

Dispute Resolution Panel

For the Internet Society of Israel

Ellen B. Shankman, Adv.

In the matter between

Adobe Systems Incorporated

(The "Petitioner")

Represented by Adv. Eitan Shaulsky et al.

And

4333 LLC

(The "Respondent")

Represented by I. Weisz

Regarding the domain name

אדובי.co.il

(The "Domain Name")

DECISION

Procedural Background:

The panel was established on 7 March 2011, in accordance with the Procedures for Alternative Dispute Resolution under the .IL ccTLD by Dispute Resolution Panels ("IL-DRP Procedures"), (http://www.isoc.org.il/domains/ildrp_rules.html) (in English) and http://www.isoc.org.il/domain_heb/ildrp_rules.html (in Hebrew), in order to address the Petitioner's request to cancel the allocation of the Domain Name (אדובי.co.il) to Respondent and to reallocate the Domain Name to the Petitioner.

Respondent was notified that a petition had been filed and both parties notified of the appointment of me as the Panelist. I specifically strongly encouraged Respondent to file a response, since even if no response to this petition is filed, I would make a decision on the information presented *ex parte*.

Per Section 8.2 of the IL-DRP Procedures, either party may request that the dispute be reviewed by an extended panel within 7 days of the notification. Further, per Section 8.4 of the IL-DRP Procedures, either party may request exclusion of the appointed Panelist on the grounds of any potential conflict of interests. No such requests were made.

Further, per Section H of the IL-DRP Procedures, either party may request Court Review.

Section H. Right To Seek Court Review

20. Petition to the IL-DRP in no way precludes access or petition to an Israel Court of Law.
21. Notwithstanding, should a party, in parallel, institute Court proceedings regarding a Domain Name during the proceedings of the IL-DRP, such petition to the Court shall not affect or stay the IL-DRP proceedings under these Rules, unless a court order regarding such be served on ISOC-IL. ”

No such review was made that would affect or stay these IL-DPR proceedings.

I confirmed that the Petition and all correspondence thereto was posted by ISOC and e-mail sent to the address of the Holder in the records.

On the last day of the deadline to file a response, the Respondent, by way of e-mail to my direct e-mail address, requested an additional two weeks to respond, claiming that the initial e-mail had gone to “spam” and that he was notified by registered mail of the demand letter send by Petitioner. In response I sent an e-mail to both the ISOC-IL List address created, as well as to Respondent’s direct e-mail, in order to avoid any further claim that notification is going to spam -- and specifically stated that no further separate e-mails will be sent. The address provided by holder to ISOC is the relevant/binding one, and it is incumbent upon the holder to ensure that the e-mail address is correct.

With regard to the request for the extension of time for filing a response, in my discretion I agreed to extend the deadline for the filing of the response 7 days. The deadline for filing a response was extended to 29 March 2011.

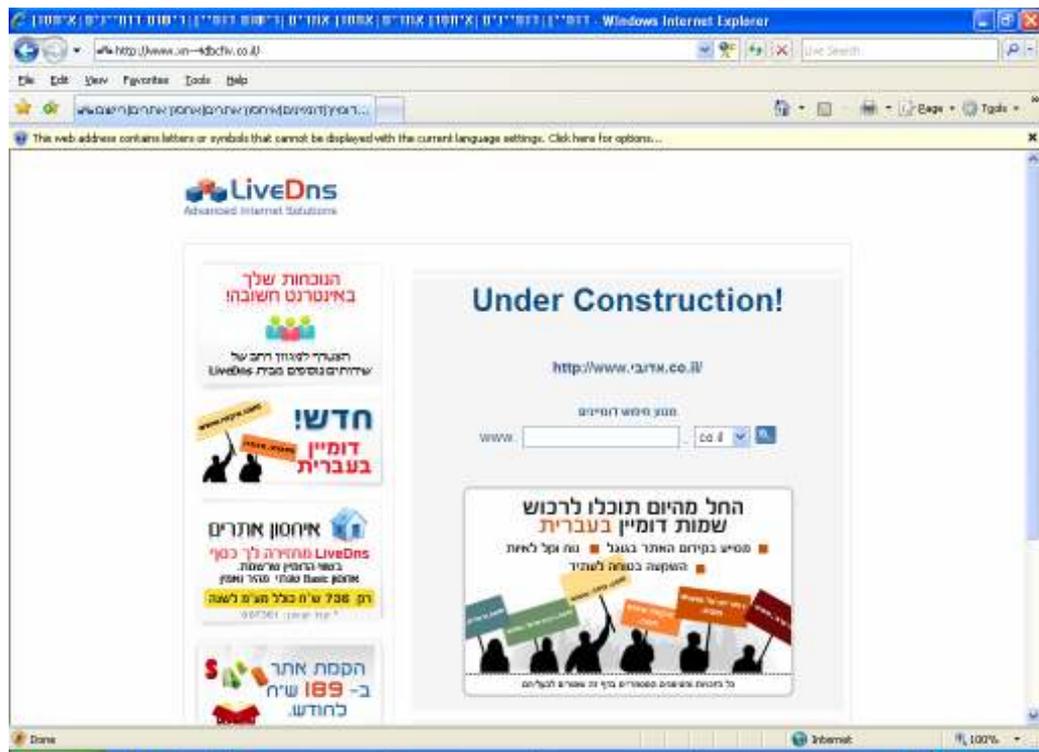
I reiterated that I strongly encouraged the Respondent to file a response by the deadline, in parallel with whatever efforts the parties may be taking with one another, since I would be issuing my opinion based on the information before me at that time. Respondent confirmed receipt and specifically stated that he would file a response by the deadline. That response was filed and received on the last day of the deadline, 29 March 2011.

Petitioner's Arguments:

1. The Petitioner is a publicly listed company. ADOBE is the Petitioners' world-famous trademark.
2. Adobe is the owner of the "ADOBE" trademark which is registered as Israel Trademark Nos. 67610 and 67611 (hereinafter the "**Trademark**").
3. The Trademark is a well known trademark, as this term is defined in the law. The Petitioner has extensive goodwill in the Trademark worldwide.
4. It has recently come to the attention of the Petitioner that the Respondent acted in blatant bad faith, and registered the אדובי.CO.IL domain name which is associated with the Petitioner, in his name.
5. By registering the Domain Name in his name, the Respondent infringed the Petitioner's proprietary rights, committed tortious actions, prevented the Petitioner from registering the Domain Name in its name and attempted to become unjustly enriched at the expense of the Petitioner.
6. The Respondent registered many additional domain names which contain world famous trademarks, including: בואינג.co.il and פייזר.co.il.
7. The Petitioner is a publicly listed company whose main business is software and innovations. Additional information about the Petitioner can be found at:
<http://www.adobe.com/aboutadobe/pressroom/pdfs/profile.pdf>.
8. Adobe offers business, creative, and mobile software solutions that revolutionize how the world engages with ideas and information. Adobe customers include enterprises, knowledge workers, and designers, OEM partners, and developers worldwide.

9. The Petitioner was founded in 1982 and incorporated in 1983. The Petitioner employs more than 8,500 employees, and its fiscal revenues in 2009 totaled US\$ 2.946 billion.
10. Adobe owns registrations for marks containing or comprised of ADOBE® in many countries throughout the world. In Israel, Adobe owns the trademark registrations which are set forth in Section 2 above, as well as the following trademarks which also contain the ADOBE trademark: Trademark Nos. 66641 (ADOBE ILLUSTRATOR); 84842 (ADOBE PREMIERE) and 86837 (stylized A adobe logo). Registration extracts can be found at:
<http://www.trademarks.justice.gov.il/TradeMarksWebSiteUI/TrademarksSearch/TrademarksSearch.aspx>.
11. Adobe sells, advertises, and markets its products under the ADOBE® mark through a variety of channels, including the Internet. Adobe has spent many millions of dollars advertising and promoting products offered under the ADOBE® mark.
12. Adobe also uses the ADOBE® mark extensively on the Internet in connection with official Adobe websites, including Adobe.com, Adobemuseum.com, and other, similar URLs that incorporate the ADOBE® mark.
13. The ADOBE® mark is used extensively on and in connection with such official websites, which are a significant method of promoting, advertising, and selling Adobe's products. As a result, consumers associate the mark ADOBE®, when used in a domain name, with Adobe's official websites and products.
14. As a result of Adobe's longstanding and extensive use, advertising, and marketing of the ADOBE® mark through a wide variety of media, including the Internet, the ADOBE® mark has acquired tremendous commercial strength and goodwill, has come to immediately identify the source of Adobe's products, and is famous in Israel and around the world.
15. The public associates the Trademark (in Hebrew characters as well) with Adobe and its products. A simple search on any internet database will lead to hundreds of hits relating to Adobe and its products.
16. The Petitioner's rights were also recognized by WIPO's Arbitration and Mediation Center. See, for example:
<http://www.wipo.int/amc/en/domains/decisions/html/2006/d2006-1475.html>.

17. On January 3, 2011, the אדובי.CO.IL domain name was allocated to the Respondent. The registration details of the Domain Name can be found at <http://www.isoc.org.il/domains/whois.html>.
18. On the filing date of this Petition, the following website could be found under the domain:



19. On February 8, 2011, the Petitioner contacted the Respondent and demanded that he cease using the ADOBE trademark or any mark similar thereto, and that he immediately assign the Domain Name to Adobe. A copy of the Petitioner's letter is attached as Annex 1 [omitted by Panelist].
20. The Respondent did not respond.
21. It is clear from the above that the Respondent acted in lack of good faith by registering the Domain Name in his name, knowing that the ADOBE® trademark is associated with the Petitioner, in order to promote his business and in order to draw customers who are misled to believe that there is a connection between the Respondent and his website and the Petitioner and or the Petitioner's goods.
22. The Petitioner has not licensed or otherwise permitted the Respondent to use any ADOBE trademark or to apply for or to use any domain name incorporating any ADOBE trademarks.

23. It is implausible that the Respondent independently decided to register and use the disputed domain name without knowledge of the Petitioner's widely known and registered ADOBE trademarks.
24. The Respondent is infringing a well known registered trademark, and in doing so he is harming the Petitioner's right to exclusive use of its Trademark, as set forth in the Trademarks Ordinance [New Version] 1972.
25. The Respondent is committing the tort of passing off pursuant to Section 1 of the Commercial Injustice Law, 1999, and is misleading the public and causing it to believe that there is some connection between the Respondent, the Domain Name and the website which he intends to operate on the Domain Name, and the Petitioner.
26. The Respondent intends to lure browsers to a website that will be built on the www.אדובי.co.il Domain Name. In order to obtain a commercial advantage he is creating a high probability of confusion and misleading regarding the origin of such a website, and the entities to which it will be connected.

In this regard it should be emphasized that the test for misleading is whether: **"There is an attempt to create an association between the product and the plaintiff"**, see Ginat, Passing Off, pages 17-18. There is no doubt that the first association which is created when viewing the www.אדובי.co.il Domain Name is with the Petitioner's famous brand.

27. The Respondent is committing the tort of unjust intervention pursuant to Section 3 of the Commercial Injustice Law, 1999, since he is preventing the Petitioner from building and operating a website on the Domain Name, and he is also preventing the Petitioner from exploiting its property rights in the Trademark.

In Civil Case No. 1753/07 Webs Planet Ltd. V. Hezi Hazan, the Court noted:

"In order to fulfill the purpose of the prohibition which is set forth in Section 3 above [Section 3 of the Commercial Injustice Law] one must recognize a domain name as 'access' to the trader's business. Accordingly, in the event that one trader unfairly prevents another trader from using a domain name which is associated with his mark, this constitutes a hindrance on the access of customers and suppliers to the business of the other trader".

A similar statement was made by the Court in Civil Case No. 1627/01 M.S. Magnetics Ltd. V. Diskcopy Ltd. et al:

“Party No. 1 which registered a domain name which is identical to the trademark of Party No. 2, prevented Party No. 2 from being able to build and operate a website which will bear the trademark which the public associates with Party No. 2. Customers or agents of Party No. 2 may attempt to contact his business via the website and will have difficulty in doing so, since when they access the website which bears the trademark of Party No. 2, they will reach the website of Party No. 1. Such an action constitutes a hindrance by Party No. 1 when customers attempt to locate the business of Party No. 2”.

28. The Respondent is being unjustly enriched at the expense of the Petitioner and is gaining or is about to gain profit without any legal right. The Respondent cannot refer to any law which permits it to use the Trademark. The Petitioner invested extensive effort and resources in the Trademark and in bringing it to the attention of the public, whereas the Respondent acted in bad faith by registering the Domain Name.
29. The Respondent is misappropriating, diluting and harming the Petitioner’s goodwill in the ADOBE® trademark.

Respondent’s Arguments:

1. Respondent is an entity incorporated in the State of New York for the purpose of doing business in the area of acquisitions.
2. In late December of last year, upon reading about the opening of TLD registrations of Hebrew domain names, Respondent saw an opportunity, due to its limited public exposure at the time, to register domain names of common Hebrew terms or names for possible later resale to interested parties. Respondent confesses to not having any prior experience in the trade of domains and was unfamiliar with the existing case law and/or precedence regarding domain names containing trademarks, and were it not for the “land rush” urge to get as many coveted domains as possible, Respondent would have first studied the topic in depth. It was only through the current petition that Respondent came to research the issue and became aware of the accepted norms and established practices as well as prior DRP decisions that may affect many Hebrew domain names that Respondent has registered. Had Respondent known at the time what he knows now Respondent would not have registered any of the questionable domains he currently holds, and is willing to give them up to their respective owners (preferably at

the cost of its expenses of approximately \$36 USD per domain including VAT and exchange fees.

3. It was never Respondents' intention to infringe upon, pass off, dilute, misappropriate, harm or block access to rightful owners of registered trademark holders. Respondent is actually perplexed at the apparent tempting loophole in the system, and that no safeguards were implemented to prevent such events from happening in the first place.
4. It is in that spirit that Respondent, upon receiving petitioner's original complaint (attached to the Petition as "Annex 1" and dated February 8, 2011, yet received via Registered Mail more than a month later, during the week of March 20, 2011), attempted to contact Petitioner's representative Mr. Shaulsky by phone in his office on March 21, and emailed a formal reply (dated March 27, 2011 and attached hereto as "Exhibit A" [omitted by Panelist]) in essence offering *"to transfer ownership of the אדובי.co.il domain to your client, provided that you release 4333 LLC and me of any current and future claims relating to the registration of this domain name."* Respondent also advised Petitioner that effective immediately the DNS Server setting for the said domain will match that of adobe.com. An automated email delivery receipt was received by Respondent and is included in Exhibit A [Exhibit omitted by Panelist].
5. Respondent further submits as a disclosure in a good faith effort, that at the time in addition to the אדובי.co.il domain he also registered אדובי.com, which is likely of equal interest to Petitioner, and which Respondent is willing to relinquish as well, on the same terms as mentioned, and asks that that domain be incorporated into this proceeding.
6. Interestingly, Petitioner has not responded to Respondent's communication attempts and bona fide offer. Respondent is unsure what to make of it, and is therefore left with no choice but to tackle Petitioner's claims and accusations as put forth in the Petition, the offer notwithstanding.
7. Respondent does not contest the facts and statements put forth in paragraphs 1, 2, 3, 7, 8, 9, 10, 11, 12, 13, 16, 17 and 21 of the Petition.
8. [The Respondent lays out the arguments put forth in the petition, and below, then seeks to address each.] The petition puts forth, among others, allegations of:
 1. Bad faith (par. 4, 20)
 2. trademark infringement (par. 5, 23)
 3. tort of passing off (par. 5, 24)

4. misleading (par. 5, 25)
5. tort of unjust intervention (par. 5, 26)
6. unjust enrichment (par. 5, 27)
7. misappropriation, dilution and harming (par. 28)

Bad Faith

9. In addition to Respondent's previously confessed lack of knowledge of the concept of cybersquatting (which may or may not be a defense), Respondent would like to point out the following reasons as to why registering this domain per se, was not in bad faith:
10. Unlike Boeing and Pfizer and others -- [Respondent makes specific reference to another decision issued by this Panelist in Reebok International LTD. And Uzi Canaan (decided Feb. 25 2011)] -- Adobe Systems does not:
 - a) operate a Hebrew language website (www.adobe.co.il reverts to "adobe.com/mea" English homepage)
 - b) list Israel on its website under its Regional listing on the homepage
 - c) have a website dedicated to Israeli consumer as they do for other countries
 - d) maintain an online store or outlet for the Israeli consumer as they do for other countries
 - e) make use of the term "אדובי" in any official capacity on the web or elsewhere (It would almost seem as if they are boycotting the State of Israel and its citizens with their lack of internet resources available for the Israeli public.)
11. It would be a stretch to say that every conceivable transliteration of a trademark becomes a de facto Hebrew trademark, and any use thereof an infringement of that mark, especially where the Petitioner has not used, or even alleged use of said term "אדובי".
12. In this regard it should be emphasized that "אדובי" not having any meaning in Hebrew can be construed to stand for various English transliterations such as "Aduvi", "Aduvei", "Adubai" or "Adovy", none of which are recognized trademarks or even confusingly similar to ADOBE and should therefore not automatically considered as a trademark. (See Section "Transliterations versus Translations" in http://en.wikipedia.org/wiki/Doctrine_of_foreign_equivalents -cf. Green Spot (Thailand) Ltd. v. Vitasoy Int'l Holdings Ltd. "*The TTAB refused to apply the doctrine of foreign equivalents, because the transliterations of "vi" and "ta" had no actual translation from Chinese to English*").
13. The term "אדובי" not having been trademarked, can theoretically be used as a domain name by another party for non-commercial use, specifically as an acronym [creative multiple examples of both various forms of

possible Hebrew spellings for transliteration of “ADOBE”, as well as examples of various possible acronyms provided by Respondent [omitted by Panelist], and its use in a domain name is not an exclusive proprietary right of a similar sounding English trademark holder. (See for example BioDelivery Sciences International, Inc. v. HLK Enterprises, Inc. holding that “*The four letters that create the asserted mark and the disputed domain name could stand for many things that do not interfere with Complainant’s business. Therefore, bad faith registration and use of the disputed domain name pursuant Policy ¶ 4(a)(iii) has not been proven*”), <http://domains.adrforum.com/domains/decisions/1175189.htm>. Thus taken together, these three points negate any claim of the bad faith argument as there is ample reason other than those listed in Paragraph 4 of the Procedures to register this domain without the sole intent being that of profiting off of a dilution or use of a registered trademark.

14. The same goes for the “initial confusion” element of the trademark use. Being that Petitioner never used or claims to use the term "אדובי" (with the only linkage being that search results for this term return results related to its products – something which is primarily a outcome of the respective Search Engine’s algorithm and keyword rankings which varies between the different search providers, and has nothing to do with the Petitioner) confusion between the Hebrew term and the trademark is unlikely.
15. Even if we accept Petitioners contention in paragraph 22 that “*It is implausible that the Respondent independently decided to register and use the disputed domain name without knowledge of the Petitioner’s widely known and registered ADOBE trademarks*” it doesn’t remove the inherent weaknesses discussed above to render the bad-faith claim insufficient.

Trademark infringement; tort of passing off; misleading tort of unjust intervention; unjust enrichment; misappropriation, dilution and harming.

16. Aside from the issues raised above in Section 1, which are applicable here as well, claims of tortious actions, infringement etc. are not valid for the reasons that follow.
17. The claims made by the Petitioner are contradicted as a matter of law, as discussed in the case decided by ISOC-IL ACP in the matter of Disney Enterprises, Inc., Petitioner and Mr. Arick Gross, Respondent, <http://www.isoc.org.il/docs/2000-01-disney.pdf> :

In addition, we believe that the mere allocation of a domain name to someone other than the owner or licensee of the trademark embedded in the domain name, does not, in and of itself, constitute

an act which does not comply with the Laws of Israel. Allocation of such a domain name is not forbidden by the Trademark Ordinance, by the Torts Ordinance or by any other law in Israel. This position is supported by case law in both the United States and in England. In Panavision International v. Toeppen (The United States 9th Circuit Court of Appeals, Case No. 97-55467), the court stated (in section [25] of the decision) that registration of a trademark as a domain name, without more, is not a commercial use of the trademark and therefore cannot constitute trademark infringement or dilution. In Marks & Spencer PLC v. One in a Million Ltd and others (Chancery Division [1998] FSR 265), the court stated that “the mere registration of a deceptive company name or a deceptive Internet domain name is not passing off.” (footnote omitted).

18. Petitioner fails to show cause for any of the allegations put forth, and relies on cases not similar to the case at hand to aggressively paint a picture of an imposter accumulating wealth at the expense of others.
19. Respondent has not made any representations, nor profited or attempted to profit off of the said domain or in any way harm the image or reputation of the Petitioner its trademark or its products (as was the case with the WIPO case referred to in paragraph 15 of the Petition), the parked page does not generate any income for Respondent, and was therefore not in any way an act of infringement or any of the other tortious acts alleged.
20. Respondent has shown goodwill in resolving this matter in a way consistent with the Rules and Petitioner failed to respond and/or accept the offer. Respondent reiterates that it has no intention or desire to infringe upon any registered trademark, and Petitioner provides nothing in support of such claim. The fact that Petitioner mailed out the original request a month after it was written and chose not to respond to Respondent’s repeated attempts of resolving the matter is hereby decried.
21. In light of all the above, and in absence of any foreseeable agreement between the parties, Respondent respectfully requests the Panel to deny the Petition and allow for Respondent the right to retain the domain(s) in a manner consistent with the Rules.

Discussion:

Procedural Issue:

Respondent was specifically directed by the Panelist to the Rules for Allocation of Domain Names, and more specifically to the IL-DRP.

Sections C and F of the Rules for Allocation of Domain Names provide (emphasis in the original and italicized here for quoted emphasis):

“C. Application & Allocation Process

5. The Application

5.1. Applicant

An application for allocation of a Domain Name may be made by the party who will hold the Domain Name ("Holder") or by a third party, including by way of an ISOC-IL Accredited Registrar ("AR"), on behalf of the Holder (collectively "Applicant").

...

5.3. Application Form and Fees

The allocation process will be initiated by submission to ISOC-IL of the completed application form according to the procedures set by ISOC-IL ("Application"). The Applicant will pay the initial allocation fee together with filing the Application. All details in the Application should be full and correct.

5.4. Application Incorporates the Rules

These Rules and procedures thereunder (hereinafter "Rules") are binding the Applicant and the Holder upon submission of the Application and prevail over any other representations made by ISOC-IL. [Emphasis added]

F. Disputes and the IL-DRP

24. ISOC-IL Not Arbiter of Disputes

...

24.3. As a service to the Internet Community, ISOC-IL has established an alternative expedited dispute resolution mechanism, namely, the IL-DRP. The procedures and rules regarding dispute resolution under the IL-DRP

are available at http://www.isoc.org.il/domains/ildrp_rules.html, and are an integral part of these Rules.

24.4. Holder agrees to submit to a procedure and a decision made under the IL-DRP. This section does not abrogate any individual's right to go to court or arbitration to resolve disputes regarding a Domain Name. [Emphasis added]

24.5. Section F does not apply to Domain Names allocated under the Rules prior to January 1, 1999, unless the Holder so agrees.”

Accordingly, I find that Respondent, by submission of his application to obtain the Domain Name, agreed to the Rules and the IL-DRP procedures.

Further, by submission of his application Respondent warranted and conditioned his obtaining the Domain Name as follows in Section C of the Rules:

“5.2. Holder's Representations and Warranties

A submission of an Application by an Applicant constitutes the Holder's representation and warranty that the Holder is a legal entity and that the allocation or use of the Domain Name by the Holder does not infringe the legal rights of a third party. Further, it constitutes the Holder's agreement that ISOC-IL will not bear liability for any allocation and use of any Domain Name.”

That the allocation of a Domain Name is not a guarantee of the validity of the use of the Domain Name by the Holder is further emphasized in Section C of the Rules:

“9. Allocation No Guarantee of Validity of Use

The examination of the Application and the allocation of the Domain Name shall not be a guarantee that the Domain Name is valid for use by the Holder under Israel law, and ISOC-IL or its employees shall bear no responsibility whatsoever because the Domain Name was allocated.”

Accordingly, this Panelist has the authority to make a determination regarding the Domain Name, and these proceedings are appropriate for such determination.

Further, under the Procedures, the parties retain the right to go to court, should they wish to challenge the decision of this Panelist.

Grounds for Decision:

The IL-DRP Rules state:

“B. Grounds for IL-DRP

3. Disputes regarding allocation of a Domain Name by a Holder may be brought by a third party ("Petitioner") 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 Holder 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 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."*

Thus, in order to prevail, the Petitioner must establish all four elements: confusing similarity to the Name, rights in the Name, that the Holder has no rights in the Name, and an element of bad faith.

Confusingly Similar

The first question is: Is the Domain Name the same or confusingly similar to a trademark, trade name, registered company name or legal entity registration ("Name") of the Petitioner?

I find the answer to this "yes". The Domain Name אדובי.co.il is confusingly similar to the registered trademark and key element of the company name of the company.

I find the Hebrew "אדובי" to be the phonetic equivalent and transliteration of the Latin character "Adobe", and confusingly similar, if not identical, with "Adobe" in pronunciation and significance. I find that the Petitioner is widely known in both Hebrew and English in Israel, and thus also has rights to the transliteration of the mark in Hebrew characters.

For a similar case concerning transliteration of a well known trademark resolved in a WIPO UDRP proceeding, see **Kabushiki Kaisha Toshiba d/b/a Toshiba**

Corporation v. Liu Xindong, Case No. D2003-0408,
<http://www.wipo.int/amc/en/domains/decisions/html/2003/d2003-0408.html>.

Petitioner's Rights in the Name

The second question is: Has Petitioner established that it has rights in the name?

I find the answer to this “yes”. Petitioner has provided evidence of registration of the trademark “ADOBE”, as well as use, in Israel. In addition, Petitioner holds the Domain Name Adobe.com. Further, it appears that a related entity holds the Domain Name Adobe.co.il.

It should not be incumbent upon a party to acquire all possible variations of its mark in domain name strings, or to register trademarks in every possible transliterated variation, every conceivable transliteration or pronunciation, in order not to forfeit any rights or prevent allocation of such domain names to others.

Further, although there are alternative possible permutations, with hypothetically arguable different pronunciations, and a wide variety of hypothetical possibilities for acronyms, to presume that it is **this** transliteration for the pronunciation and read of “adobe” that made this alternative the attractive “coveted” version. That Respondent *could* have wanted it for something else, does not undermine a more reasonable interpretation that the most obvious “reading” of the Domain Name string, and the reason for choice of its allocation, corresponds to “ADOBE” – especially in light of the professed desire for resale (discussed in greater detail below). There is no reason to suppose that the acronym, rather than the term as an identified and identifiable mark, is the more likely understanding by an Internet user.

Respondent's Rights in the Name

The third question is: Does the Respondent have rights in the Name?

I find the answer to this “no”. Respondent has demonstrated no “rights” in the Name “אדובי” and that there appears to be no legitimate business reason for Respondent to be holding the Domain Name with the Hebrew transliteration of the name of a competitor, especially on a “parking” page. Respondent’s own statement makes clear that his business is “*doing business in the area of acquisitions*”, and the reason for acquiring the domain name is that he “*saw an opportunity, due to its limited public exposure at the time, to register domain names of common Hebrew terms or names for possible later resale to interested parties. ... {and} for the “land rush” urge to get as many coveted domains as possible.*”

Bad Faith

The fourth question is whether there appears to be any evidence of bad faith in the allocation or use of the Domain Name. I find that there is evidence of bad faith.

In a non-exclusive list of possible evidence of bad faith, Sections 4.1. (c), (d) and (e) of the IL-DRP Rules state:

- 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."

Registration of the Domain Name, taken together with other factors, can adduce support for a finding of bad faith. Once again, Respondent's own statements make clear his intention to obtain "*coveted domain names*" for "*resale to interested parties*" which may be Petitioner or may be a competitor. He admits to jumping into the 'land rush' to get in early on the "grab".

The use of a registered trademark in a domain name allows the entity registering the domain name to capture traffic and point or divert it to another website. Courts have recognized that consumers expect to find a company on the Internet at a domain name address comprised of the company's name or trademark. See **Panavision Int'l, L.P. v. Toeppen, 141 F.3d 1316 (9th Cir. 1998)** ("A customer who is unsure about a company's domain name will often guess that the domain name is also the company's name." . . . "[A] domain name mirroring a corporate name may be a valuable corporate asset, as it facilitates communication with a customer base.").

In addition, Respondent has not developed the website to date, which taken into consideration with other facts, evidences that Respondent is holding the Domain Name to obtain benefit from or on the coattails of the Petitioner and/or is not utilizing the Domain Name for any primary purpose other than to re-direct such traffic away from the Petitioner.

Further, in addition to the other Domain Names cited by the Petitioner such as transliterations for Boeing and Pfizer, and confirmed by the Respondent, in my investigation, I determined that Respondent has registered other Domain Names containing the Hebrew language transliterations or equivalents of other recognized trademarks – **including appallingly those of well-known charitable organizations in Israel**. This appears to be additional evidence pointing to a practice of registering names containing marks of others to suggest a connection with those companies, or to sell those Domain Names, and thus

supports this interpretation of Respondent's "bad faith" use and registration of the subject Domain Name.

While I understand the psychological and financial seduction of the "land rush" period in particular and cybersquatting in general, I specifically reject Respondent's argument that tries to suggest that he was somehow misled or enticed (my understanding of his argument) into obtaining the Domain Name, which should have otherwise been made unavailable or impossible for allocation, which ameliorates any "bad faith" on his part. That argument is, in my opinion, a variation of "don't put candy in your store for my taking, and if you do, it's not my fault if I take it". Just because it is attractive, means that all other rules or responsibilities go out the window.

I also take issue with Respondent's arguments (in his Paragraph 10 above), that because Petitioner does not have various forms of information or web pages as suggested possible by Respondent, means that Petitioner waives its rights in use of the trademark in Israel. While Respondent may be offering additional valuable suggestions for how to market to the domestic population in Israel, in my opinion, Petitioner has the right to choose its business and marketing models in ways other than what Respondent may care to dictate.

I also give no weight to Respondent's dangling suggestion, which comes with no further evidence to support the allegation, that somehow Petitioner may have waived some right in the Domain Name in support of an Israel boycott.

Moreover, while I appreciate Respondent's "goodwill" in offering to resolve the matter and **when challenged** to give back the Domain Name for reimbursement of filing fees, this does not undo a finding of "bad faith" in obtaining allocation of the Domain Name in the first place. The payment of the fee for allocation is a risk that he took, and is not entitled to "reimbursement", even if his demand appears on its face not to be excessive.

Taking into account all the above factors, I find that the Respondent engages in a pattern of such conduct, and circumstances indicate that the Respondent

obtained the Domain Name in the “land rush” period primarily for the purpose of selling, renting, or otherwise transferring the Domain Name allocation for profit.

Since I find that the four factors of the IL-DRP have been met in this case, it is not necessary to provide a more detailed legal analysis of the additional arguments raised by either party, including those regarding initial interest confusion, passing off, unjust enrichment and other legal issues. The parties, of course, retain the right to pursue these more extensively in Court.

Discussion:

Although I find the above sufficient grounds on which to make my determination, since the roll-out of the allocation of Hebrew character IDN third level domains in the .IL ccTLD space is in its nascent stages, I wish to reiterate additional considerations that inform and support my determination, in order to meet the “spirit” as well as the “letter” of the Rules.

The purpose of the expansion of the domain name space in Israel to include Hebrew Internationalized Domain Names (“IDNs”), and the expansion of the domain name space world-wide for IDNs in general, is to make the Internet more accessible to more people. In the .IL ccTLD space, the idea is to enable the offering of domain names to users in on Hebrew characters rather than only in Latin characters.

“The objective of IDNs is to enable users to easily type domain names in familiar, non-ASCII scripts (while preserving universal uniqueness and resolvability)”. ICANN *IDN Committee's Discussion Paper on Non-ASCII TLD Policy Issues*.

As also quoted in ISOC-IL’s own FAQs in explaining this expansion:

“The Hebrew Domain Names are an expansion of the Israeli name space. IDNs expand Internet accessibility to new and additional audiences, and provide easier access to the name space:
"Over half the Internet users around the world don't use a Latin-based script as their native language. IDNs are about making the Internet more global and accessible for everyone." (Rod Beckstrom, ICANN's President and CEO, 16.11.2009, IDN ccTLD Fast Track Process Launch)”.

In addition to allowing for the expansion of the name space, an additional goal is to keep it a “unified” space. As quoting from the ISOC-IL FAQs:

‘Is there a connection between the Hebrew Domain Names offered for registration in IL and the Hebrew Top Level Domain for Israel (once selected)?

When ISOC-IL operates Israel's Hebrew Top Level Domain registry, the Hebrew Top Level Domain and IL will be aliases. This means they will be different names having the same name space ("Unified Name Space").

All the Domain Names registered in IL, Latin and Hebrew alike, will automatically operate under both Top Level Domains without any additional action or cost.

ISOC-IL believes that the Unified Name Space approach will best serve the interests of the local Internet community. In addition, it will save unnecessary expenses for the holders of existing Domain Names, since they will not be required to register these names separately in the Hebrew Top Level Domain.”

Accordingly, it is critical that a balance between these two worthy goals be struck, and the trust in, as well as the security and stability of this expanded unified space, not be abused. Thus, the expansion of the name space for Hebrew IDNs is to expand and enhance necessary use for holders in Israel for use with Hebrew characters and to allow for additional unique Hebrew terms – **not to have the same names in Hebrew and (English) Latin characters be captured by different entities.** As additional anticipated expansion of the Hebrew IDN of the Top Level Domain (TLD) takes place, identical/transliterated alternatives will need to resolve to the same space.

There must be protection against cybersquatting and other forms of abuse in the Hebrew IDN name space version that do not differ from the protections already afforded – and carefully balanced – in the existing ccTLD space. For example, there is confusion and possibly significant danger for the consumer if different owners can hold different versions of the same domain name in Hebrew and in English. The current IL-DRP Rules can and must apply and to transliterations that meet the four elements referred to above, and cover this case in point.

Decision:

In light of the above, I find that the Domain Name is confusingly similar to the Petitioner's registered and unregistered trademarks, that the Petitioner has rights in the trademark, that the Respondent has no legitimate interest in the domain name, and that the allocation or use of the Domain Name by the Respondent is in bad faith. Therefore, I hold that the Domain Name shall be reallocated to the Petitioner within 45 days of the date of this decision.

The Respondent has also requested that this decision also cover an additional domain name, namely, אדובי.com. However, since that domain name was not allocated by ISOC-IL, it is not part of these proceedings, and remains outside the scope of my authority or of this decision.

Ellen B. Shankman, Adv.

Date: 31 March 2011