

Golf & Co Group Ltd v. Mr. Alexey Yagiv,

IL-DRP Panel Decision

1. The Parties

Complainant is Golf & Co Group Ltd, located at 5 Hamelacha Street, Poleg Industrial Zone, Netanya, Israel, and represented by Gilat, Bareket & Co., Tel-Aviv, Israel.

Respondent is Mr. Alexey Yagiv, ID number XXXXXXXXXX, located at 14 Idelson Street, Tel Aviv, Israel, and represented by Erez Harcavi, Herzliya, Israel.

2. The Domain Name and Registrar

The disputed domain name is <intima.co.il> (the "Disputed Domain Name"), which was registered with Interspace Ltd. (the "Registrar") on July 30, 2014.

3. Procedural History

The Complaint was filed with ISOC-IL on January 11, 2021. The Complaint was transmitted to the Israel Dispute Resolution Panel of ISOC-IL ("IL-DRP"). On January 19, 2021, Mr. Neil Wilkof was appointed as Sole Panelist in accordance with the Procedures for Alternative Dispute Resolution under the .IL ccTLD by Dispute Resolution Panels (the "Procedures").

Pursuant to the Procedures, on January 26, 2021, notification of the Complaint, including copies of all submitted material, and notification of appointment of the Panel under the Rules, was sent to Respondent's email address as recorded in the ISOC Domain Name Registry. In accordance with section 9.3 of the Procedures, Respondent was allotted 15 days to submit a Statement of Response or any other relevant information to the Panel. The Panel, in two orders, the first given on February 4, 2021, and the second, given on March 4, 2021, extended to March 15, 2021, the date for submission by Respondent of a Response and other relevant information. On March 14,

2021, Respondent submitted by email to ISOC-IL a Response and supporting information

4. Factual Background

Complainant—

Complainant, founded in 1987, is a publicly traded company in Israel that manufactures and markets textile, home styling and décor products to a range of customers.

Complainant does so under a number of brands, including INTIMA, which is a retail chain under that name, in which Complainant sells women's intimate wear, including lingerie, night wear, leisure clothing swim wear and bed wear.

Complainant acquired the INTIMA chain in 1998. The INTIMA chain operates approximately 60 stores in Israel as well as maintaining an online store. The INTIMA chain has a turnover of tens of millions of dollars (the exact amount is treated as a trade secret and is not publicly provided). Complainant invests several million shekels in promotion and advertising of the INTIMA brand, including on various types of media.

In that connection, Complainant is the owner of the following valid and subsisting registrations of the INTIMA mark in Israel:

Israel Registration No. 113037 in international classes 25 and 35, registered on June 18, 1997;

Israel Registration No. 185635 in international class 25, registered on November 20, 2005; and

Israel Registration No. 185636, in international class 35, registered on November 30, 2005.

(hereinafter collectively: "the INTIMA Mark").

Respondent/Holder—

Respondent has been engaged in the pleasure business since 2011. He operates sex shops at several sites in Tel Aviv, *inter alia* under the name, FetishDeal, as well as

maintaining an online store. Respondent offers an array of products and services and caters to a diverse clientele in Israel as well as serving overseas customers on-line.

The Disputed Domain Name was assigned to Respondent on July 30, 2014. Prior to that time, the Disputed Domain Name had been used in connection with a series of websites, dating back to 2004, first as a sex shop and later in connection with cosmetics. From August 2011 until the assignment of the Disputed Domain Name to Registrant on July 30, 2014, the website under the Disputed Domain Name was inactive.

5. Legal Arguments

Complainant --

1. Complainant has rights in the INTIMA Mark, based both on its various registrations of the INTIMA Mark and its operation of the INTIMA retail chain.
2. The Disputed Domain Name <intima.co.il> is identical or confusingly similar to the INTIMA Mark.
3. Respondent has no rights in the INTIMA Mark.
4. Respondent acted in bad faith in its application for allocation of the Disputed Domain Name and/or in its use of the Disputed Domain Name.

Accordingly, Respondent requests the assignment of the Disputed Domain Name.

Respondent—

The Complaint should be summarily dismissed on the grounds of laches and estoppel because of Complainant's delay in bringing its action against the allocation to Respondent.

Should the Panel rule not to summarily dismiss the Complaint on the grounds of laches and estoppel, the Complaint should be rejected for the following reasons:

1. The Complaint defames Respondent and his entire community. As such, the Complaint is contrary to provisions of the Basic Law: Fundamental Law: Human Dignity and Freedom.
2. The Complaint was filed in bad faith and lacks any evidentiary foundation.
3. The word "intima" has a dictionary meaning and Complainant cannot appropriate this word as its own and monopolize its use.
4. Complainant does not have the exclusive right to use the word "intima" in trade in Israel.

Accordingly, the Complaint should be rejected.

6. Discussion and Findings

At the outset, the Panel notes that Complainant alleges a lack of moral probity on the part of Respondent's business (see, e.g., paragraph 37.9 of the Complaint, which states that "BDSM fetish practices are not considered normative [footnote omitted]. These types of practices are generally considered disturbing and abusive.") Such allegations are wholly inappropriate and will be disregarded by the Panel; better if they had not been raised.¹

The Panel notes that the issue before it is solely whether the Disputed Domain Name has been properly assigned to Respondent under the Rules for the Allocation of Domain Names Under the Israel Country Code Top Level Domain (".IL") (the "Rules), last updated July 16, 2016. As stated in the introduction to the Procedures --

"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 ("Dispute") in accordance with the Rules for Allocation of Domain Names under .IL. The IL-DRP is not intended to create or replace judicial precedence or jurisprudence."

¹ In the interest of completeness, such an allegation does not rise to a violation of Respondent's dignity and freedom under the Basic Law, such that this claim by Respondent is also rejected.

As such, except for the specific issues to be considered pursuant to the Procedures (see below), any claims raised by the parties with respect to the INTIMA Mark, including its validity or right of use thereof, are not part of this proceeding. The bases by which a Panel determines whether the allocation of a domain name should be set aside are explicitly set out in paragraph 3 of the Procedures, which provides that a third party may bring a complaint challenging the allocation of a domain to its current Holder 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.

The Complainant must prevail on each of these elements, including at least one of the two alternatives as set out in subparagraph 3.4.

Before the Panel addresses each of these elements under Rule 3, it will first address the claim by Respondent that the Complaint should be summarily dismissed on the grounds of laches and estoppel. The gist of Respondent’s claim is that between the time of Complainant’s acquisition of the INTIMA retail chain in 1998 and the filing of the instant complaint, Complainant took no steps either to register the domain name <intima.co.il> or to challenge the allocation of the Disputed Domain Name, ultimately assigned to Respondent in 2014. As explained below, Respondent’s claim of laches and estoppel in the context of a challenge to the allocation of a domain name is misplaced and must be rejected.

Paragraph 4.17 of the “WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition” (hereinafter: “WIPO Jurisprudential Overview 3.0”)²—states

² A UDRP action brought under the auspices of the World International Property Organization (“WIPO”) is identical in all relevant particulars to an action brought under the auspices of ISOC-IL and the overview of Panel Views are instructive in ruling on cases with respect to domain name allocation by ISOC-IL and its rules and procedures.

as follows:

“4.17 Does “delay” in bringing a complaint bar a complainant from filing a case under the UDRP?”

Panels have widely recognized that mere delay between the registration of a domain name and the filing of a complaint neither bars a complainant from filing such case, nor from potentially prevailing on the merits.

Panels have noted that the UDRP remedy is injunctive rather than compensatory, and that a principal concern is to halt ongoing or avoid future abuse/damage, not to provide equitable relief. Panels have furthermore noted that trademark owners cannot reasonably be expected to permanently monitor for every instance of potential trademark abuse, nor to instantaneously enforce each such instance they may become aware of, particularly when cybersquatters face almost no (financial or practical) barriers to undertaking (multiple) domain name registrations.

Panels have therefore declined to specifically adopt concepts such as laches or its equivalent in UDRP cases.

Panels have however noted that in specific cases, certain delays in filing a UDRP complaint may make it more difficult for a complainant to establish its case on the merits, particularly where the respondent can show detrimental reliance on the delay.

The basic principle is, therefore, that the doctrine of laches/estoppel/delay does not apply to a dispute regarding allocation of a domain name and the purposes of the available remedies with respect to such allocation, subject to circumstances where there has been detrimental reliance by Respondent. However, Respondent has not brought any evidence to support a claim of detrimental reliance. To the contrary, in paragraphs 24-27 of its Response, Respondent states as follows:

“24. The next domain name to be rolled out could be the Disputed Domain, or it could be any of a number of other domain names owned by Respondent. The point is: all

domain names used by Respondent are owned and used legally. All domain names are used by Respondent, in good faith and according to Respondent's business plan, which he is not obligated to reveal to Complainant, as it is a trade secret. What is certain is that Respondent has a bona fide intention of using the Disputed Domain in good faith – and that Respondent has every right to do so, without any hindrance from Complainant, or anyone else.

25. All of Respondent's websites are used exclusively to promote Respondent's businesses of pleasure. None compete with Complainant's business, nor allude to Complainant's business. In fact, it is to Respondent's benefit to stay away from being associated with Complainant, as Complainant is too "vanilla" for Respondent's customers and being associated with Complainant could only detract from Respondent's reputation and standing in the BDSM community.

26. Respondent has no – and never had any – intention of selling the Disputed Domain to Complainant, nor to anyone else. The Respondent bought the Disputed Domain with the sole intent of using it himself.

27. As is well-known, in this cyber day and age, first you buy the domain names that fit your business plans, and only then do you go about using them, as your business develops. If you sit and wait until everything else is good and ready before you purchase the desired domain name – in all likelihood, it will already be taken by the time you try to purchase it. Therefore, the fact that Respondent has bought the Disputed Domain a few years ago and is yet to use it proves nothing, other than the fact that Respondent follows tried and true business methods, practiced by most businesses with any understanding of cyberspace.”

By its own account, Respondent has not engaged in any action with respect to use of the Disputed Domain Name since its assignment to Registrant in 2014. As such, there has not been any detrimental reliance. Accordingly, the claim that the Complaint should be dismissed due to laches or estoppel must be rejected.³

³ See further, below, the Panel's discussion on whether Respondent has acted in bad faith by virtue of such passive use.

The Panel now addresses each of the substantive elements under Rule 3.

A. Identical or Confusingly Similar

The Panel is of the view that the Disputed Domain Name is identical or confusingly similar to the INTIMA Mark.

The INTIMA Mark is reproduced in its entirety in the Disputed Domain Name, and it is identical in all relevant particulars. It is well-established that the addition of a country code top-level domain ("ccTLD") lacks any distinctive power in determining whether a mark is confusingly similar to a disputed domain name. See, e.g., *Busy Body, Inc. v. Fitness Outlet Inc.*, WIPO Case No. D2000-0127 ("[...] the addition of the generic top-level domain (gTLD) name '.com' is ... without legal significance since use of a gTLD is required of domain name registrants". The same applies to a ccTLD, such as <co.il>.

Accordingly, we find that, within the meaning of the Procedures,⁴ there is identity or highly confusing similarity between the INTIMA Mark and the Disputed Domain Name.

B. Complainant's Rights in the Mark

The registration of the INTIMA Mark in Israel, as early as 1997, predates the registration of the Disputed Domain Name in the name of Respondent, being July 30, 2014.

Respondent has sought to challenge Complainant's rights in the INTIMA Mark by pointing to other registrations for the mark, claiming that the respective goods and services are distinguishable and arguing that the INTIMA Mark lacks distinctiveness. None of these claims is germane to the question of Complainant's rights in the mark. As explained in subparagraph 1.2.1 of WIPO Jurisprudential Overview 3.0 –

1.2.1 Where the complainant holds a nationally or regionally registered trademark or service mark, this prima facie satisfies the threshold requirement of having trademark rights for purposes of standing to file a UDRP case.

⁴ To the extent that the test for likelihood of confusion in an infringement action or registration proceeding may differ, such considerations are not germane to the instant case.

See also, Sao Paulo Alpargatas S.A v. Ilan Omer, ISOC-IL DRP July 9, 2009 (“The registration of a trademark under a disputed domain name has been held by many WIPO panels as sufficient evidence to show that the Complainant has sufficient rights in the Name.”).

That is the situation in the instant case. Accordingly, the Panel finds that Complainant has rights in the INTIMA Mark.

C. Registrant's Rights in the Mark

Respondent/Registrant has not proved that he has rights in the INTIMA Mark.

There is no evidence that Respondent has registered any mark that consists of, or contains, the INTIMA Mark, or any material portion thereof. There is no evidence that Complainant has entered into any agreement, authorization, or license with Respondent with respect to the use of the INTIMA Mark. The name of Respondent does not bear any resemblance to the Disputed Domain Name, nor is there any basis to conclude that Respondent is commonly known by the INTIMA Mark or the Disputed Domain Name.

Respondent does not use of the Disputed Doman Name in connection with a bona fide offering of goods or services, nor is Respondent making any legitimate noncommercial or fair use of the Disputed Domain Name.

Based on the foregoing, the Panel finds that Respondent has no rights or legitimate interests in the Disputed Domain Name.

D. Allocation or Use in Bad Faith of the Disputed Domain Name

Under the Procedures, it is not sufficient that Complainant show that: (i) it has rights in a mark that forms the material part of a disputed domain name; (ii) there is identity or confusing similarity between the mark and the disputed domain name; and (iii) Respondent does not have any legitimate rights in the mark. Complainant must also prove that Registrant has acted in bad faith in the allocation or use of the disputed domain name.

With respect to a finding of bad faith, the Procedures provides that Complainant must show either that the Disputed Domain Name was allocated, **or** that is has been used, in

bad faith. This requirement is in the disjunctive; Complainant must prove at least one of these two alternatives. For the reasons set forth below, the Panel is of the view that while Complainant has not proved that Respondent acted in bad faith with respect to the assignment of the Disputed Domain Name in July 2014, Respondent has acted in bad faith by virtue of his passive holding of the Disputed Domain Name.

Allocation--

Complainant argues that the alleged commercial success and recognition of the INTIMA Mark is evidence that Registrant must have been well aware of the INTIMA Mark when he sought registration of the Disputed Domain Name in 2014. In the view of the Panel, the evidence brought by Complainant does not support this conclusion. Respondent has provided a credible explanation for his selection of the Disputed Domain Name, unrelated to the existence of the INTIMA Mark and Complainant's retail chain operated under the INTIMA name.

As such, the Panel rejects the claim that Respondent was motivated by and/or acted in bad faith in his selection of the Disputed Domain Name.

Use—

Since the assignment of the Disputed Domain Name in July 2014, Respondent has acted in a way that constitutes passive bad faith. As seen above, Respondent has, by his own admission, not taken any steps to use the Disputed Domain Name since its assignment. Such inaction with respect to the Disputed Domain Name constitutes passive bad faith. This is made clear in paragraph 3.3 of WIPO Jurisprudential Overview 3.0, as follows:

3.3. Can the “passive holding” or non-use of a domain name support a finding of bad faith?

From the inception of the UDRP, panelists have found that the non-use of a domain name (including a blank or “coming soon” page) would not prevent a finding of bad faith under the doctrine of passive holding.

While panelists will look at the totality of the circumstances in each case, factors that have been considered relevant in applying the passive holding doctrine include: (i) the degree of distinctiveness or reputation of the complainant’s mark, (ii) the failure of the respondent to submit a response or to provide any evidence of actual or contemplated good-faith use, (iii) the respondent’s concealing its identity or use of false contact details (noted to be in breach of its registration agreement), and (iv) the implausibility of any good faith use to which the domain name may be put.

See also, *Laboratoires Expanscience 10 v Second Opinion BV, ISOC-IL DRP* November 30, 2014, adopting the position found by various WIPO Panels that passive holding of a website, even without taking active action in aiming to obtain considerable gain, can be considered bad faith use.⁵

As applied to the instant situation, Respondent’s conduct with respect to the Disputed Domain Name runs afoul of factor (ii) as an indicium of bad faith, namely, *the failure of the respondent to submit a response or to provide any evidence of actual or contemplated good-faith use.* Respondent admits that he has not used, nor does he point to any concrete contemplated use of the Disputed Domain Name. Whatever Respondent’s business rationale for seeking registration of the Disputed Domain Name in 2014, not making any use of the Disputed Domain Name constitutes passive conduct that does not comport with the underlying purposes of the domain name allocation system.

The right in a registered domain name is different from that of a registered trademark. A registered trademark is a right in the mark “against the world” (i.e., within the relevant jurisdiction), including against confusing use of such a mark by a third party.

⁵ Respondent attempts to argue that this decision should be disregarded because the respondent in that case failed to respond. Such an argument should be rejected. The result of the decision speaks for itself and Respondent has not brought legal authority to the contrary.

In contrast, the subject matter of a registered domain name is an alphanumeric representation of a unique internet protocol address. It is not a property right in the domain name. As the Introduction to the Rules (A)(2) state—

A Domain Name is not subject to proprietary rights and accordingly, the aforementioned right-of-use does not constitute ownership or bestow property rights.

This means that there may be other persons who might also have rights in such word *qua* word, but who cannot obtain allocation of the domain name, provided that the holder of the registered domain name continues to meet the requirements for allocation. If, however, the holder fails to satisfy these requirements, it is no longer entitled to the allocation of the domain name. In our case, where Respondent had no rights in the INTIMA Mark and has made no use of the Disputed Domain Name since its assignment in July 2014, his rights as registrant of the Disputed Domain Name was open to challenge.

Based on the foregoing, the Panel finds that Respondent's passive use of the Disputed Domain Name constitutes bad faith.

7. Decision

For the foregoing reasons, in accordance with the Procedures, the Panel orders that the Disputed Domain Name be assigned to Complainant.

Neil J. Wilkof, Sole Panelist

Date: April 7, 2021