

Dispute Resolution Panel

For the Internet Society of Israel

Brian Negin, Chair

Dr. Neil Wilkof

Leehee Feldman

In the matter between

Israel Railways Ltd.

("the Complainant")

and

1. Sima Schlau

2. Daniel Davison

("the Respondents")

represented by Jonathan Agmon, Adv. and Hagar Raved, Adv.

Regarding the domain name

rakevet.co.il

("the Domain Name")

DECISION

Procedural Background

This panel was established on January 23, 2008, under the Internet Society of Israel's "Procedures for Alternative Dispute Resolution under the .IL ccTLD by Dispute Resolution Panels ("IL-DRP") ("the Procedures") (http://www.isoc.org.il/domains/fr_ildrp_rules.html), in order to address Complainant's request to cancel the allocation of the Domain Name (rakevet.co.il) to the Respondents and to transfer the Domain Name to the Complainant. The

Respondents have submitted a response, and both parties have submitted additional materials to support their claims.

Factual Background

This dispute involves the domain name "rakevet.co.il". The word "rakevet" is a transliteration of the Hebrew word רכבת. The Hebrew word "rakevet" constitutes one of three Hebrew words in the Complainant's registered Hebrew company name, Rakevet Yisrael B'AM ("רכבת ישראל בע"מ"). The addendum "B'AM" is an acronym in Hebrew that means "with limited liability." It is equivalent to the English abbreviation "Ltd." for the word "Limited" in a company name. The Complainant's registered English company name is "Israel Railways Ltd." The Complainant, like its predecessor (The Ports and Railways Authority), operates the national railway system in Israel, under the trade name, in Hebrew, "Rakevet Yisrael", and in English, "Israel Railways", which is identical to its registered company name, apart from the addendums "B'AM" in Hebrew and "Ltd." in English.

The most common meaning of the word "rakevet" (רכבת) in Hebrew is "train". The Hebrew language Even-Shoshan Dictionary (New and Updated for the years 2000) defines "rakevet" thus (our translation from the Hebrew): "1.a line of carriages pulled by a locomotive or other type of engine along a railroad track: Passenger train. Freight train. Express train. The train network in the country. Train station."

The definition of "rakevet" in Israeli law, according to the Railways Ordinance [New Version], 1972 is (our translation from the Hebrew): "Including a locomotive, a self propelled carriage and a small carriage with an engine, whether or not carriages or a vehicle are attached to it."

Within a given context, the word "rakevet" ("train") can take on the meaning "railway" or "railways". In its plural form, "rakevot", it becomes "railways" in the Ports and Railways Authority Law (חוק רשות הנמלים והרכבות). When used in conjunction with another Hebrew noun, Yisrael ("ישראל") (Israel) to form the

Complainant's registered Hebrew company name "Rakevet Yisrael" ("רכבת ישראל"), the combination is officially translated as "Israel Railways".

We shall continue the discussion of the factual background by first discussing that of the Complainant, followed by that of the Respondents.

The Complainant

On July 26, 1988, The Knesset passed into law legislation transferring the operation of Israel's train system to The Ports Authority, whose name was changed to The Ports and Railways Authority by the same legislation (Ports Authority Law (Amendment Number 5), 1988 [Book of Statutes Number 1259, July 27, 1988, page 156]. Ten years later, the Government of the State of Israel decided to transfer operation of the railway system from the Ports and Railways Authority to a government company called, in Hebrew, Rakevet Yisrael Ltd, and in English, Israel Railways Ltd. [Decision Number 3120 from January 4, 1998]. The first step in the legal groundwork for this transfer was laid a few days later, on January 15, 1998, with the establishment of a Government-owned company registered in Hebrew as Rakevet Yisrael Ltd, and in English as Israel Railways Ltd. [Certificate of Incorporation from that date, for company number 52-004361-3]. However, not until the year 2002 was legislation enacted that enabled transfer of ownership and operation of the Israeli railway system to this Government owned company. This law, The Ports and Railway Authority Law (Amendment Number 11), 2002 [Book of Statutes Number 1884, 29 December 2002, page 210] was effectively implemented, according to the Complainant, in July 2003, with the transfer of ownership and operation of the Israeli railway system to the Complainant.

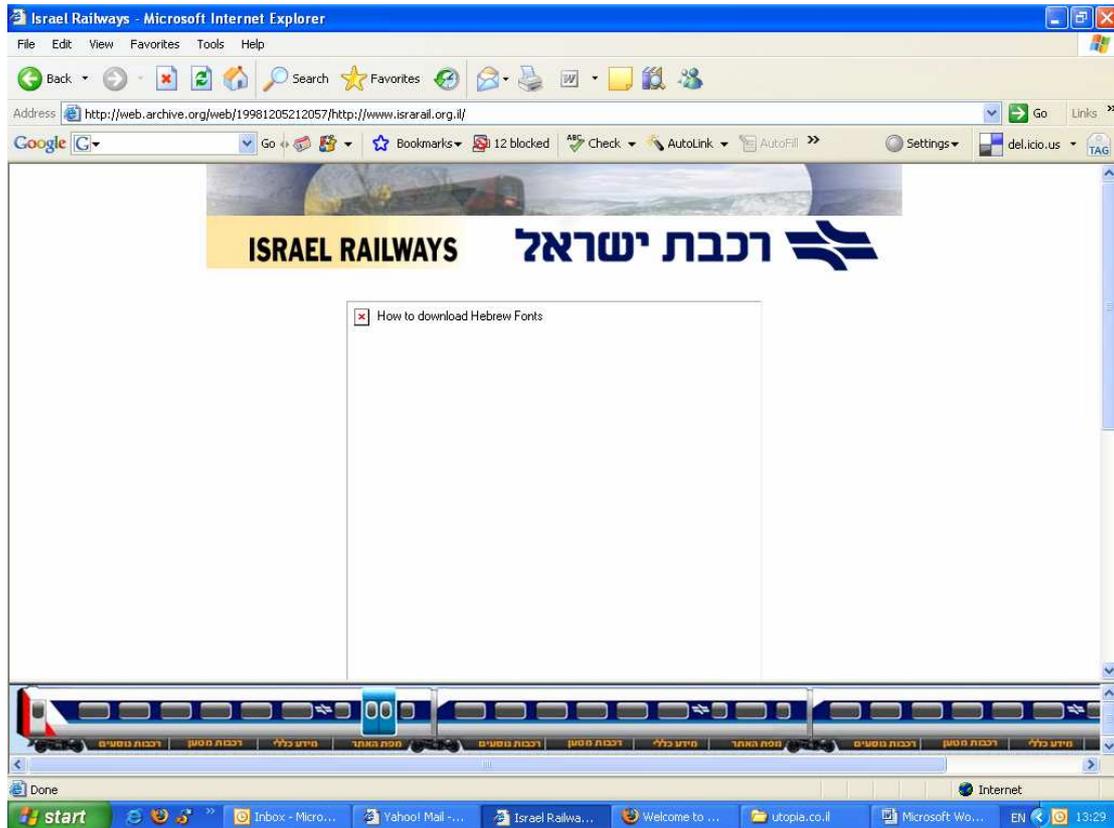
Prior to the Government decision of January 4, 1998, to create a Government company called Rakevet Yisrael Ltd/Israel Railways Ltd., the Ports and Railways Authority requested allocation of the domain name israrail.org.il for the operation of the railway website. This domain name was allocated to the Ports and Railways Authority on June 18, 1997. The earliest documentation we were able to find relating to use of this URL on a website is from December 5, 1998 (Internet Archive Wayback Machine (<http://www.archive.org>) for the URL <http://www.israrail.org.il>).

The Complainant has recently created a new website under a new domain name, rail.co.il. This site, and the website under the previous domain name, refer to Israel's railroad system as Rakevet Yisrael (in Hebrew) and Israel Railways (in English). The header on the home page of all of the pages documented on the Wayaback Machine, as well as on the current site, states boldly: Rakevet Yisrael (in Hebrew) and Israel Railways, in English.

Below is a screen shot of the current Hebrew website:

The screenshot displays the Hebrew homepage of the Israel Railways website. The browser window is titled "דף הבית - רכבת ישראל" (Home - Israel Railways). The address bar shows the URL "http://www.rail.co.il/HE/Pages/homepage.aspx". The website header includes the logo "רק רכבת!" and "רכבת ישראל". A navigation bar contains links for "מכרזים", "תחנות", "שירות לקוחות", "בטיחות", "הובלת מטעמים", "תוכנית הפיתוח", "אודות הרכבת", and "גלריות". The main content area features a large image of a train driver's perspective. To the right, there is a "תכנון מסלול נסיעה" (Travel Route Planning) form with fields for "מוצא" (Origin) and "יעד" (Destination), both set to "בחר תחנה" (Select station). The "תאריך" (Date) is set to "18/06/2008" and "בחר שעה" (Select time) is set to "13:30". Below the form, there is a "מצא רכבת חזור" (Find return train) section with "חפש" (Search) and "מחירים" (Prices) buttons. The "חדשות הרכבת" (Rail News) section contains a headline: "גידול של כ-16% במס' הנוסעים בהשוואה לרבעון המקביל אשתקד ברבעון הראשון של שנת 2008" (Increase of about 16% in the number of passengers compared to the corresponding quarter of last year in the first quarter of 2008). The Windows taskbar at the bottom shows the Start button and several open applications, including "דף הבית - רכבת יש..." and "Microsoft Word - Rak...".

Below is a screen shot of the website on December 5, 1998, as archived by the Internet Archive (no Hebrew support – but the banner is a jpg image):



רכבת ישראל 

The Hebrew logo figures distinctively not only on the Israel Railways website, but also in the advertising submitted as attachments by the Complainant. In this advertising, the logo is accompanied by the promotional slogan "rak rakevet" ("only by train" or "only by railway"), which plays on the Hebrew alliteration to promote travel by train.

From the above, we conclude, as a matter of fact, that the Complainant continues to hold itself out, on its website and in its advertising, as Rakevet Yisrael (in Hebrew) and as Israel Railways (in English), perpetuating the trade name that was used by the Ports and Railways Authority prior to the Government decision to create the Complainant.

Based on the Complainant's claims and documentation, the Complainant first showed interest in the Domain Name (rakevet.co.il) only after Respondent No. 2, Daniel (Danny) Davison, solicited sale of the Domain Name to the Complainant in the months of November and December 2007. On January 15, 2008, the Complainant submitted its petition to ISOC-IL to cancel the allocation of the Domain Name to the Respondents and to transfer it to itself.

The Respondents

The Respondents state that they are husband and wife. In their written statements and as verified by a check with WHOIS on the ISOC-IL site and ISOC-IL, we can summarize the following domain name allocations to them or to others associated with them.

Assigned to	Domain Name	Assigned date	Adm. Contact	DNS server?	Active site?
Sima Schlau	Rakevet.co.il	03-07-2000	Itai Oren	Yes from 21.10.2007	Yes – after 21.10.2007
Sima Schlau	Radar co.il	29-06-2000	Daniel Davison	Yes	No
Daniel Davison	Telenovela.co.il	30-06-2000	Daniel Davison	Yes	No
Daniel Davison	Rakevetisrael.org.il	16-12-2007	Daniel Davison	Yes	No
Daniel Davison	Rakevet-israel.org.il	16-12-2007	Sima Schlau	Yes	No
Daniel Davison	Rakevet-israel.co.il	16-12-2007	Daniel Davison	Yes	No
Daniel Davison	Rakevetisrael.co.il	16-12-2007	Daniel Davison	Yes	No
Daniel Davison	Goldlife.co.il	25-09-2006	Daniel Davison	No	No
Daniel	Goldenlife.co.il	25-09-	Daniel	No	No

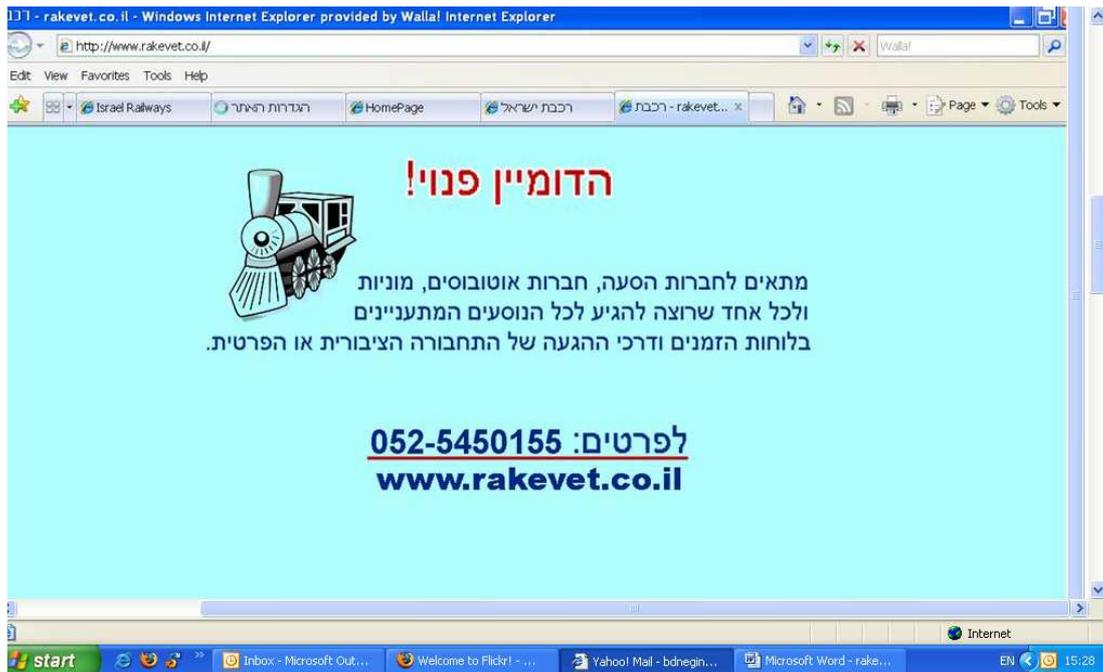
Davison		2006	Davison		
Daniel Davison	Betterlife.co.il	25-09-2006	Daniel Davison	No	No
Ioel Rozenblum	Mishkafaim.co.il	17-07-2000	Daniel Davison	No	No
Ioel Rozenblum	Eynaim.co.il	13-07-2000	Daniel Davison	No	No
Rahel Rozenblum	Moniot.co.il	24-07-2000	Daniel Davison	No	No

From the above, we see that in June and July, 2000, the Respondents were associated with the allocation of six domain names based on transliterated Hebrew generic or descriptive words: rakevet (train), radar, telenovela, mishkafayim (eyeglasses), eynaim (eyes) and moniot (taxis). The Domain Name (rakevet.co.il) was allocated to Respondent No. 1, Sima Schlau, on July 3, 2000, three years before the operation of Israel Railways was passed over to the Complainant.

The Domain Name remained dormant from the time of its allocation on July 3, 2000, until sometime after it was associated for the first time with a DNS server on October 10, 2007. In other words, no use was made of the Domain Name for over 7 years.

The Domain Name was renewed periodically, after the initial renewal period, every two years, in accordance with the ISOC-IL Registration Rules (http://www.isoc.org.il/domains/fr_il-domain-rules.html).

We do not know when, after October 10, 2007, the current website was created. However, one attachment to the Complainant's Petition is a screen shot of the site (<http://www.rakevet.co.il>) that apparently preceded the current site. This prior site featured a picture of a locomotive and solicitation for sale of the Domain Name. It could only have been created after October 10, 2007, when the Domain Name was first associated with a DNS server. Below is a screen shot of this earlier site:

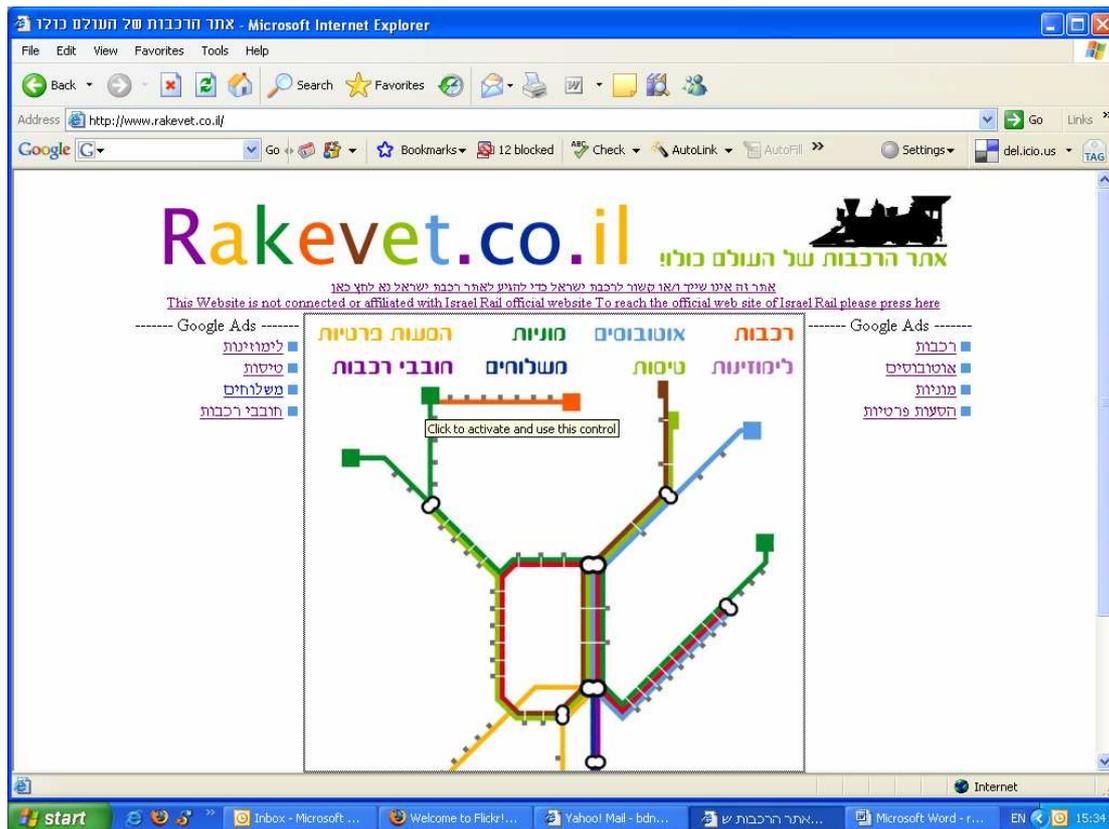


The Respondents' current site at <http://www.rakevet.co.il>, was apparently created afterward the above site, sometime after October 10, 2007.

The current website contains a series of links to other sites, with a hyperlink disclaimer at the top of the page stating:

[This Website is not connected or affiliated with Israel Rail official website To reach the official web site of Israel Rail please press here](#)

The site also contains context aimed advertising through Google, adding a commercial element to the site. Below is a screen shot of the current site.



As can be seen from the above table, Respondent Number 2, Daniel Davison, requested four new domain names, which were allocated to him on December 16, 2007: rakevetisrael.org.il, rakevet-israel.org.il, rakevet-israel.co.il and rakevetisrael.co.il. According to the Complainant, Respondent Number 2 first approached it by email a few days later, on the 20th and 24th of December, soliciting the domain name rakevet.co.il – the domain name allocated to his wife, Sima Schlau, over seven years earlier, on the 3rd of July, 2000.

In the email of December 20, 2007, Respondent No. 2 wrote (in Hebrew):

Naomi, shalom.

What is happening????? They don't stop calling me to find out the train times. In my possession there are about another 10 domain names of RAKAVET [sic].

In the email of December 24, 2007, Respondent No. 2 wrote (in Hebrew – the translation below includes syntax errors and the lack of clarity in the original):

Dear Director General of Israel Railways.

I know that you are busy with important matters regarding the image of the railroad, its development, time tables etc.... As the Director General of the

company I know that not every thing reaches your desk because people generally don't know or don't understand their importance.

I follow the railway's advertising and pay attention to all different types of Internet domain names in English with the suffix org.il co.il that nobody remembers or knows, do a small survey what to click on to arrive at the railroad and you'll find out that nobody knows.

I have in my possession the clearest, most logical and simplest domain name for the train, from my experience of one week, tens of passengers have phoned my home with inquiries about the train schedule.

Soon there will also be light railways, and reason dictates that you should be the owner of rakevet.co.il and not some other company that will exploit its easiness of recognition and its logic to refer passengers as they wish to alternative means of transportation. I will be happy to receive your response as soon as possible because www.rakevet.co.il is up for sale.

*Sincerely yours,
Danny Davison*

Today in the newspaper Yediot Ahronot theres a tender and the email is www.rail.org.il – wouldn't it be more reasonable to have www.rakevet.org.il. We are in Israel. In my possession are all of the domain names derived from raekevet, similar to rakevet.info and around 8 more names.

The Parties' Contentions

Preliminary contention by the Respondents

The Respondents raise a preliminary argument that the Complainant is barred from requesting reallocation of the Domain Name since the statute of limitation period of seven years has passed since the original allocation of the Domain Name to Respondent Number 1.

The Complainant responds by stating that it could not have made its complaint before its "actual establishment", meaning the time that the railway system's ownership and operation was transferred to it by the Ports and Railway Authority -- July of 2003. Accordingly, the statute of limitations could only have begun to run from July 2003, less than seven years from the date of allocation of the Domain Name and within the period of the statute of limitations.

The Complainant's contentions

1. The Domain Name (rakevet.co.il) is confusingly similar to its registered company name in Hebrew, Rakevet Yisrael.

2. The Domain Name is the same as the unregistered famous (well-known) mark "rakevet" belonging to the Complainant. Though the word "rakevet" is generic, it has acquired secondary meaning associated solely with the Complainant. The Complainant contends that the results of a public opinion survey conducted on its behalf for the purpose of the Complaint support this conclusion. It also contends that this is the result of many years of investment in advertising to associate the word "rakevet" with itself, especially in its advertising slogan, "rak rakevet" ("only by train").
3. The Complainant has rights in the registered company name "Rakevet Yisrael" and in the famous mark "rakevet."
4. The Respondent's have no legitimate interest or legal right to the Domain Name. The Respondent's are not in the train business or in the train information business. The current website is a sham, created solely to give the illusion of a legitimate interest in the site.
5. The Respondents application for allocation of the Domain Name was made, or the Domain Name is being used, in bad faith – that is, to extract money from the Complainant by offering to sell it the Domain Name for valuable consideration in excess of documented out-of-pocket costs directly related to the domain name.

The Respondents' contentions

1. The Domain Name is not similar or even confusingly similar to the Complainant's registered company name in Hebrew.
2. The word "rakevet" is generic, and the Complainant can have no rights in it as such. A generic term, unlike a suggestive or descriptive term, cannot acquire secondary meaning. In addition, the public opinion survey submitted by the Complainant to establish secondary meaning for the term "rakevet" is based on leading questions and aided answered questions, which make the survey results inadmissible.
3. The Complainant has no rights in the term "rakevet".
4. The Respondents have legitimate rights in the Domain Name, as part of an effort to set up a joint venture with the Complainant.

5. The Respondents have acted in good faith – the registration and sale of generic terms as Domain Names is not considered an act of cybersquatting and is not considered an act of "bad faith" under the Rules. In any case, the Domain Name was allocated to Respondent Number 1 in June 2000, three years prior to the time the Complainant contends that it effectively took over ownership and operation of the railway system in July of 2003. Therefore, it is impossible to ascribe to the Respondent's bad faith regarding registration of the Domain Name. In addition, there is no likelihood of confusion between the Domain Name and the Complainant – since the public in Israel does not associate the word "rakevet" with the Complainant.

Discussion

Basic Principles

This is the first domain name dispute to be heard under the new ISOC-IL Procedures, which substantially adopt ICANN's Uniform Dispute Resolution Policy (UDRP) (<http://www.icann.org/udrp/udrp.htm>).

The Procedures state:

B. Grounds for IL-DRP

3. Disputes regarding allocation of a Domain Name by a Respondent may be brought by a third party ("Complainant") on the following grounds:

3.1. the 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 Respondent has no rights in the Name; and

3.4. the application for allocation of the Domain Name was made or the Domain Name was used in bad faith.

4. Evidence of Allocation or Use in Bad Faith

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 Respondent 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 Respondent has requested allocation of the domain name primarily for the purpose of disrupting the business of a competitor; or*
- c. *circumstances indicating that the Respondent 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 Respondent 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 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 applicability of the statute of limitations

Before we can discuss the Complainant's contentions, we must address the Respondents' contention that since the Domain Name was originally allocated over 7 years ago, the Israeli statute of limitations applies and the complaint must be rejected. We dismiss this contention on the following grounds.

The ISOC-IL Procedures, like the UDRP, do not limit themselves to a period consistent with the statute of limitations applicable to civil litigation. UDRP decisions have held that in the absence of a time limit within the UDRP, there is no statute of limitations.

In the WIPO Arbitration and Mediation Center Administrative Panel Decision regarding **The Hebrew University of Jerusalem v. Alberta Hot Rods** (Case No. D2002-0616, <http://www.wipo.int/amc/en/domains/decisions/html/2002/d2002-0616.html>) the panel held:

The Policy [the UDRP] is part of the domain name registration agreement. The Administrative Proceeding is brought pursuant to that agreement, the issue for determination being whether the grounds set out in the Policy for

transfer or cancellation have been established. There is no limitation period in the Policy. The remedy available in an Administrative Proceeding under the Policy is not equitable.

Such was similarly held in the WIPO Arbitration and Mediation Center Administrative Panel Decision regarding **McMullan Bros., Limited, Maxol Limited, Maxol Direct Limite Maxol Lubricants Limited, Maxol Oil Limited Maxol Direct (NI) Limited v. Web Names Ltd** (Case No. D2004-0078 <http://www.wipo.int/amc/en/domains/decisions/word/2004/d2004-0078.doc>), where the panel wrote:

7.4 The Policy does not make any express provisions for the application of any rule of limitation and the Respondent does not cite any cases to support that contention.

The same result was reached in the WIPO Arbitration and Mediation Center Administrative Panel Decision regarding **Magma Products Inc. v. Herb Halling** (Case No. D2007-0995 <http://www.wipo.int/amc/en/domains/decisions/html/2007/d2007-0995.html>), where the panel held:

The Policy does not include a time limitation on claims, and disputes under the Policy are not subject to any statute of limitations.

Even if we were to hold that the statute of limitations applies in principle to the current proceedings, we would find that in fact it does not apply to domain name registrations that are renewed within a 7 year period. Section 11 of the ISOC-IL Registration Rules (<http://www.isoc.org.il/domains/il-domain-rules.html>) requires that the registration of a domain name be renewed on a regular basis:

11.1. Where a Domain Name is registered by way of an AR, the Respondent may request an initial allocation period for a Domain Name for either 1 (one) calendar year or 2 (two) calendar years from the date the Domain Name has been allocated by ISOC-IL. Where the Domain Name is registered directly with ISOC-IL the initial allocation period is 2 (two) calendar years.

11.2. Where a Domain Name is managed by an AR, the Domain Name allocation may be renewed for a period of one or two years under the procedures discussed in Sec. 17 below. Subject to the provisions of Sec. 14.1, where the renewal is done directly with ISOC-IL the renewal period is 2 (two) calendar years.

The act of renewing the registration of a domain name is tantamount the act of requesting its allocation in the first place. Therefore, the statute of limitations, if applicable, begins to run from the date of each renewal. The Domain Name had to be renewed on more than two occasions since it was originally registered in the year 2000, and the latest renewal could not have more than two years ago. Therefore, statute of limitations cannot apply.

We conclude that the statute of limitations cannot serve as a bar to these proceedings, based on the grounds we have stated above. We therefore dismiss the Respondent's contentions that the complaint should be rejected based on the statute of limitations.

Is the Domain Name confusingly similar to the Complainant's name?

Is the Domain Name the same or confusingly similar to a trademark, trade name, registered company name or legal entity registration ("Name") of the Complainant.

The Complainant does business under the trade name "Rakevet Yisrael" and "Israel Railways", which is the same as its registered company name (less the addendum B"AM and Ltd. respectively).

The word "rakevet" is one of two words that comprise the Complainant's company and trade name, thus establishing a priori a formal similarity between the names. On a more substantive level, the word "rakevet" in Hebrew can refer not only to a train, but also to a nation's railway network. The name "Rakevet Yisrael" (Israel Railways) is synonymous with Israel's national railway network. Therefore, the name "rakevet" (a nation's railway system) and "Rakevet Yisrael" (Israel Railways) are similar in meaning. Are they "confusingly similar"?

The concept of "confusingly similar" has its pedigree in both trademark and "passing-off" law, which we refer to by way of analogy for guidance, without expressing an opinion on the ultimate parameters of the test within the context of ISOC-IL Procedures. Both trademark and passing-off law require that when a name is similar to a trademark or business name, that the similarity creates, in the words of the court in Civil Appeal (CA) 5792/99 **Communication and Religious-Jewish Education Mishpaha 1997 Ltd. et al v. SBC Advertising, Marketing and Sales Promotion**

Ltd. et al, Decisions of the Supreme Court 54 (3), 933, at p. 942, "a reasonable concern about confusing the public to think that the product or service offered by the defendant to the public – is the product or the service of the plaintiff or that they are connected to him."

We can find similar terminology the Final Report of the WIPO Internet Domain Name Process of April 30, 1999 (http://www.icann.org/wipo/FinalReport_3.html), paragraph 174 (3) 1, that advised that the UDRP uphold international law and provide protection against unfair competition, including "all acts of such a nature as to create confusion by any means whatever with the establishment, the goods, or the industrial or commercial activities, of a competitor.

We find that the Domain Name "rakevet.co.il" is confusingly similar to the Complainant's registered company name (and trade name), "Rakevet Yisrael", based on the following reasons.

As a matter of "judicial notice", we note the monopoly nature of the operation of the national train system under law by the Complainant, and the fact that the word "rakevet", as defined in the Even-Shoshan dictionary, refers not only to a train, but also to a nation's train network. Since Israel has only one national train network, a priori, reference to "rakevet" will be necessarily associated with the Complainant, "Rakevet Yisrael", and its national train service.

On this point, we refer to In Civil Appeal 3559/02 **Golden Toto Subscriber's Club Ltd. v. The Council for the Control of Gambling and Sports**, Judgments 59 (1) 873, p. 895, (hereinafter: "the **Toto** case") where the court states:

".... The fact that the Council is a statutory monopoly emphasizes the connection between the name "Toto" and sports lotteries in Israel, and distinguishes it to such a degree that there exists a very strong correlation between the name and the Council. The essence of the matter is the creation of a commercial environment that does not allow the activities of additional players other than the Council in the field of sports lotteries in Israel that could claim a parallel use for the apparently generic term – "Toto." This monopolistic climate has contributed to the creation of a sole, long and

widespread use of the name "Toto", and therefore it serves as an additional indication of its having earned a distinctive meaning."

In addition, Respondent number 2 admitted to such possibility of confusion in his email of December 24, 2007 to the Complainant, where he emphasizes that the public associates the word "rakevet" with the Complainant. Following is our translation from the Hebrew of that email.

Dear Director General of Israel Railways.

I know that you are busy with important matters regarding the image of the railroad, its development, time tables etc.... As the Director General of the company I know that not every thing reaches your desk because people generally don't know or don't understand their importance.

I follow the railway's advertising and pay attention to all different types of Internet domain names in English with the suffix org.il co.il that nobody remembers or knows, do a small survey what to click on to arrive at the railroad and you'll find out that nobody knows.

I have in my possession the clearest, most logical and simplest domain name for the train, from my experience of one week, tens of passengers have phoned my home with inquiries about the train schedule.

Soon there will also be light railways, and reason dictates that you should be the owner of rakevet.co.il and not some other company that will exploit its easiness of recognition and its logic to refer passengers as they wish to alternative means of transportation. I will be happy to receive your response as soon as possible because www.rakevet.co.il is up for sale.

*Sincerely yours,
Danny Davison*

Furthermore, the Respondents so much as admitted to the possibility of confusion by posting the disclaimer at the top of their website homepage at <http://www.rakevet.co.il> stating that the website is not connected or affiliated with the Complainant's official website.

The Complainant submitted evidence from its public opinion survey, the validity of which is contested by the Respondents, that a majority of the Israeli public identify the name "rakevet" with "rakevet yisrael". We are not in a position to assess the validity of the survey results, but do note that, prima facie, they support our conclusion

regarding the monopoly nature of the Complainant and the Respondents' own perception of the identification the public makes between the name "rakevet" and the name "rakevet yisrael" – or more specifically, with the national train service offered under that name.

The Respondents disclaimer at the top of their current website home page, stating that the website is not connected or affiliated with the Complainant's official website, cannot dispel the confusing nature of the Domain Name. Regarding such a disclaimer, the ISOC-IL Advisory Committee Panel in the Snapple.co.il domain name dispute stated (<http://www.isoc.org.il/docs/2001-02-Snapple.pdf>):

It is our finding that many consumers are likely to be misled when searching for Snapple Beverages web site. They are likely to venture into Vidal's web site operating under the Domain Name. Moreover, we find that most consumers would associate Vidal's web site and the Domain Name itself with Snapple Beverages. It is reasonable to expect that the allocation of the Domain Name is likely to cause confusion by associating Vidal and/or the Domain Name with Snapple Beverages. Such an outcome stands contrary both to Israeli law and the Rules.

Vidal argues that the disclaimers and the looks of his web site could not mislead consumers. It is however extremely likely that most consumers will associate the Domain Name with Snapple Beverages and not Vidal. Moreover, by the time consumers would have arrived at Vidal's web site confusion and association of Vidal's web site or the Domain Name with Snapple Beverages already took place. Such was also the opinion of the Cellcom court.

We therefore conclude that the Domain Name, rakevet.co.il, is confusingly similar to Complainant's registered company name (which is also its trade name), Rakevet Yisrael, in which the Complainant has rights.. Thus Sections 3.1 and 3.2 of the ISOC-IL Procedures are satisfied.

We now move to the question, posed in Section 3.3 of the ISOC-IL Procedures, if the Respondents have a legitimate interest in the name.

Do the Respondents have a legitimate interest in the Domain Name?

The Respondents argue that the word "rakevet" is generic, and therefore, is not entitled to protection under the law. Indeed, both in trademark and passing-off law, this is generally the case on the policy ground, as stated by the court in the **Toto** case

(regarding the tort of passing off), pp. 943-944, "that nobody is entitled to take control over a generic name, since, it is the right of all those doing commerce to describe their products by generic words."

The Respondents argue that they have an equal right to use the generic term "rakevet" in the domain name as does the Complainant. Respondents claim: "Generic terms may be registered by any member of the public. In such a case, the first to request such a domain name is entitled thereto and no other entity has better rights in such a name." They rely on the WIPO Arbitration and Mediation Center decision in *Mariah Media Inc. v. First Place® Internet Inc.*

(<http://www.wipo.int/amc/en/domains/decisions/html/2006/d2006-1275.html>), and bring the following passage from the decision.

As an early Policy panel concluded in Shirmax Retail Ltd. v. CES Marketing, Inc., AF-0104 (e-Resolution):

"Where the domain name and trademark in question are generic — and in particular where they comprise no more than a single, short, common word — the rights/interests inquiry is more likely to favor the domain name owner. The ICANN Policy is very narrow in scope; it covers only clear cases of 'cybersquatting' and 'cyberpiracy,' not every dispute that might arise over a domain name. See, e.g., Second Staff Report on Implementation Documents for the Uniform Dispute Resolution Policy (October 24, 1999)."

Similarly, the respondent in The Landmark Group v. Digimedia.com L.P., National Arbitration Forum case FA285459 (NAF), registered "large numbers of dictionary words" and received revenue from pay-per-click advertising links, at least some of them related to the generic nature of the domain name. The panel in that case held that, "as long as the domain names have been registered because of their attraction as dictionary words, and not because of their value as trademarks, this business model is permitted under the Policy." The panel in HP Hood LLC v. hood.com, FA313566 (NAF) agreed, adding that "an established domain name resale enterprise that restricts its portfolio in a good faith effort to avoid misleading the public qualifies as a legitimate interest."

The Respondents fail to quote from the continuation of the above decision, which states as follows:

The Respondent's domain portfolio, so far as it is reflected in the record in this proceeding, is limited to common words and combinations of words, and there is no evidence in the record suggesting a pattern of abusive domain name registrations. Unless there is persuasive evidence that the Domain Name was selected opportunistically to create confusion and exploit the

Complainant's marks, the Panel would conclude that the Respondent has a legitimate interest in using the Domain Name for a commercial purpose.

Thus, the determination of legitimacy in this case is intertwined with the question of bad faith, which is better addressed below in connection with the third element of the Policy.

The record in this case suggests a pattern of abusive domain name registrations or use, and we shall address the question of legitimate use in our discussion of bad faith below. However, before doing so, we note the following.

The record shows that the current website under the Domain Name was created sometime after the Petitioners solicited sale of the Domain Name to the Complainant. The Complainant has shown that at the time of said solicitation, the website was a one page ad for its sale – and that that was its sole purpose, to be sold. The current website is primarily consists of links to other sites with advertising through Google. It would appear that the site was created in order to attempt to cover up the Respondents' original intent -- the sale of the Domain Name.

The Respondent's make no claim today that their website is a bona fide commercial site. They admit that the Domain Name was registered, as a generic term, in order to be sold – and they contend that such a business model is legitimate.

Considering these facts and the history of the Domain Name (its registration 8 years ago without assignment of an active DNS server until October 2007 and its association with other similar domain names lacking in DNS server assignment), we conclude that the current website is not a bona fide commercial use of the Domain Name.

The Respondents base their defense on the argument that the registration and sale of generic domain names is a legitimate business practice in Israel. We do not believe that the resolution of this dispute requires us to decide whether or not registration and sale for profit of **generic** domain names in Israel is a legitimate business practice. As set out below, we believe that the acts of the Respondents regarding the Domain Name and others associated with it, indicate a pattern of abusive domain name registration and use, that negate any claim to a legitimate interest in the Domain Name.

The Domain name is being used in bad faith

The Complainant contends that the Respondents have acted in bad faith, based on Section 4.1 c of the Procedures. Section 4.1c of the Procedures states the following circumstances shall be evidence of bad faith:

Circumstances indicating that the Respondent 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.

The record supports the Complainant's contention that the Respondents hold the Domain Name primarily for the purpose of selling it for valuable consideration in excess of documented out-of-pocket costs to the Complainant.

We note that Section 4.1c fails to mention the possibility that the Complainant is the owner of a trade name, registered company name or registered legal entity name in relation to which the domain name is the same or confusingly similar. This would seem to be an oversight in drafting the current Procedures, which replace Rules that were limited to the rights of complainants in trademarks and service marks. Clearly the intent of the Procedures is to extend their application to cases where the Domain Name is the same as, or confusingly similar, to trade names, registered company names and registered legal entity names. We therefore interpret Section 4.1c to apply also to "ownership" in those names. Alternatively, the Procedures state in Section 4.1 that the circumstances delineated in its sub-sections as evidence of bad faith allocation or use, are non-inclusive. Therefore, even if Section 4.1c does not apply verbatim to a dispute involving trade names and registered company names, Section 4.1 allows us to apply Section 4.1c by way of analogy to trade names and registered company names.

By their own admission, the Respondents are in the business of registering and selling domain names for a profit. Respondent No. 1 acquired the Domain Name, rakevet.co.il, in June, 2000, when "Rakevet Yisrael" was operated by the Ports and Railway's Authority of Israel, the Complainant's predecessor. The Domain Name was

not the only generic name requested and allocated to the Respondents in the year 2000. The acquiring of these domain names was part of a business plan to sell them at a future date for valuable consideration above their out-of-pocket expenses related directly to these domain names. As stated above, the Respondent's argue that this is a legitimate business model.

We do not believe that it is necessary to make a determination if, per se, this is a legitimate business model. We believe that the circumstances of this particular case, demonstrate bad faith allocation and use of the Domain Name that negate a legitimate interest in it.

This business model is not in the spirit of the ISOC-IL "Rules for the Allocation of Domain Names under the Israel Country Code Top Level Domain (".IL ccTLD"), that require that domain names be used. Section 13 of these Rules states:

Domain Names are intended to be actively used and not merely "warehoused". For an allocated active Domain Name there should be an operational primary and an operational secondary DNS name server. Both name servers need permanent IP connectivity to the Internet (for queries and zone transfers). Where the Holder fails to provide at least one active DNS name server for the Domain Name for a period of a year, ISOC-IL may remove the Domain Name from the Registry.

Respondent No. 1 was allocated the Domain Name in July 2000, and did not provide a DNS name server for it until October 2007. She was also allocated the domain name radar.co.il in June 2000, and has not yet provided a DNS name server for it. Respondent No. 2 was allocated the domain name telenovela.co.il in June 2000 and has not yet provided a DNS name server for it. ISOC-IL has the authority according to Section 13 of these Rules to remove these domain names from the registry, and had the authority to remove the Domain Name form the registry until October 2007. The Respondents have no legitimate business plan to develop a website under the Domain Name, which they hold, by their own admission, to be sold to the highest bidder.

In the domain name dispute (under the previous ISOC-IL rules) regarding the generic name "habitat", the Advisory Committee Panel of the Internet Society of Israel held (<http://www.isoc.org.il/docs/2000-07-Habitat.pdf>) that the allocation to, and use by, the respondent of the domain name habitat.co.il was in bad faith, because the

respondent could show no business interest in developing a web site under the domain name and did not assign an active DNS server to the domain name or make use of it for more than one year. The reasoning set out in the matter regarding the habitat.co.il domain name is highly persuasive that the Domain Name was allocated and is being used in bad faith.

However, further circumstances demonstrate that the Respondent's have acted in bad faith regarding use of the Domain Name. Respondent Number 2 was allocated four domain names that are the same as the Complainant's registered company name and trade name. They are: rakevetisrael.org.il; rakevet-israel.org.il; rakevet-israel.co.il and rakevetisrael.co.il. All four of these domain names were allocated to Respondent No. 2 on December 16, 2007, at the time he was soliciting the sale of the Domain Name to the Complainant. Regarding these domain names, which are not in dispute in this case, it appears that they were registered by Respondent Number 2 in order to enhance the attractiveness of the Domain Name by preventing the Complainant from using its exact trade name and company name as a domain name, evidence of bad faith registration and use of these names according to section 4.1d of the ISOC-IL Procedures. Section 4.1d describes the following circumstances that constitute evidence of bad faith allocation or use:

the Respondent 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

We find that the Respondents have acted in bad faith regarding the allocation and use of the Domain Name. The factors that come into our determination are as follows:

- The registration of the Domain Name over 7 years ago without assigning it an active DNS server until recently;
- Aggressive solicitation of the Domain Name to the Complainant for consideration in excess of the Respondents' out of pocket expenses, based on the Domain Name's confusing similarity to the Complainant's trade name and registered company name;
- Lack of a legitimate business interest in developing the site;

- The monopoly nature of the Complainant's business, limiting the ability for someone other than the Complainant to make legitimate use of the Domain Name;
- The creation of a sham site to look as if legitimate commercial use is being made of the Domain Name after originally soliciting the sale of the Domain Name to the Complainant;
- The registering of additional domain names intended to prevent the Complainant from making legitimate use of its registered company name and trade name.

The above circumstances are evidence that Respondents hold the Domain Name today primarily to sell it to the Complainant for valuable consideration in excess of documented out-of-pocket costs directly related to the domain name – evidence of bad faith according to Section 4.1 c of the ISOC-IL Procedures.

The above circumstances are also evidence of bad faith use of the Domain name, apart from the circumstances described in Sections 4.1a to 4.1d of the ISOC-IL Procedures. This is especially so when taken together with Respondent No. 2's additional domain names, which are intended to prevent the Complainant from making legitimate use of its registered company name and trade name in order to enhance the attractiveness of the Domain Name itself as an alternative.

Decision

In light of all of the above, we find that the Domain Name is confusingly similar to the Complainant's registered company name and trade name, that the Complainant has rights in the registered company name and trade name, that the Respondents have no legitimate interest in the domain name, and that the allocation or use of the Domain Name by the Respondents is in bad faith. Therefore, we hold that the Domain Name shall be transferred to the Complainant, within 45 days of the date of this decision.

Date: July 1, 2008

Brian Negin, Chair

Dr. Neil Wilkof

Leehee Feldman