

ALTRA LLC

v.

GIL WIENER AND REVITAL WIENER

IL-DRP Panel Decision

1. THE PARTIES

The Complainant is Altra LLC, represented by Yigal Arnon & Co. Law Offices (the “**Complainant**”);

The respondents are Gil Wiener (“**Wiener**”) and Revital Wiener (the “**Holder**”), private individuals (the “**Respondents**”).

2. THE DOMAIN NAME AND REGISTRAR

The disputed domain names <altrarunning.co.il> and <altra.co.il> are registered with Domain The Net Technologies Ltd.

3. PROCEDURAL HISTORY

The Complaint was filed with ISOC-IL on October 6, 2019. The Complaint was transmitted to the Israeli Dispute Resolution Panel of ISOC-IL (“**IL-DRP**”) under the IL-DRP Rules (“**Rules**”). The Complaint was originally filed against Gil Vilner.

On October 6, 2019, the IL-DRP appointed Jonathan Agmon as the sole panelist.

On October 21, 2019, in accordance with the Rules, the Panel transmitted to Wiener by e-mail, a copy of the Complaint and attached materials, providing Wiener 15 days to respond to the Complaint.

On November 6, 2019, the ISOC-IL case manager confirmed with the Respondent, Revital Weiner that the Complaint and its appendixes were received.

On November 27, 2019, the Panel issued an Order to the parties requesting that the Complaint be amended to reflect the Respondents names as they appear on the Whois database records and seeking additional evidence from the Complainant (the “**Order**”).

On November 28, 2019, Wiener sent an e-mail to the Panel, in which he rejected the Panel’s authority to resolve this dispute, while demanding that the Panel will revoke the Order and that the Panel will not interfere in the parties’ commercial dispute.

On November 28, 2019, the Panel issued an Order to the Respondents referring them to ISOC-IL Rules and granting them an extension of time until December 8, 2019 to file a response.

4. FACTUAL BACKGROUND

The disputed domain names are <altrarunning.co.il> and <altra.co.il> (the “**Disputed Domain Names**”).

The Complainant, Altra LLC is a corporation, which is the owner of an international footwear brand, named ALTRA. As part of its business activities, the Complainant manufactures and markets running shoes under the marks **ALTRA** and **ALTRA RUNNING**. The Complainant’s shoes have been marketed in Israel for some years under <altrarunning.co.il> (the “**First Disputed Domain Name**”). Further, the ALTRA mark is also applied on select models of the shoes.

The Complainant is the owner of United States trademark serial number 4145507 for the mark ALTRA, registered on May 22, 2012. The Complainant also registered the ALTRA mark in other countries. Furthermore, the Complainant and its parent company, VF Corporation, hold and are using the domain names <altrarunning.eu> and <altrarunning.com>.

The Complainant has filed an application to register the ALTRA trademark in Israel on April 21, 2019. The application is pending as of the time of this decision.

The Respondents are two individuals. According to the Complainant, Wiener was previously a distributor for the Complainant in Israel but has ceased distributing the Complainant’s shoes several years ago.

The First Disputed Domain Name is not in use and resolves to an error page. The second disputed domain name <altra.co.il> (the “**Second Disputed Domain Name**”) resolves to a landing page comprising pay-per-click (PPC) links some of which relate to third party businesses offering running shoes.

On March 27, 2019, Ms. Dana Golombak, marketing manager for V.F. Israel (Apparel) Ltd. (a subsidiary of VF Corporation) contacted the Respondents (by telephone), requesting that the Disputed Domain Names will be transferred to the Complainant. However, the Respondents refused to transfer the Disputed Domain Names to the Complainant and argued that the Disputed Domain Names were held by them since the Wiener was a distributor for the Complainant. They further argued that due to losses they incurred by the termination of the distribution agreement they refuse to transfer the Disputed Domain Names to the Complainant and conditioned the transfer of the Domain Names upon receipt of payment from the Complainant.

The Respondents have not filed a response.

5. PARTIES' CONTENTIONS

A. Complainant

The Complainant argued that the Disputed Domain Names, <altrarunning.co.il> and <altra.co.il>, are identical or confusingly similar to the ALTRA mark.

The Complainant contended that it holds the applicable rights in the ALTRA mark in view of its use and registration as a trademark. In addition, the Complainant holds registered trademarks in various countries worldwide and has filed an application to register the ALTRA trademark in Israel, and is the holder of domain names containing the ALTRA mark.

The Complainant argued that the Respondents have no rights in the mark. The Complainant contended that Wiener was a party to an agreement for the distribution of the Complainant's shoes and thus never held any proprietary rights to the disputed domain names, and in any case, any distribution rights Wiener had in the past has ceased to be in effect when the distribution agreement was terminated.

The Complainant further contended that during the acquisition of the Complainant by VF Corporation, the distributor of the Complainant's products in Israel was a company named D.A.A. Sport and Technology Ltd. ("D.A.A.") and not the Respondents. The Complainant argued that representatives of D.A.A mentioned that Wiener has ceased distributing the Complainant's products in Israel some years ago.

Finally, the Complainant argued that the Respondents' holding of the Disputed Domain Names demonstrated bad faith registration or use, due to the following reasons:

First, the Respondents continue to hold the Disputed Domain Names following the termination of the distribution agreement, which clearly demonstrates bad faith.

Second, the Respondents are using the Disputed Domain Names in bad faith in order to extort the Complainant to make payment of monetary compensation, which the Respondents allege they are entitled to.

Third, the harm to the Complainant's business caused by "such activities" also clearly demonstrate that the Disputed Domain Names are being held in bad faith, and refers to the *Cefaly v. Abdo* as being similar to the case herein.

B. Respondent

The Respondents did not reply to the Complainant's contentions and did not file any response.

6. DISCUSSION AND FINDINGS

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 Respondents submitted to this process and Rules when they applied for and registered the disputed domain name with Domain The Net Technologies Ltd.

registration agreement provides that the applicant for the domain name accepts the ISOC-IL registration rules (see <https://domains.livedns.co.il/Terms.aspx>).

The ISOC-IL registration rules provide that "the [domain name] holder agrees to the jurisdiction of the IL-DRP." (See section 12.3). The Respondents, therefore, by applying for and registering the disputed domain name agreed to the IL-DRP and the Rules.

It is also noted that the Rules now adopted by ISOC-IL follow closely those of the Uniform Dispute Resolution Policy (UDRP), therefore the WIPO Arbitration and Mediation Center extensive jurisprudence (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 ("Name") 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.

A. Identical 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.

A registered trademark provides a clear indication that the rights in the mark shown on the trademark certificate belong to its respective owner. The Complainant has provided evidence that it owns the trademark registration for ALTRA in the U.S., and that it has applied for the registration of a similar trademark in Israel. (see *Wal-Mart Stores, Inc. v. Kuchora, Kal*, WIPO Case No. D2006-0033; *Bamarom Hafakot 2004 Ltd v. Arie Sheffer*, IL-DRP Case, 16 June 2019).

The Disputed Domain Names reproduce the ALTRA mark in its entirety. The First Disputed Domain Name and the Complainant's trademark differ in that the First Disputed Domain Name comprises the word "running". It is well established that the insertion of a generic descriptive term does not differentiate a disputed domain name from a complainant's mark. The insertion of the dictionary term "running" into the First Disputed Domain Name does not distinguish the disputed domain names from the Complainant's ALTRA mark nor does it avoid confusing similarity. See WIPO Overview 3.0, section 1.8.

The Disputed Domain Names and the Complainant's trademark differ in the addition of the generic Top-Level Domain ("gTLD") ".co.il". It is now widely accepted that the addition of the gTLD ".co.il" to the disputed domain name does not avoid confusing similarity (see *Accor v. Noldc Inc.*, WIPO Case No. D2005-0016; *Bamarom Hafakot 2004 Ltd v. Arie Sheffer*, IL-DRP

Case, 16 June 2019). Therefore, the gTLD “.co.il” is without significance in the present case since the use of a Top Level Domain is technically required to operate a domain name.

Therefore, the Panel finds that the Disputed Domain Names are the same or confusingly similar to the ALTRA mark.

B. Rights in the Name

Next, it is up to the Complainant to show that the Complainant has rights in the ALTRA mark, and that the Respondents have no rights in the mark.

In the present case, the Complainant has demonstrated *prima facie* that the Respondents lack rights or legitimate interests in respect of the Disputed Domain Names and the Respondents have failed to assert any such rights or legitimate interests.

The Complainant has showed that it owns the ALTRA marks. The Respondents do not appear to be commonly known by the Disputed Domain Names.

The Respondents did not submit a response in the present case and did not provide any explanation or evidence to show rights or legitimate interests in the Disputed Domain Names, which is sufficient to rebut the Complainant’s *prima facie* case. The inquiry requires the Panel to balance between the Complainant’s rights and those of the Respondents.

While distributors would ordinarily use the Complainant’s mark in their domain names and on their websites, they would also quite often lose any right to do so once the distributor agreement was terminated, and the agreement itself will generally preclude the assertion of rights on any other basis. Assuming the nature of the relationship between the parties was ordinary, and given the fact that evidence was filed showing that the Complainant requested the Respondents to transfer the Disputed Domain Names to the Complainant and the Respondents did not challenge this evidence, the Respondents’ use of the Complainant’s mark without permission, under the Disputed Domain Names, for example, allowing the Registrar to post PPC links to competitors and others, cannot be considered uses in connection with a bona fide offering of goods or services which show that the Respondents have rights in the ALTRA mark. See WIPO Overview 3.0, section 2.8.1; *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. D2001-0903.

Therefore, the Complainant evidence of trademark ownership for the ALTRA mark and its use and the lack of evidence by the Respondents weigh in favor of the Complainant. The Panel notes that under Israeli law, the parties to a distribution agreement owe fiduciary duties to each other. See Section 3, Agency Contract Law (Commercial Agent & Supplier), 2012 though given the evidence before the Panel the result will not change.

The Panel is therefore of the view that the Respondents have no rights or legitimate interests in respect of the Disputed Domain Names.

C. Application or Use in Bad Faith

The Complainant must show that the Respondents registered or are using the disputed domain name in bad faith (section 3.4 of the Rules). The burden placed on the Complainant is to bring evidence showing circumstances that indicate that the Respondents registered or used the disputed domain name in bad faith.

A Panel will look into the totality of the circumstances in each case, and these can include evidence of the degree of distinctiveness or reputation of the mark, the failure of the Respondents to file a response and the implausibility of any good faith use to which the domain name may be put.

Section 4 of the Rules provides circumstances that may prove bad faith under section 3.4 of the Rules. Such circumstances include cases where the holder of the disputed domain name continues to hold the domain name after a work made for hire was completed, when seemingly, the disputed domain name should have been registered to the party ordering the work. Section 4.1(a).

In this case, the evidence filed by the Complainant suggests that Wiener registered the Disputed Domain Names as a part of his distributor relationship with the Complainant and in order to sell the Complainant's products on websites under the Disputed Domain Names. The Respondents did not file evidence to contradict such evidence. Under the circumstances of this particular case, it is therefore the duty of the Respondents to return the Disputed Domain Names to the Complainant upon the termination of their agency and/or distributor-manufacturer relationship. By failing to do so, the Respondents were using the Disputed Domain Names in bad faith.

While the UDRP and the IL-DRP differ since the IL-DRP requires the Complainant to show in the third factor (Section 3.4 of the Rules) that the respondent registered or used a disputed domain name in bad faith, the UDRP offers meaningful assistance in understanding when distributors using a domain name containing a complainant's domain name may be making a bona fide offering of goods. Outlined in *Oki Data* the following cumulative requirements will be applied in the specific conditions of a UDRP case:

- (i) the respondent must actually be offering the goods at issue;
- (ii) the respondent must use the site to sell only the trademarked goods;
- (iii) the site must accurately and prominently disclose the registrant's relationship with trademark holder; and
- (iv) the respondent must not try to "corner the market" in domain names reflecting trademark.

The Panel finds that the Respondents fail the *Oki Data* test. The Respondents do not offer the goods at issue; do not use the site to sell shoes under the ALTRA mark; at least one of the sites under the Disputed Domain Names does not accurately disclose the relationship between the parties; and the Second Disputed Domain Name is inactive.

The Complainant submitted evidence, which shows that the Respondents registered the Disputed Domain Names long after the Complainants registered their trademarks. According to the evidence filed by the Complainants, the Complainants have owned registrations for their trademarks since as early as the year 2010 and these registrations were active at the time in which

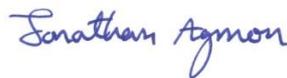
the Respondents registered the Disputed Domain Names in 2015. By refusing to transfer the Disputed Domain Names to the Complainant and at least in the case of the Second Disputed Domain Name, the Respondents' use may mislead consumers into thinking that the website is operated by or affiliated with the Complainant. As such, the Respondent's use of the disputed domain name cannot be considered in good faith. See Section 4.1(e) of the Rules.

Moreover, the Respondents use of Pay-Per-Click website is another indication of bad faith. UDRP Panels have established that the use of PPC websites cannot meet the *Oki Data* test and would be regarded as bad faith use of a disputed domain name. See WIPO Overview 3.0, section 2.8.2.

Finally, the Panel cannot find any bona fide conceivable use that the Respondents would have for the Disputed Domain Names that would not contradict the Complainant's rights. The Respondents appear to have a financial dispute with the Complainant though such a dispute is beyond the scope of the IL-DRP, has no bearing on this proceeding here and will not change the findings related to the Disputed Domain Names for the reasons set out above.

7. DECISION

For all the foregoing reasons, in accordance with the Rules, the Panel accepts the Complaint and orders the transfer of the Disputed Domain Names to the Complainant.



Jonathan Agmon

Sole Panelist

Date: December 26, 2019