain name owner/owner representative, demanded the sum of 127,000 USD for the release of the zabbix.cloud domain name. Mr. Dunsky, the Respondent's representative intervened and rightfully, dismissed this claim and released the zabbix.cloud domain name to the Complainant at no costs while stating "***I have no business in holding any domain names associated with and/or infringing trademark right***".

72. Bulk registration of domain names is one of the hallmarks of cybersquatting and is accordingly listed as one of the enumerated circumstances evidencing bad faith under the UDRP. Nevertheless, determining whether a "pattern" exist is not a straight forward task and registration of two or three domain names does not necessarily constitute a pattern (see *Home Interiors & Gifts, Inc. v. Home Interiors* [D2000-0010](#)).
73. Quoting the Respondent's representative's own words, the disputed domain should be released to the hands of the Complainant since there should be "***no business in holding any domain names associated with and/or infringing trademark right***". The initial request for payment of 127,000 USD as a condition to transfer the zabbix.cloud domain to the Complainant's hands and the persistent request for costs' refund of no less of 15,000 USD (a sum that is not based on any evidence) with regard to the disputed domain's transfer while the website itself is publicly inactive, lead to the conclusion that the disputed domain was purchased by the Respondent in bad faith.

Decision

74. For all the foregoing reasons, in accordance with the Rules, the Panel accepts the Complaint. Accordingly, I hereby order that the disputed domain name <zabbix.co.il> shall be transferred to the Complainant within 30 days of the date of this decision.

Adi Barkan - Lev

Adi Barkan-Lev, Advocate
Sole Panelist
Date: July 17, 2019