



WIPO Arbitration and Mediation Center

ADMINISTRATIVE PANEL DECISION

Aspen Grove, Inc. v. Aspen Grove

Case No. D2001-0798

1. The Parties

The Complainant is Aspen Grove, Inc., a Delaware corporation with its principal place of business at 580 Harrison Avenue, 4th floor, Boston, Massachusetts 02118, U.S.A. The Complainant is represented by James Newton, Esq. of Whitman, Breed, Abbott & Morgan, 100 Field Point Road, Greenwich, Connecticut 06830, U.S.A.

The Respondent is Aspen Grove, an entity located at 1400 South Foothill Dr., No. 110, Salt Lake City, Utah 84109, U.S.A. The Respondent is represented by John L. Slafsky, Esq. and Michael D. Pogue, Esq. of Wilson Sonsini Goodrich & Rosati, 650 Page Mill Road, Palo Alto, California 94304-1050, U.S.A.

2. The Domain Name and Registrar

The domain name in dispute is <aspengrove.com>. The domain name registrar is Network Solutions Incorporated (NSI), 505 Huntmar Park Drive, Herndon, Virginia 20170-5139, U.S.A.

3. Procedural History

This dispute is to be resolved in accordance with the Uniform Policy for Domain Name Dispute Resolution (the Policy) and Rules (the Rules) approved by the Internet Corporation for Assigned Names and Numbers (ICANN) on October 24, 1999, and the World Intellectual Property Organization Arbitration and Mediation Center's Supplemental Rules for Uniform Domain Name Dispute Resolution (the Center, the Supplemental Rules).

The Complaint was filed on June 15, 2001, by e-mail and on June 25, 2001, in hard copy. On June 20, 2001, the Center requested that the Registrar NSI check and report back on the registrant for the domain name <aspengrove.com>. On June 25, 2001, NSI reported to the Center that the registrant was the Respondent Aspen Grove, that the domain name was in active status, and that the Policy and Rules were in effect.

On July 2, 2001, the Center informed the Complainant of a deficiency in the Complaint regarding correctly naming the registrant of the disputed domain name. On July 23, 2001, the Complainant submitted a satisfactory amendment to the Complaint in hard copy.

On July 25, 2001, the Center forwarded a copy of the Complaint to Respondent by registered mail and by e-mail and this proceeding officially began. Respondent's Response was received by the Center by e-mail on August 14, 2001, and in hard copy on August 16, 2001.

The Administrative Panel members all submitted a Declaration of Impartiality and Independence by September 18, 2001, and the Center proceeded to appoint the Panel on September 25, 2001. The Panel finds the Center has adhered to the Policy and the Rules in administering this proceeding.

This Decision is due by October 8, 2001.

4. Factual Background

Respondent bought a house in Salt Lake City, Utah, U.S.A. in 1996 on property that contained aspen trees. Based on this fact, the Respondent registered the disputed domain name <aspengrove.com> on January 10, 1997.

Respondent and his family members have subsequently used the <aspengrove.com> website and e-mail address for various personal uses since the beginning of 1997.

On February 18, 1999, the Complainant Aspen Grove, Inc. was incorporated in the state of Delaware. Shortly thereafter on May 3, 1999, the Complainant applied for the trademark Aspen Grove. On May 29, 2001, the application was published for public comment by the U.S. Patent and Trademark Office.

Complainant first contacted Respondent in 1998 and requested the sale of the <aspengrove.com> domain name. Complainant in mid-2001, made one final offer of \$1,000 and threatened to file a complaint with the WIPO Center seeking transfer of the domain name. When the Respondent did not accept the Complainant's offer, the Complainant acted to seek transfer of the domain name in this proceeding.

5. The Parties' Contentions

Complainant's Contentions (summarized):

- The Respondent's domain name <aspengrove.com> is confusingly similar to the trademark which is the subject of Complainant's U.S. trademark registration.
- Respondent has no legitimate interest in maintaining the domain name. As evidenced in Complaint Exhibit C, Respondent indicated that the primary reason for keeping the name was that "we really like the domain name." By maintaining the domain name, Respondent has created confusion with the Complainant's trademark. By continuing to use the domain name without offering any or little content or any legitimate business use, Respondent has confused Complainant's prospective clients and business partners and has diluted the value of Complainant's trademark and reputation.
- To the best of Complainant's knowledge, the Respondent is not commonly known by or associated with the domain name and has no legitimate business purpose for maintaining the domain name. In fact, during most of the past 12 months, the Respondent has not had any content or just one single image associated with the domain. Respondent is not presently using the domain name for any commercial or business purpose and to the best of Complainant's knowledge, the Respondent has never used the domain name for, or in connection with, a bona fide offering of goods or services (Complaint Attachment D).
- The Respondent has acted in bad faith by suggesting that the domain name could be purchased for a "high ball offer" of "six figures" range as evidenced in Exhibit C.

- Shortly after notifying Complainant that a large cash offer might be considered, Respondent renewed the domain name registration primarily for the purpose of selling, renting, or otherwise transferring the domain name to the Complainant, which is the owner of the trademark or service mark, or to a competitor of Complainant, for valuable consideration in excess of the domain name registrant's out-of-pocket costs (Complaint Exhibit E)

Respondent's Contentions (summarized):

- Domain names may be owned by individuals and utilized solely for personal use. The rule advocated by Complainant--that maintenance of a domain name without construction of a commercial website is tantamount to bad faith--ignores the history of the Internet and the World Wide Web, is inconsistent with the Policy and Rules, and is generally poor public policy. The Internet can and should be used for many purposes, not just to promote commercial ventures.
- Respondent's registration and use of the disputed domain name have been completely proper. Respondent has made active, continuous and bona fide use of the <aspengrove.com> domain name since it was registered four years ago.
- The filing of the Complaint was utterly unfounded and has created an unnecessary and significant burden on Respondent and on WIPO. Accordingly, the Panel should also deem this matter a case of "reverse domain name hijacking."
- It is a common practice for individuals and companies to maintain registered domain names without building corresponding commercial websites. For example, Yahoo, the well-known Internet portal service, has registered, in addition to its primary domain name <yahoo.com>," another domain name, <yahoo-inc.com>. The latter domain name is used solely for company e-mail communications.
- Complainant's claim concerning its so-called trademark is, at best, ambiguous. On the one hand, Complainant claims a U.S. trademark registration. On the other hand, it cites an Intent-to-Use application without reference to an Allegation of Use or any meaningful common law rights (Complaint Exhibit B). It is frankly not clear at all if Complainant enjoys *any* (Respondent's emphasis) trademark rights.
- Complainant makes *no attempt* (Respondent's emphasis) to show that Respondent registered the domain with knowledge of Complainant, or with an intent to capitalize on Complainant's trademark. This fact alone is fatal to the Complainant.
- Respondent has actively and continuously used the <aspengrove.com> domain name as an address for e-mail communications and for other personal uses since 1997.
- Respondent is making a legitimate fair use of the domain name without any intent to misleadingly divert consumers or to tarnish the trademark or service mark at issue. There are no allegations that Respondent has ever attempted to divert Complainant's customers, nor does anything in the record suggest that Respondent's use of the domain name has been unfair. Indeed, if anything, the record suggests that Complainant has been overbearing in its dealing with Respondent, and has needlessly forced Respondent, a private individual, to incur significant legal costs defending against baseless allegations.
- Complainant implies that Respondent's use of the disputed domain name, absent a commercial website, somehow constitutes bad faith. The new rule advocated by Complainant--that domain name registrants must build websites--is not only unfounded, it is poor public policy. There are legitimate personal, practical, financial and security reasons why websites may be unsuitable for many domain name registrants. It would be inappropriate and counter-productive for ICANN or WIPO to second-guess registrants' judgments concerning whether to build a website or not.
- A mere offer to sell a domain name does not necessarily constitute bad faith use, and panels have noted that "there is nothing inherently wrongful in the offer or sale of domain names, without more, such as to justify a finding of bad faith under the Policy." (*N.C.P. Marketing Group v. Entredomains*, [WIPO Case No. D2000-0387](http://www.wipo.int/domains/decisions/html/2001/d2000-0387.html), July 5, 2000).

- Respondent never suggested to Complainant that it would, or would not, renew the registration based on how negotiations progressed. Indeed, Respondent never mentioned registration renewal to Complainant at all. Respondent merely renewed its registration for <aspengrove.com> in good faith as it had done in the ordinary course since 1997.

- The Complaint is based on the incredible premise that a business is ipso facto entitled to a domain name despite the fact that a private individual has registered and continuously used the domain name before the business even existed. Complainant's actions are a textbook example of reverse domain name hijacking as defined by the Rules.

6. Discussion and Findings

In order for Complainant to prevail and have the disputed domain name <aspengrove.com> transferred to it, Complainant must prove the following (the Policy, para 4(a)(i-iii)):

- the domain name is identical or confusingly similar to a trademark or service mark in which the Complainant has rights; and
- the Respondent has no rights or legitimate interests in respect of the domain name; and
- the domain name was registered and is being used in bad faith

Identical or Confusingly Similar

The Complainant has produced a copy of a printout from the TESS database of the United States Patent and Trademark Office showing that on May 29, 2001, the Complainant's application for the trade/service mark "aspengrove" was published for public comment (Complaint Exhibit B). The Complainant has produced no other evidence that it has rights in the disputed domain name <aspengrove.com>.

While the disputed domain name is identical to the trade/service mark the Complainant is claiming in its application, the Panel does not accept that the Complainant has demonstrated any rights in the trademark it has applied to register. The Panel is not aware of any rights conferred by a trademark application either under the Policy or at U.S. law. Certainly, under the Policy, while Panels have been willing to recognize that proof of a valid and subsisting trademark registration is prima facie evidence of trademark rights, no such presumption arises from a pending application to register a mark. There being no other evidence of the Complainant's trademark rights in the disputed domain name, the Panel finds the Complainant has failed to meet its burden of proof under para 4(a)(i) of the Policy.

The Policy requires the Complainant to prove, inclusively, paras. 4(a)(i-iii) under the Policy. As the Complainant has failed in the first part of this three-part proof, the Panel is not required to proceed further to decide this Case. However, the Panel believes the remaining issues in this Case are important and deserve to be discussed in this Decision.

Legitimate Rights or Interests

The Complainant contends the Respondent has no legitimate rights or interests in the disputed domain name under the Policy because "The Respondent is not presently using the domain for any commercial or business purpose and to the best of Complainant's knowledge, the Respondent has never used the domain for, or in connection with, a bona fide offering of goods or services." (Complaint para. 15) The Complainant adds that the Respondent is not commonly known by the disputed domain name.

The Respondent has answered the Complainant's contentions on this point by showing it has used the disputed domain name as an e-mail address for the Clark family (the Response, Exhibit 3). The Respondent points out that other Panels have found using a domain name as an e-mail address to be a legitimate right and interest in a domain name even though it is not specifically mentioned in the non-exhaustive examples of the Policy at 4(c).

The Panel agrees with the Respondent that using a domain name as an e-mail address, a use that began several years before the Complainant's company even came into existence, is a legitimate right and interest under the Policy. (*Artemis Management Systems Inc. v. Web TV Networks, Inc.* formerly known as Artemis Research, ICANN/WIPO [Case No. D2001-0153](#), May 18, 2001, where the disputed domain name was used as a company's internal e-mail system; and *Zero International Holding Gmbh & Co. Kommanditgesellschaft v. Beyonet Services and Stephen Urich*, [WIPO Case No. D2000-0161](#), May 12, 2000).

Registered and Used in Bad Faith

The Complainant contends that the Respondent has violated the bad faith provisions of the Policy at 4(b)(iv) by registering the domain name with the intent to sell it back to the Complainant for far more than the Respondent paid for the domain name.

For its part, the Respondent has shown that it registered the disputed domain name some two years before the Complainant was incorporated and perhaps began doing business using the disputed domain name. Moreover, as the Complainant concedes, it was the Complainant who contacted the Respondent in 1998 and began making offers to buy the domain name for far more than the usual costs of registering a domain name. The Respondent then informed the Complainant that it would only entertain offers much greater than what the Complainant was offering.

The Panel finds that it would have been impossible for the Respondent to have been in bad faith vis-à-vis the Complainant when the Respondent registered the disputed domain name since the Complainant did not exist at the time the Respondent registered the disputed domain name. Furthermore, the Panel does not find bad faith obtains simply because, as here, the Complainant offers the Respondent far more than the Respondent paid for the disputed domain name and the Respondent asks for an even larger sum. (*N.C.P. Marketing Group v. Entredomains*, ICANN/WIPO [Case No. D2000-0387](#), July 5, 2000; and *Onu S.R.L. v. Online Sales*, ICANN/eResolution Case No. AF-0672, February 16, 2001).

The Panel finds the Complainant has failed to meet its burden under the Policy at 4(a)(iii).

7. Reverse Domain Name Hijacking

The Respondent contends the Complainant brought this Complaint in bad faith in an attempt illicitly to gain possession of the disputed domain name. The Respondent contends the Complainant was well aware there was no basis for requesting a domain name transfer under the Policy.

The Panel notes that we have found the Complainant did not demonstrate it had trademark rights in the disputed domain name. The Panel also recalls that the Respondent demonstrated rights in the disputed domain name that have been recognized by many previous ICANN panels. And finally, the Panel notes yet again that the Respondent registered the disputed domain name some two years before the Complainant came into existence and thus could not have been in bad faith at registration relative to the Complainant. Based on this fact pattern, the Panel believes it appropriate to issue a finding that the Complainant has attempted reverse domain name hijacking, i.e. the Complaint was unfounded and was brought in bad faith as this is prohibited in the Rules at 15(e):

"If after considering the submissions the Panel finds that the complaint was brought in bad faith, for example in an attempt at Reverse Domain Name Hijacking or was brought primarily to harass the domain-name holder, the Panel shall declare in its decision that the complaint was brought in bad faith and constitutes an abuse of the administrative proceeding."

The Panel finds the Complainant, even though apparently knowledgeable and assisted by reputable counsel, nonetheless chose to file a complaint without a colorable claim and thus abused the ICANN proceeding.

8. Decision

The Panel has found the Complainant has demonstrated no trademark rights in the disputed domain name; that the Respondent does have legitimate rights and interests in the domain name; that the Respondent registered and is using the domain name in good faith; and that, pursuant to Rule 15e, the Complainant filed an unfounded Complaint in an attempt at reverse domain name hijacking.

Pursuant to ICANN Policy para 4(i), and Rule 15, the Panel dismisses the Complaint and orders that the domain name remain registered to the Respondent.

Dennis A. Foster
Presiding Panelist

G. Gervaise Davis III
Panelist

Michael A. Albert
Panelist

Dated: October 5, 2001