

Nominet UK Dispute Resolution Service

DRS 01414

REALNETWORKS GmbH v. CPIC NET

Decision of Independent Expert

1. Parties:

Complainant: RealNetworks GmbH
Address: Weidestrasse 128
Hamburg
Postcode: 22083
Country: DE

Respondent: CPIC NET
Address: 15 5th Street
Closter
NJ
Postcode: 07624
Country: US

2. Domain Name:

Realarcade.co.uk (“the Domain Name”)

3. Procedural Background:

The complaint was entered into Nominet’s system on 20 November 2003. Nominet validated the complaint and generated the Complaint documents on 27 November 2003, noting that the Dispute Resolution Service had been invoked and that the Respondent had 15 working days (until 19 December 2003) to submit a Response. No Response was received and therefore the Informal Mediation stage was bypassed. On 22 December 2003 the Complainant was invited to pay the fee to obtain an Expert Decision pursuant to paragraph 6 of the Nominet UK Dispute Resolution Service Policy (“the Policy”). The fee was duly paid on 7 January 2004.

On 9 January 2004 Nominet invited me to provide a decision in this case and, following confirmation to Nominet that I knew of no reason why I could not properly accept the invitation to act in this case and of no matters which ought to be drawn to the attention of the parties which might appear to call into question my independence and/or impartiality, Nominet duly appointed me as Expert with effect from 14 January 2004.

4. Outstanding Formal/Procedural Issues (if any):

None.

5. The Facts:

The Complainant is the German subsidiary of RealNetworks Inc., USA; with responsibility for the EMEA region. The parent company is the proprietor of a US service mark registration number 2,704,589 for the word REALARCADE filed on 3 August 2000 and first used on 14 May 2000 for services including “*computer game software, computer software to locate, play, store and organize downloadable and online games*”. I have been provided with a printout of that service mark registration and a press release which supports the date of alleged first use.

According to publicly accessible records RealNetworks Inc. has owned the domain name realarcade.com since 5 April 2000 and a web site making use of the word REALARCADE was published under the URL www.realarcade.com from at least 31 March 2001 (<http://web.archive.org/web/20010331093042/http://www.realarcade.com/>).

The domain name realarcade.de has been acquired relatively recently by the Complainant.

The present Respondent was also the respondent in DRS 00133 The London Metal Exchange -v- CPIC Net, where the DRS Expert held that its domain name lmeholdings.co.uk was an Abusive Registration and a transfer to the London Metal Exchange was ordered. In that case the Respondent had registered the domain name on 14 June 2000, the day after Reuters had published an article which stated that the London Metal Exchange wished to set up a new company called LME Holdings.

The Nominet WHOIS search with which I have been provided shows that the Domain Name, realarcade.co.uk, was registered on behalf of the Respondent on 22 March 2001.

There is currently no website accessible under the URL <http://www.realarcade.co.uk> and the Domain Name has been de-tagged.

6. The Parties' Contentions:

Complainant:

The Complainant requests that the Domain Name be transferred to it on the basis of the following submissions:

“The complainant, RealNetworks GmbH, is the German subsidiary of RealNetworks Inc., USA. RealNetworks GmbH is in charge of the EMEA region of RealNetworks Inc. RealNetworks Inc. hold a registered trademark/servicemark for the expression “REALARCADE”. The details of the US Patent and Trademark Office are:

Reg. No. 2,704,589 Registered Apr. 8, 2003 First use (in commerce) May. 14, 2001

Other top-level-domains are already registered by RealNetworks and in use. Examples are:

realarcade.com and realarcade.de

Along with the request we send a hardcopy of a press release published by RealNetworks Inc. that refers to Realarcade products and to the registered trademark and a copy of the certificate of the registered trademark of the US Patent and Trademark Office.

As Nominet's whois revealed, the domain name realarcade.co.uk is currently registered by CPIC-NET which appears in a lot of web-articles referring to domain-grabbing issues. We believe that this domain name has been registered in order to gain profit by selling it and not to actually use it on the web. We noticed that the domain name is not delegated to any name servers."

Respondent:

The Respondent has not filed a Response.

7. Discussion and Findings:

Requirements which must be satisfied in order for the Complaint to succeed

Paragraph 2 of the Policy requires that, in order for the Complainant to succeed, it must prove to the Expert, on the balance of probabilities, both that it has Rights in respect of a name or mark which is identical or similar to the Domain Name; and that the Domain Name, in the hands of the Respondent, is an Abusive Registration as defined in Paragraph 1 of the Policy.

These matters must be affirmatively proven by the Complainant, notwithstanding the failure by the Respondent to file a Response. The effect of the Respondent's default, under paragraph 15(c) of the Procedure, (there being no exceptional circumstances in this case) is that I may draw such inferences from the Respondent's non-compliance as I consider appropriate.

Complainant's Rights

I must first decide whether the Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name.

The Complainant's parent company RealNetworks Inc. clearly owns both registered and unregistered rights in the name REALARCADE, and did so at the date of the registration of the Domain Name by the Respondent.

A number of DRS Decisions have considered whether Rights which may technically be owned by a different company in the same corporate group are sufficient to give a Complainant 'Rights' for the purposes of the paragraph 2(a)(i) (see e.g. DRS 00248 Seiko UK Limited -v- Designer Time/Wanderweb; DRS 00948 Hostway Limited v. Secure Screen Logo) and have concluded that these 'indirect' Rights are generally sufficient.

In this case I conclude that the 'Rights' requirement is satisfied by the evidence before me of:

- (a) US trade mark registration number 2,704,589;
- (b) the registration of the domain name realarcade.com; and

(c) the use of the word REALARCADE since 14 May 2000.

For these reasons I am satisfied that the Complainant owns Rights in the designation “REALARCADE”. I am further satisfied that this name is identical to the Domain Name (ignoring, as I am required to do, the first and second level suffixes).

Abusive Registration

Paragraph 1 of the Policy defines “Abusive Registration” as a Domain Name which either:

- i. was registered or otherwise acquired in a manner, which at the time when the registration or acquisition took place, took unfair advantage of or was unfairly detrimental to the Complainant’s Rights; OR
- ii. has been used in a manner, which took unfair advantage of or was unfairly detrimental to the Complainant’s Rights.

A non-exhaustive list of factors, which may be evidence that the Domain Name is an Abusive Registration are set out in Paragraph 3(a) of the Policy. A non-exhaustive list of countervailing factors are set out in Paragraph 4(a) of the Policy.

The Complainant has not explicitly referred to any paragraph of the Policy in its Complaint, but I consider that paragraphs 3(a)(i)(A) and 3(a)(iii) of the Policy are potentially engaged by the Complaint:

- Under paragraph 3(a)(i)(A), it is indicative of Abusive Registration if the circumstances indicate that the Respondent has registered or otherwise acquired the Domain Name primarily for the purposes of selling, renting or otherwise transferring the Domain Name to the Complainant or to a competitor of the Complainant, for valuable consideration in excess of the Respondent's documented out-of-pocket costs directly associated with acquiring or using the Domain Name (*“We believe that this domain name has been registered in order to gain profit by selling it and not to actually use it on the web”*);
- Under paragraph 3(a)(iii) of the Policy, it is indicative of Abusive Registration if, in combination with other circumstances indicating that the Domain Name in dispute is an Abusive Registration, the Complainant can demonstrate that the Respondent is engaged in a pattern of making Abusive Registrations (*“the domain name realarcade.co.uk is currently registered by CPIC-NET which appears in a lot of web-articles referring to domain-grabbing issues”*).

I have no direct evidence of what the Respondent’s intentions were in registering the Domain Name, as the Respondent has chosen not to make any submissions. I must therefore infer its intentions from the following circumstances:

- (a) that the Respondent registered the Domain Name at a time when RealNetworks Inc had (i) started to use the mark REALARCADE; (ii) had registered it as a .com domain name and (iii) had applied to register it as a US trade mark;
- (b) that the Respondent has in the past been found guilty of Abusive Registration under the Nominet DRS Policy on the basis of an opportunistic blocking registration ([DRS 00133 The London Metal Exchange -v- CPIC Net](#), referred to above);

- (c) that the Respondent's name "*appears in a lot of web-articles referring to domain-grabbing issues*";
- (d) that the Domain Name "*has been registered [other than in order to] use it on the web*" and "*is not delegated to any name servers*"; and
- (e) that the Respondent has had an opportunity to explain why it registered the Domain Name but has chosen not to file a Response.

I should make clear at the outset that I have placed little reliance on consideration (c) above. The allegation is wholly unparticularised and unsubstantiated and I can accordingly attach little or no weight to it.

Moreover I consider that considerations (d) and (e), taken in isolation, would not be sufficient to justify a finding of Abusive Registration: see for example paragraph 3(b) of the Policy which provides that "*Failure on the Respondent's part to use the Domain Name for the purposes of e-mail or a web-site is not in itself evidence that the Domain Name is an Abusive Registration*".

The factors set out in paragraphs 3 and 4 of the Policy are illustrative and non-exhaustive. The ultimate question for my consideration is whether, on the evidence as a whole, the Complainant has discharged the burden of proving, on the balance of probabilities, that the Domain Name was registered in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights.

My assessment is that the combination of considerations (a), (b), (d) and (e) above paint a consistent picture of a Respondent who registered the Domain Name solely as a result of its commercial connection with the RealNetworks group and that group's developing REALARCADE business. In the absence of any explanation to the contrary, I am prepared to infer pursuant to paragraph 15(c) of the Procedure that the Respondent registered the Domain Name either to block or to re-sell the Domain Name, causing disruption in either case to the business of the Complainant. This is the kind of registration activity which the Nominet DRS Policy is concerned to prevent and remedy.

Accordingly I have come to the conclusion that the Complainant has discharged its burden and I find that the Respondent registered the Domain Name in a manner which took unfair advantage of the Complainant's Rights.

- *Conclusion*

As my overall assessment on the balance of probabilities is that the Respondent registered the Domain Name in a manner which took unfair advantage of the Complainant's Rights, I conclude that the Domain Name, in the hands of the Respondent, is an Abusive Registration.

8. Decision:

Having concluded that the Complainant has Rights in respect of a name or mark which is identical to the Domain Name and that the Domain Name, in the hands of the Respondent, is an Abusive Registration, the Expert determines that the Domain Name, realarcade.co.uk, should be transferred to the Complainant.

Philip Roberts

January 21st, 2004
Date