

Billabong International Limited et al v. Cellon Ltd.

IL-DRP Panel Decision

1. The Parties

The Complainants are Billabong International Limited, GSM (Operations) Pty Ltd., GSM (Trademarks) Pty Ltd., GSM (Europe) Pty Ltd. and GSM (NZ Operations) Ltd, represented by Eitan Shaulsky, Adv., Israel.

The Respondent is Cellon Ltd., of Tel Aviv, Israel.

2. The Domain Name and Registrar

The disputed domain name <בילבונג.co.il> is registered with LiveDns Ltd.

3. Procedural History

The Complaint was filed with ISOC-IL on January 31, 2011. The Complaint was transmitted to the Israeli Dispute Resolution Panel of ISOC-IL ("**IL-DRP**") under the IL-DRP Rules ("**Rules**").

On February 2, 2011 the IL-DRP appointed Jonathan Agmon as the sole panelist.

In accordance with the Rules, on February 2, 2011, the Panel transmitted by e-mail to the Respondent a copy of the Complaint and attached materials, providing the Respondent 15 days to respond to the Complaint. The Respondent did not submit a Response to the Complaint.

On February 28, 2011, the Complainants' attorney notified the panel that an agreement with reached the Respondent, according to which the disputed domain name would be transferred to the Complainants.

In the present case, the attorney for the Complainant notified the panel on February 28, 2011 that the Respondent agreed to transfer the disputed domain name to the Complainant. A copy of this agreement was not furnished to the panel.

An agreement between the parties to transfer the disputed domain name is a welcome amicable conclusion of the dispute. It is in the line with the decision of the panel has reached on the merits as provided in detail herein below before the February 28, 2011 notification.

4. Factual Background

The disputed domain name was registered by Cellon Ltd. on December 29, 2010.

The Complainants are a group of companies comprising of the Billabong International Limited company and its subsidiary companies (hereinafter: "**the Complainant**").

The Complainant is an Australian company, which business consists of the design and sale of active sports apparel.

The Complainant markets its goods worldwide and has been using the mark BILLABONG in connection with its goods since the early 1970's.

The Complainant is the owner of multiple trademark registrations for the mark BILLABONG worldwide. For example: International trademark registration No.874770- BILLABONG, with the registration date of June 17, 2005, designated among others for Bulgaria and Russia; United States trademark registration No.1277128-BILLABONG, with the registration date of May 8, 1984, and European Community trademark registration No. 3058732-BILLABONG, with the registration date of July 6, 2004.

The Complainant is also the owner of Israeli trademark registration No. 65220-BILLABONG, with the registration date of October 16, 1990, Israeli trademark registration No. 198159-BILLABONG, with the registration date of September 3, 2008, Israeli trademark registration No. 185708-BILLABONG, with the registration date of April 4, 2007, Israeli trademark registration No. 108728-BILLABONG (logo), with the registration date of December 4, 1997, and Israeli trademark registration No. 108729-BILLABONG (logo), with the Registration date of December 4, 1997.

In addition, the Complainant owns a number of domain names bearing the mark BILLABONG. For example: <billabong.com> and <billabong.com.au >.

Through extensive use around the world, the BILLABONG trademark has generated vast goodwill and has become famous in connection with active sports apparel, mainly for youth.

On January 16, 2011, the Complainant issued a cease and desist letter to the Respondent, demanding that the Respondent will transfer the disputed domain name to the Complainant and that the Respondent will refrain from any use of the Complainant's trademark. The Respondent did not reply to the cease and desist letter.

Currently, the disputed domain name resolves to a website which displays the announcement "Under Construction".

5. Parties' Contentions

A. Complainant

The Complainant argues that the disputed domain name infringes its trademark rights.

The Complainant further argues that the Respondent registered the disputed domain name in bad faith, with full knowledge of the Complainant and its registered trademark.

The Complainant further argues that the Respondent registered the disputed domain name in order to mislead consumers to believe that it is affiliated with the Complainant.

The Complainant further argues that the Respondent's actions constitute various torts and violations of law, including passing off, unfair intervention, unjust enrichment and trademark dilution.

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

B. Respondent

The Respondent did not reply to the Complaint.

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 Respondent submitted to this process and Rules when he applied for and registered the disputed domain name. The InterSpace domain name registration agreement provides that the applicant for the domain name accepts the ISOC-IL registration rules (see section B(1) on http://www.internic.co.il/domain_agreement.htm, which also provides a link to the ISOC-IL registration rules). The ISOC-IL registration rules provide that "the [domain name] holder agrees to the jurisdiction of the IL-DRP." (See section 24.4). The Respondent, therefore, by applying for and registering the disputed domain name agreed to the IL-DRP and the Rules.

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

Preliminary Discussion

As was noted by the panel in The Cartoon Network LP, LLLP v. Mike Morgan, WIPO Case No. D2005-1132, "A number of panel decisions have considered the proper course where a respondent has unilaterally consented to transfer a disputed domain name to a complainant. There have been at least three courses proposed: (i) to grant the relief requested by the complainant on the basis of the respondent's consent without reviewing the facts supporting the claim (see Williams-Sonoma, Inc. v. EZ-Port, WIPO Case No. D2000-0207; Slumberland France v. Chadia Acohuri, WIPO Case No. D2000-0195); (ii) to find that consent to transfer means that the three elements of paragraph 4(a) are deemed to be satisfied, and so transfer should be ordered on this basis (Qosina Corporation v. Qosmedix Group, WIPO Case No. D2003-0620; Desotec N.V. v. Jacobi Carbons AB, WIPO Case No. D2000-1398); and (iii) to proceed to consider whether on the evidence the three elements of paragraph 4(a) are satisfied because the respondent's offer to transfer is not an admission of the complainant's right (Koninklijke Philips Electronics N.V. v. Manageware, WIPO Case No. D2001-0796) or because there is some reason to doubt the genuineness of the respondent's consent (Société Française du Radiotéléphone-SFR v. Karen, WIPO Case No. D2004-0386; Eurobet UK Limited v. Grand Slam Co, WIPO Case No. D2003-0745)."

General

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. Same or Confusingly Similar

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

The disputed domain name comprises of the word Billabong in Hebrew (בילבונג) and the suffix .co.il. The suffix .co.il is ignored for the purpose of determination the similarity between the disputed domain name and the word בילבונג since it is a common suffix showing that the domain name is part of the .il domain and associated with commercial activities (.co suffix). The relevant part of the disputed domain name is the word בילבונג.

As of December 26, 2010 the Israel Internet Association expanded its domain name registration service with the option to register domain names containing Hebrew characters, such as the disputed domain name. The panel notes that the same tests that are used to determine confusing similarity should be applied when examining a disputed domain name which consists of Hebrew characters.

The Complainant is the owner of multiple trademark registrations for the mark BILLABONG worldwide. For example: International trademark registration No.874770, with the registration date of June 17, 2005, designated among others for Bulgaria and Russia; United States trademark registration No.1277128–BILLABONG, with the registration date of May 8, 1984, and European Community trademark registration No. 3058732–BILLABONG, with the registration date of July 6, 2004.

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The disputed domain name is the identical Hebrew translation of the Complainant's trademark. It is therefore the finding of the Panel that the disputed domain name is identical to a trademark owned by the Complainant.

B. Rights in the Name

Next, it is up to the Complainant to show that the Complainant has rights in the BILLABONG trademark; and that the Respondent has no rights in the BILLABONG trademark.

As noted above the Complainant showed sufficient evidence showing it has rights in the BILLABONG trademark.

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

The Complainant provided that it has not licensed or otherwise permitted the Respondent to use its trademarks.

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

In this case the Panel finds that the Complainant has made a prima facie showing that the Respondents do not have rights or legitimate interests in the disputed domain name within the meaning of Rule 3.3. This finding is based on the following, non-disputed facts brought forward by the Complainant:

- a. The Complainant is the owner of multiple worldwide trademark registrations, including numerous Israeli trademark registrations. The trademarks were registered well before the Respondent registered the disputed domain name;
- b. There is no indication that the Respondent is known under the disputed domain name.

It is therefore the finding of the Panel that the Complainant has rights in the BILLABONG trademark and that the Respondent has no rights in the BILLABONG trademark.

C. Application and Use in Bad Faith

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

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

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

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

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

The disputed domain name is the identical Hebrew translation of the Complainant's trademark. Previous WIPO panels ruled that "a likelihood of confusion is presumed, and such confusion will inevitably result in the diversion of Internet traffic from the Complainant's site to the Respondent's site" (see Edmunds.com, Inc. v. Triple E Holdings Limited, WIPO Case No. D2006-1095). To this end, prior WIPO Panels have established that attracting Internet traffic by using a domain name that is identical or confusingly similar to a registered trademark is evidence of bad faith under paragraph 4(b)(iv) of the UDRP (see Humana Inc., op. cit. supra; Edmunds.com v. Ultimate Search, Inc., WIPO Case No. D2001-1319).

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

It is suggestive of the Respondent's bad faith that the trademarks of the Complainant were registered long before the allocation of the disputed domain name. The

Complainant submitted evidence, which shows that the Complainant's trademark-BILLABONG, was registered in different territories around the world, including Israel, and is well-known in Israel publicly. The Complainant's BILLABONG trademark is registered in Israel since 1990. The Respondent registered the disputed domain name long after the Complainant registered its BILLABONG trademark.

Further the Complainant provided as evidence a Cease and Desist letter addressed to Respondent, which the Complainants asserted was never responded. As decided in Gaggia S.p.A. v. Yokngshen Kiang, WIPO Case No. D2003-0982: "[w]hen receiving such notice, good faith requires a response. Instead, the Respondent did nothing." This Panel concurs with such reasoning and finds that Respondent's inaction shows lack of legitimate interest in the disputed domain name and lack of good faith in the registration and use thereof (See Carrefour and Carrefour Property v. MIC Domain Management, WIPO Case No. D2009-0489).

Given these circumstances the Panel finds that that there are circumstances showing that the Respondent acted in bad faith as provided in Rule 4.1(b) and 4.1(d) thus, it is the finding of the Panel that the Complainant met the burden of showing that the Respondent used the disputed domain name in bad faith in accordance with Rule 3.4.

Remedies

The Complainant has moved for the cancellation of the disputed domain name and for the registration of the disputed domain name to its name. In addition, the Complainant moved for expenses. In its 28 February, 2011 email the Complainant moved for the return of the fees paid to ISOC.

While ISOC IL-DRP does not provide a limitation to the various remedies which can be sought after by the Complainant, it is instructive from UDRP Rule 3 that only two remedies are available to a Complainant – a cancellation or transfer. Therefore, a Complainant will do well to select one of these remedies when filing a complaint. Nor, IL-DRP nor the UDRP provide for other remedies, including for return of expenses or return of fees. Previous panels noted that the only remedies available under the UDRP are cancellation or transfer of the disputed domain name. See Policy, Paragraph 4(i); See also World Wrestling Federation Entertainment, Inc., WIPO Case No. D2000-1499 and Yahoo! Inc. and GeoCities v. Cupcakes, Cupcake city, Cupcake Confidential, Cupcake-Party, Cupcake Parade, and John Zuccarini, WIPO Case No. D2000-0777. Applying to IL-DRP those elements in the UDRP (Policy and Rules) which are missing from the IL-DRP would be the appropriate way to create uniformity in the decisions and precedent of IL-DRP. Limiting the IL-DRP to the UDRP applied remedies also fulfills the IL-DRP purpose of expedite resolution of disputes regarding the allocation domain names.

As to the request for return of fees paid, similarly the IL-DRP is silent. WIPO UDRP fees provides that "In the event of the termination of an administrative proceeding after the appointment of an Administrative Panel, the Center shall determine in its sole discretion whether any amount of fee paid by either party shall be refunded." (See: <http://www.wipo.int/amc/en/domains/fees/>). WIPO panels have assessed the return of fees based on various factors, to include the timing of the request and whether the panel has begun its work.

It is therefore the position of this panel that applying Paragraph 4(i) of the UDRP Policy the panel's authority under the current IL-DRP is limited to deciding whether to

award one of two remedies – cancellation or transfer. Other remedies, such as a request for expenses, are outside the scope of authority of this panel.

As to the request for return of fees paid, in the present case, the request was made on February 28, 2011 after the due date for the filing of the Response and after the panel completed his work on the present opinion. Under these circumstances, the panel decides the fees will not be refunded.

7. Decision

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



Jonathan Agmon
Sole Panelist

Date: March 7, 2011