

Dispute Resolution Panel  
For the Internet Society of Israel (ISOC-IL)

**Ellen Shankman, Adv.**

In the matter between

**Dell Inc.** (The "Complainant")  
Represented by Adv. Presenti

And

**Rami Zion** (The "Respondent")

Regarding the domain name

**dell-israel.co.il**

(The "Domain Name")

## **DECISION**

### **Procedural Background**

The panel was established on 24 December 2008, in accordance with the Procedures for Alternative Dispute Resolution under the .IL ccTLD by Dispute Resolution Panels<sup>1</sup> ("IL-DRP Procedures"), in order to address Complainant's request to cancel the allocation of the Domain Name (dell-israel.co.il) to Respondent and to transfer the Domain Name to the Complainant.

Respondent was notified that a complaint had been filed and both parties notified of the appointment of the Panel. Confirmation of receipt of the notification was made in a telephone call to the Panelist by Respondent. Further, the parties were specifically reminded of notification of the deadline for response, and Respondent has submitted a response.

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

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<sup>1</sup> [http://www.isoc.org.il/domains/ildrp\\_rules.html](http://www.isoc.org.il/domains/ildrp_rules.html) in English, and [http://www.isoc.org.il/domain\\_heb/ildrp\\_rules.html](http://www.isoc.org.il/domain_heb/ildrp_rules.html) in Hebrew.

exclusion of the appointed Panelist on the grounds of any potential conflict of interests. No such requests were made.

### **Complainant's Arguments:**

1. Complainant has registered its trademark DELL and variations of this mark in more than 180 countries world wide. Registrations in Israel include, inter alia, DELL, [www.dell.com](http://www.dell.com) and DELL COMPUTER.
2. Complainant has marketed and sold computer systems and related products and services for over 20 years, and has invested heavily in marketing under its DELL marks, "devoting hundreds of millions of dollars to advertising and promoting its products and services through many media in many countries."
3. Complainant sells its products and services directly in over 80 countries and has revenue of more than \$55 billion, and has, for several years, been the world's largest direct seller of computer systems. [Additional facts alleged to support claim to Complainant's success not summarized here, but noted for the record].
4. Complainant generates almost half its revenue from sales over the Internet, and Complainant owns, uses and has registered thousands of domain names containing DELL alone or in combination.
5. Internet users who type or search for various DELL domain names expect to and do arrive at Complainant's website.
6. The disputed Domain Name was acquired by Respondent in August 2008 with a view to create a wrongful impression that his website, which offers for sale DELL computers, is an official website of DELL.
7. Respondent has made it a habit to "adopt" well known marks and create false websites, e.g. <http://www.ibm-lenovo.co.il>.
8. Complainant has priority and as second comer, Respondent had an obligation not to use or register domain names that are confusingly similar to Dell's marks. Respondent intentionally chose a name that is confusingly similar to Dell's marks.
9. Respondent has registered and used the Domain Name to redirect Internet users seeking Complainant's goods and services to Respondent's commercial website.
10. The Domain Name is being used to capitalize on and gain advantage from customers searching for Complainant's products will reach Respondent's website rather than Complainant's websites [www.dell.co.il](http://www.dell.co.il) and [www.dellisrael.com](http://www.dellisrael.com).
11. Respondent presents himself as DELL ISRAEL while Dell Technology & Solutions Israel Ltd. is an existing company registered in Israel and owned by Complainant.
12. Respondent is trying to confuse customers by using a name very similar to the name of a company owned by Complainant.

13. The Domain Name is confusingly similar to Complainant's DELL marks and names. The addition of the word "Israel" is insufficient to overcome the confusing similarity.
14. Complainant's ownership and use of other domain names that combine DELL and a generic term (e.g. Dellsupport.com) make it more likely the customer will be confused by dell-israel.co.il.
15. Respondent chose the Domain Name to drive customers to its competing website through confusion and passing off. Respondent did not choose a domain name that integrated either part of his name or his business name.
16. Respondent has no rights or legitimate interest in the Domain Name.
17. Respondent has not used the Domain Name in connection with the *bona fide* offering of goods and services.
18. Respondent has not made any legitimate noncommercial or fair use.
19. Respondent registered and used the Domain Name in bad faith. Respondent registered the Domain Name with full knowledge of Complainant's marks, as he was using them to sell their products.

### **Respondent's Arguments:**

1. Respondent challenges the legitimacy and authority to transfer the Domain Name.
2. The Domain Name was purchased with money and not taken from anyone or any other entity, and if such entity wanted to purchase a domain they should pay a fee to do so.
3. Complainants have two other Domain Names and have only woken up now to [www.dell-israel.co.il](http://www.dell-israel.co.il).
4. The trademark has not been infringed, and when such claim was made by Complainant, the mark was immediately taken down from the website.
5. The website prominently displays the SDI logo and not Dell, and under the "about us" portion of the site, we do not claim to be part of the world-wide Dell company.
6. The website sells Dell products only and not of any competitive company, so that it serves as a wider platform/stage for Dell Inc. to sell its goods.
7. There is no likelihood of confusion between the websites of Dell Inc. and SDI or between [www.dell.co.il](http://www.dell.co.il) and [www.dell.com](http://www.dell.com) and [www.dell-israel.co.il](http://www.dell-israel.co.il), in particular since it is emphasized that SDI imports and sells Dell Inc. computers.
8. Respondent brands itself openly and clearly to potential consumers in the first instant with the logo of the company, and the "about us" and in ads in "ZAP".
9. There is no unfair competition or unfair interference or approach to customer of the Complainant, or customer confusion of the identity of the manufacturer or theft of reputation of the Complainant or unjust enrichment in that the computers/goods have been acquired legally in good faith and in full consideration of Complainant's goods.

10. There is no misrepresentation to consumers with regard to the nature of Respondent's business or identity, and that Respondent presents true and correct information regarding the computers it sells.
11. For the sake of good order, SDI has redirected any traffic of [www.dell-israel.co.il](http://www.dell-israel.co.il) to the company website [www.sdi-israel.co.il](http://www.sdi-israel.co.il), but that it is not prepared to give up or transfer the domain [www.dell-israel.co.il](http://www.dell-israel.co.il) to Dell Inc. Anyone seeking to reach [www.dell-israel.co.il](http://www.dell-israel.co.il) will be automatically redirected to [www.sdi-israel.co.il](http://www.sdi-israel.co.il).

## **Discussion:**

### **Procedural Issue:**

Respondent challenges the authority of the IL-DRP to determine re-allocation of the Domain Name, altogether.

However, Sections B and E of the Rules for Allocation of Domain Names provide (emphasis in the original and italicized here for quoted emphasis):

## ***B. Application & Allocation Process***

### ***4. The Application***

#### ***4.1. 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").*

#### ***4.2. 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.*

#### ***4.3. 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.***

## **E. Disputes and the IL-DRP**

### **24. ISOC-IL Not Arbiter of Disputes**

24.1. ISOC-IL cannot act as an arbiter of disputes arising out of the allocation and use of a Domain Name. Any disputes between parties over a Domain Name, should be resolved between the parties themselves.

24.2. ISOC-IL will not become involved in disputes regarding the use and allocation of a Domain Name, and will make no determinations with regard the respective rights between the Holder and any third-party.

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](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.**

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

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

Further, I reject Respondent's position that he "owns" the Domain Name because he paid good money for it.

Section A.1.3. of the Rules states:

#### **"A. Introduction**

- 3. A Domain Name is an entry on ISOC-IL's register database, reflected by the .il Domain Name System ("DNS") nameservers as part of the resolution service provided by the Registry. A Domain Name is not an item of property and has no 'owner'. [Emphasis added].**

Further, by submission of his application Respondent warranted and conditioned his obtaining the Domain Name as follows in Section 8 of the Rules:

***“8. 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 an unconditional ‘purchase’ is further emphasized in Section 10 of the Rules:

***“10. 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 Panel 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 Panel.

**Grounds for Decision**

The Procedures state:

***“B. Grounds for IL-DRP***

*3. Disputes regarding allocation of a Domain Name by a Holder 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 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, a Complainant 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.

Both Complainant and Respondent raise arguments that go to the substantive issues of trademark infringement, passing-off, unfair competition and copyright infringement regarding use of the mark in the content of the website. Reference is also made to C&D letters between the parties. These substantive issues are outside the scope of these proceedings, and any conflict regarding these matters should be determined by resolution between the parties or by a court of law.

Further, the Complainant requests as additional relief an order against any future registration of any domain name containing the trademark DELL. This too is outside the scope of the Procedures:

***“A. Nature of Disputes***

*1. Under the IL-DRP, third-party challenges to an existing allocation of a Domain Name by ISOC-IL to a Holder will be reviewed. Each Dispute will be determined on a case-by-case basis*

*2. The following disputes, inter alia, shall not be reviewed under the IL-DRP:*

*2.1. Any request to disallow, in advance, the allocation of a Domain Name.”*

The IL-DRP was designed to address an alternative expedited dispute resolution mechanism with regard to the allocation of domain names, and this decision is limited to the determination regarding allocation of the Domain Name dell-israel.co.il alone.

**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 Complainant?

I find the answer to this "yes". The Domain Name dell-israel.co.il is confusingly similar to the registered trademarks of the company, which include, inter alia, "DELL". The addition of the term "Israel" only serves to emphasize the impression that there is a geographic connection with or similarity to "DELL".

The Dispute Resolution IL-DRP Panel, in its decision regarding the domain name rakevet.co.il, expressed it well:

"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." Pp 15-16.

In my opinion, such reasonable concern is raised in this case.

### **Complainant's Rights in the Name**

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

I find the answer to this "yes". Complainant has provided evidence of registration of the trademark "DELL" in Israel, and holds domain names with the term "dell", inter alia, dell.com and dell.co.il.

## **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 "dell".

I disagree with Respondent's contentions that his rights in the name stem from payment for the Domain Name. Further I disagree with Respondent's contentions that because the Complainant did not acquire the Domain Name initially that they forfeit rights in their name. It should not be incumbent upon a party to acquire all possible variations of its mark in domain name strings in order not to forfeit any rights or prevent allocation of such domain names to others.

Respondent's arguments do raise interesting questions regarding what constitutes legitimate use of the trademark for the sale of goods on the Internet. However, the disputed use of a trademark between the parties is outside the scope of the IL-DRP Procedures.

## **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, Section 4.1. (e) states:

- 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."*

I find that the Respondent does attempt to draw users to its website in the creation of a likelihood of source, sponsorship or affiliation with Complainant.

The Domain Name, by its nature, suggests the Israel affiliation or source of DELL. The Domain Name is not a clearly identified unaffiliated different source for Dell Inc. products. Further, as an example of continued implied sponsorship, the website page, as of 14 January 2009, has at the top of the page a scrolling “Dell Israel” banner at the head of the home page, underscoring the eye’s immediate attraction to a suggestion that this is Dell Inc’s source in Israel.

[I note that in stating an example of use of the term “Dell Israel” on the website, I use it only to assist in determining the fourth factor of the test regarding allocation and use of the Domain Name. As an observation, the registration of a domain name with another’s mark in the domain name string is arguably different from the use of a mark as a key word to direct traffic to a website or the use of a mark in the content of a website. However, I wish to emphasize that I am not commenting on or giving any opinion with regard to the questions of trademark use, infringement, passing off, unfair competition or any other substantive copyright or trademark legal issues regarding use of the mark within the website. That determination is outside the scope of this proceeding.]

In addition, Respondent’s own statement of its redirection of the dell-israel.co.il to sdi-israel.co.il, evidences that Respondent is holding the Domain Name to use it to attract Internet users to his website. It emphasizes that Respondent can sell his wares under a different domain name (i.e. sdi-israel.co.il), and is not utilizing the Domain Name for any primary purpose other than to re-direct such traffic.

In addition, Respondent’s argument that he is providing Complainant a “stage”, underscores Respondent’s intended implication of connection or sponsorship. I reject Respondent’s argument that suggests that he is in the position to determine what is in Complainant’s best interests – that is not Respondent’s place.

Further, the Respondent holds two other domain names: Lenovo-israel.co.il and Toshiba-israel.co.il. This appears to be additional evidence pointing to a

practice of registering names containing marks of others to suggest a connection with those companies.

### **Decision**

In light of the above, I find that the Domain Name is confusing similar to the Complainant's registered trademark, that the Complainant 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 Complainant within 45 days of the date of this decision.

Date: 15 January 2009

Ellen B. Shankman, Adv.