

ADMINISTRATIVE PANEL DECISION

Audi AG, Automobili Lamborghini Holding S.p.A., Skoda Auto a.s.,
Volkswagen AG v. JUS TIN Pty Ltd.

Case No. D2015-0827

1. The Parties

The Complainants are Audi AG of Ingolstadt, Germany; Automobili Lamborghini Holding S.p.A., of Sant'Agata Bolognese, Italy; Skoda Auto a.s. of Boleslav, Czech Republic; and Volkswagen AG of Wolfsburg, Germany, all collectively represented by HK2 Rechtsanwälte, Germany.

The Respondent is JUS TIN Pty Ltd. of Brisbane, Australia, represented by Woods Prince Lawyers, Australia.

2. The Domain Names and Registrar

The disputed domain names are <audi.social>, <lamborghini.social>, <skoda.social> and <volkswagen.social>, all of which are registered with Crazy Domains FZ-LLC (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on May 12, 2015. On May 13, 2015, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain names. On May 15, 2015, the Registrar transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant for all the names and providing the contact details.

The Center verified that the Complaint satisfied the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the "Policy"), the Rules for Uniform Domain Name Dispute Resolution Policy (the "Rules"), and the WIPO Supplemental Rules for Uniform Domain Name Dispute Resolution Policy (the "Supplemental Rules").

In accordance with the Rules, paragraphs 2(a) and 4(a), the Center formally notified the Respondent of the Complaint, and that the proceedings commenced on May 22, 2015. In accordance with the Rules, paragraph 5(a), the due date for Response was set to June 11, 2015. The Response was timely filed with the Center on June 10, 2015.

The Center appointed Peter L. Michaelson as the sole panelist in this matter on June 19, 2015. The Panel

finds that it was properly constituted. The Panel has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the Center to ensure compliance with the Rules, paragraph 7.

Though the decision was due from the Panel to the Center on July 3, 2015, owing to extraordinary circumstances, the Panel extended this date to July 10, 2015.

4. Factual Background

As reflected in the registration records for the disputed domain names in the Whois database (a copy of the records appears in Annex 2 to the Complaint), the disputed domain names <audi.social>, <lamborghini.social>, <skoda.social> and <volkswagen.social> were all registered on September 2, 2014.

A. The Complainants' Marks

As indicated in the Complaint, each of the four Complainants owns numerous trademark registrations, in various countries throughout the world including Australia, for its corresponding word mark AUDI, LAMBORGHINI, SKODA or VOLKSWAGEN. The Complainants have collectively provided, in Annexes 6, 8, 9, 11, and 13 to the Complaint, copies of entries from publicly available trademark databases for some of their respective registrations. Details of an illustrative registration of each of these four marks are as follows:

1. AUDI (block letters)
Australian registration No.: 760032
Registration date: April 20, 1998

This mark is registered for use in connection with: "soaps, perfumery, essential oils, cosmetics" in international classes 3, "automobiles and parts thereof" in international class 12; "jewellery, horological and chronometric instruments" in international class 14; "printed matter, stationery" in international class 16; "goods made of leather and imitations of leather, trunks and travelling bags, umbrellas and parasols" in international class 18; "clothing, footwear, headgear" in international class 25; "games and playthings, gymnastic and sporting articles" in international class 28; and "repair and maintenance of motor vehicles" in international class 37.

2. LAMBORGHINI (block letters)
International registration: 959504 (designating Australia, among other countries)
Registration date: February 28, 2008

This mark is registered for use in connection with: "vehicles and parts thereof" in international class 12; and "model cars" in international class 28.

3. SKODA (block letters)
International registration: 991107 (designating Australia, among other countries)
Registration date: October 15, 2008

This mark is registered for use in connection with: "Automobiles with the exception of passenger cars; trailers, their parts, accessories, fit-out and components, auxiliary frames, combustion engines except engines for passenger cars" in international class 12; "Marketing, promotional, advertising, publicity and selling services" in international class 35; and "Financial and insurance services, services of renting and hire-purchase financing, all in connection with automobiles and trailers" in international class 36.

4. VOLKSWAGEN (block letters)
Australian registration No.: 767985
Registration date: July 20, 1998

This mark is registered for use in connection with a rather extensive delineation of goods and services - which for the sake of brevity will not be repeated here but include, among others, certain goods and services related to motor vehicles - spanning international classes 2, 3, 4, 7, 9, 12, 14, 16, 18, 25, 27, 28, 34, 36, 36, 37, 39, 41 and 42.

B. The Complainants

As noted in paragraph A(1) of the Complaint, all four Complainants belong to the same company group, the Volkswagen Group. Complainant Volkswagen AG ("Volkswagen"), is the parent company of Complainants Audi AG ("Audi") and Skoda Auto a.s. ("Skoda"). Audi is the parent company of Complainant Lamborghini Holding S.p.A. ("Lamborghini"). Skoda is a Czech corporation. The Volkswagen group is one of the world's largest automobile manufacturers with total sales in 2014 exceeding 10 Million vehicles across its various brands with operating revenues of approximately EUR 12,697 million, and, in terms of the passenger car market, approximately 25.1% market share in Western Europe and 13.3% in Asia-Pacific.

In 2014, Complainant Audi had worldwide deliveries of Audi-branded cars of approximately 1.74 million vehicles. Audi produces a range of automobiles spanning compact cars like the A1 to sports cars like the Audi R8 or SUVs like the Q7 which are produced globally, e.g. in Germany, India and China. Audi promotes its marks worldwide through websites, television spots and as a sponsor of sport-clubs and events. It, its affiliated companies and authorized dealers run various websites under domain names including the mark AUDI, including, e.g., <audi.de>, <audi.com>, <audi.us>, <audi.cn>, <myaudi.de>, <audi.ch>, <audi.it>, <audi-shop.de> or <audi.in>. A website for Audi's Australian market is found at "www.audi.com.au".

Complainant Lamborghini manufactures high performance sports cars. Lamborghini was founded in 1963 by Ferruccio Lamborghini as Automobili Ferruccio Lamborghini. Since 1998 Lamborghini has been a wholly owned subsidiary of Complainant Audi. Lamborghini promotes its branded cars on the Internet at <lamborghini.com>.

Complainant Skoda, dating back to 1895, is one of the oldest car manufacturers in the world. Since 1991 it is also now part of the Volkswagen Group. Skoda is experiencing constant growth, having produced over a million vehicles in 2014. It serves all countries worldwide with exception of North America. Skoda is active in Australia and promotes its cars through, among other modalities, its website at "www.skoda.com.au".

Lastly, Complainant Volkswagen is itself one of the world's largest automobile manufacturers and has been for several decades with its 2014 sales amounting to over 4.5 million vehicles.

C. The Respondent and its use of the names

The Respondent, in the name of Justin Trivett, is a second-generation car dealer. He worked with his father until the latter's passing in 1998 at which time their business was the largest prestige car dealer in Australia with dealerships in Sydney, Brisbane and Perth. Since 1999, the Respondent has conducted and continues to conduct its business under the name "Trivett Prestige Services". In late 2006, Complainant Audi appointed the Respondent as one of its authorized franchised dealers. That dealership commenced operation during October 2007 but later ceased operation on December 31, 2014 as a result of Audi not having renewed the franchise. See paragraphs 3-7 of the declaration of Justin Trivett appearing in Annex 1 to the Response ("Trivett Declaration").

To date, all the disputed domain names resolve to what appear to be parking pages at the Registrar - as evidenced, in Annex 14 to the Complaint, by screen shots of the pages associated with these names. The Respondent acknowledges this in paragraphs 12 and 14 of the Trivett Declaration.

Though the Respondent has not yet established an operational website to which any of the disputed domain names resolve, it is apparently developing business plans - though these efforts are still in their "start-up" stages - to exploit these names to accomplish either of two purposes:

a) to develop a proposal to car manufacturers (including the Complainants) where the Respondent will “develop, manage and maximize the benefit” of these .social sites, in conjunction with these manufacturers, to enhance their brands’ online marketing presence, perform search engine optimization services and assist in strategically managing internet traffic to their domains. The Respondent believes that car manufacturers are “not necessarily fully conversant in the digital marketplace” as indicated by the Complainants’ prior failure to register the disputed domain names during the .social Sunrise and Landrush phases.

(b) alternatively, to develop an online forum for the benefit of social groups, such as car enthusiasts, clubs, shows, etc.

The Respondent has not yet chosen which approach it will take with its delay thus far in doing so having been due to its other “diverse business interests”. Response at paragraphs 31-34 and Trivett Declaration at paragraphs 25-32.

Further to this end, prior to receiving notice of the dispute, the Respondent established social media pages on Facebook with each of the disputed domain names being the title of a corresponding page. However, these pages have no content whatsoever and have not yet been “published”.

The launch of the “.social” registry occurred in three distinct phases: (a) a Sunrise phase during February 26, 2014 to April 28, 2014; (b) a Landrush phase from May 7, 2014 to May, 26, 2014; and (c) a general opening phase which started on June 4, 2014. The Respondent states that it registered the disputed domain names after a 90-day “Trademark Claim Notice” period expired on September 2, 2014.

On September 2, 2015, the Respondent registered nine more “.social” domain names which included the marks of other car-manufacturers, namely: <alfaromeo.social>, <chrysler.social>, <fiat.social>, <jaguar.social>, <mazda.social>, <mercedes.social>, <renault.social>, <subaru.social> and <suzuki.social>. On March 16, 2015, the Respondent registered another such “.social” name: <volvo.social>. Copies of the accompanying Whois entries for these names appear in Annex 17 to the Complaint. Moreover, as evidenced by a printout of a domain registration report - a copy of which appears in Annex 18 to the Complaint -, the Respondent is associated with over 1,300 domain names.

D. Interactions between the parties

After having noticed that the Respondent registered the disputed domain name <audi.social>, Complainant Audi’s service provider which manages its domain name portfolio, sent the Respondent an e-mail message on March 12, 2015 requesting this name be transferred to Audi. That message stated, in pertinent part:

“Dear Mr. Trivett,
we noted that you are the current owner of the domain name audi.social.
As we provide domain name services for AUDI AG, our customer asked us to transfer this domain into the portfolio of AUDI AG.
We would really appreciate it if we could come to an mutual agreement.
If you’d like to get any authorization from AUDI directly, please don’t hesitate to contact us.
Kind regards,
Julian Hammerschmidt
Manager International Domains”

Later the same day, the Respondent, through its e-mail reply, refused the Complainant’s request, stating:

“Julian,
That will not be happening.
We will be developing the site and selling the traffic.
I find it interesting that Audi did not pick up the site especially after Porsche were forced to buy Porsche.social after they tried to sue the owner.
If you note, we bought the site after this determination.

I am happy to discuss selling you the traffic or leasing the site to Audi AG but I am not a seller.
Justin Trivett”

5. Parties' Contentions

A. Complainant

(i) Identical or Confusingly Similar

The Complainants contend that each of the disputed domain names is identical to a different corresponding one of the Complainants' marks AUDI, LAMBORGHINI, SKODA and VOLKSWAGEN simply because that name incorporates that corresponding mark in its entirety, while the “.social” Top-Level Domain (TLD) is ignored for the purposes of assessing identity or confusing similarity.

Hence, the Complainants believe that they have satisfied the confusing similarity/identity requirement in paragraph 4(a)(i) of the Policy.

(ii) Rights or Legitimate Interests

The Complainants contend that, for any of several reasons, the Respondent has no rights or legitimate interests in any of the disputed domain names pursuant to paragraph 4(a)(ii) of the Policy.

As all the disputed domain names resolve to parking pages maintained by the Registrar, there is no indication that the Respondent has used, has made demonstrable preparations to use or even has any intention to use any of the disputed domain names or a name corresponding to any of these names in connection with a *bona fide* offering of goods or services. In that regard, the Respondent states in its reply to Complainant dated March 12, 2015 that it plans to use the disputed domain name <audi.social> commercially for its own gain by either “selling traffic” or “leasing the site to Audi AG”. Particularly in light of the fact that the Respondent registered 13 other “.social” domain names each of which incorporates the name of a different well-known automobile manufacturer, it is rather likely that the Respondent plans to use the other three disputed domain names in much the same fashion as it intends for the disputed domain name <audi.social>. Such use does not constitute a *bona fide* offering of goods or services or a fair use of any of the disputed domain names. Moreover, given the total number of these names which incorporate car manufacturer's marks - not just those in the present dispute, as well as the total number of domain names with which the Respondent is associated, it is rather unlikely that the Respondent will establish a legitimate website for each one of the disputed domain names, let alone for the ten other car-related domain names it registered.

Further, the Respondent is not commonly known by any of the marks AUDI, LAMBORGHINI, SKODA or VOLKSWAGEN, nor could it be by virtue of the exclusive trademark rights residing in the Complainants.

Last, the Respondent has no conceivable actual or contemplated legitimate commercial use of the disputed domain names, as any commercial use would necessarily infringe the Complainants' rights in its registered marks.

(iii) Registered and Used in Bad Faith

The Complainants also contend that, for various reasons, the Respondent has registered and is using all the disputed domain names in bad faith pursuant to paragraph 4(a)(iii) of the Policy.

First, the Respondent registered or acquired the disputed domain names with the primary purpose of selling them. Specifically, the Respondent had offered to Complainant Audi to either “sell the traffic” or “lease the site”, thus evidencing the Respondent's intent to commercially exploit the Complainants' marks for valuable consideration in excess of its out-of-pocket costs. Further, the Respondent harbors the same intention with

respect to the three other disputed domain names. Though the Respondent alleged that it is not a “seller”, presumably having an intention of not offering the disputed domain name <audi.social> for sale to Complainant Audi, nevertheless the Respondent stated, with respect to the <porsche.social> domain name it had owned: “Porsche were forced to buy Porsche.social after they tried to sue the owner”. This statement indicates its intention to sell the <audi.social> disputed domain name despite the Respondent’s allegation to the contrary - particularly in light of the Respondent’s registration of over 1,300 domain names, including several which contain registered marks of other car manufacturers.

Second, the Respondent registered the disputed domain names in order to prevent the Complainants from reflecting their marks in corresponding domain names, and has exhibited a pattern of doing so. Specifically, apart from the four disputed domain names, each of which contains the mark of a corresponding one of the Complainants, the Respondent registered ten other domain names, each of which in an identical fashion, solely consists of the registered mark of another car manufacturer followed by the “.social” TLD.

Third, the Respondent knew or should have known of the Complainants’ registered marks when the Respondent registered each of the disputed domain names - as each of those marks predate by many years, even decades, the date, September 2, 2014, on which the Respondent registered all the disputed domain names. Yet, in spite of that knowledge, the Respondent registered the disputed domain names. In all likelihood, the Respondent had actual knowledge of these marks inasmuch as it registered ten other domain names each of which contains the registered mark of another car manufacturers.

Last, from the time the Respondent registered the disputed domain names on September 2, 2014 to the present, it has not used any of the names to resolve to an operative website. This period of non-use amounts to passive holding and reflects bad faith.

B. Respondent

(i) Identical or Confusingly Similar

The Respondent does not dispute any of the Complainants’ marks or their rights in those marks.

However, the Respondent asserts that, although each of the names includes a registered mark of one of the Complainants, none of the disputed domain names is identical or confusingly similar to that mark inasmuch as the “.social” TLD is substantively different from “older” TLDs, such as “.com” or “.net”.

Specifically, the Respondent views the “.social” TLD, when used within a website address, as a “community” term having a meaning, consistent with that of the term “social” as used in the Internet community, namely a website, addressed by a domain name that uses that TLD, which will function as a “social media forum” and “conversation portal” where “[i]t’s use [of .social] implies an ability for the community of internet users to communicate without interference from and without the control of brand owners.” The reason, according to the Respondent, why “older” TLDs, such as “.com” and “.net”, and some of the newer TLDs, such as “.pro”, are not typically taken into account in assessing confusion is that all those TLDs have become sufficiently generic such that they are likely to lead to confusion rather than prevent it. As some of the new TLDs, such as “.social”, have acquired a unique meaning in the Internet community, those new TLDs should not simply be disregarded as a matter of course in assessing confusion; that meaning needs to be taken into account. In that regard, “Internet users could ... anticipate that a .social domain name is operated by an external third party for the purpose of comment, information exchange, criticism, fan activities or other third-party marketing services. Internet users might expect a .com or .net domain name to be affiliated with a corresponding trade mark, but the same would not apply to a .social or review domain name, for example”.

Accordingly, the “.social” TLD falls into a different category than a merely generic, descriptive or geographic addition to a mark which would generally be considered insufficient to avoid a finding of confusing similarity. The Complainant has simply failed to adequately address, if at all, the uniqueness of the “.social” TLD, which, as the Respondent uses in the disputed domain names, sufficiently distinguishes these names from their corresponding marks as to avoid any confusion from likely occurring. Further, “[t]he .social TLD

indicates to an internet user that the domain name may not be endorsed by or affiliated with the trade mark owner of the word making up the second level domain. Social media typically involves information exchange, discussion and/or personal reviews by third parties. Although there may be a genuine risk that an internet user would assume 'audi.com' was affiliated with Audi, no such risk arises in relation to the .social TLD - nor would such a risk arise with the '.review' TLD for example."

The Respondent also views, from a standpoint of a visual or oral comparison, the ".social" TLD to differ from "older" TLDs, such as ".com" or ".net", inasmuch the former contains two syllables while each of the latter contains just one.

(ii) Rights or Legitimate Interests

Contrary to the Complainants' allegations, the Respondent contends that it has rights and legitimate interests in all the disputed domain names.

Specifically, though the Respondent has not yet implemented an operational website to which any of the disputed domain names resolve, it is currently investigating two potential uses of these sites and developing its business plans, though its efforts have not progressed beyond the "start-up" stage. The Respondent has also established corresponding pages on Facebook for the disputed domain names, though these pages are presently devoid of content.

(iii) Registered and Used in Bad Faith

The Respondent also contends that, for several reasons, it has neither registered nor used any of the disputed domain names in bad faith.

Specifically, the Complainants failed to secure the names during either the Sunrise or Landrush phases of the launch of the ".social" registry - all during which the Complainants could have secured their rights to the disputed domain names on a preferential basis - or within a succeeding a 90-day "Trademark Claim Notice" period after the start of the general opening phase. The Respondent registered the disputed domain names only after all these periods expired. The Respondent opines that "Organizations of the size and sophistication of the Complainants must have been aware prior to the General Opening Phase of the new TLD's, including ".social" being introduced to the domain name system." The Complainants had the opportunity to register the disputed domain names during any of these periods, but failed to do so. As such, the Complainants' allegation that the Respondent registered the disputed domain names in order to prevent the Complainants from reflecting their marks in corresponding domain names cannot stand.

Also, the Respondent contends that its willingness, as stated in its March 12, 2015 message to Complainant Audi's service provider (see Annex 16 to the Complaint), to "sell the traffic" resulting from or "lease its website" at the disputed domain name <audi.social> was actually the result of the Respondent exploring a legitimate commercial use of the name, rather than an act of bad faith. Moreover, the Respondent denies that simply because it owns other domain names it intends to commercially profit from them, *i.e.* to make a "fast buck".

Further, though within a short period of time, the Respondent registered a number of domain names which contain marks, the Respondent contends that this action should be regarded as one aggregate item of conduct rather than an historical pattern.

Lastly, the Respondent argues that, although it has yet to use the disputed domain names, only seven months passed from the time it registered them until the Complaint was filed. Merely assessing bad faith solely based on this short period of inactivity - as the Complainants do - is improper for two reasons. First, this simplistic analysis fails to account for the fundamental meaning (as discussed above) associated with a ".social" domain name which differentiates that name from any mark it contains. Second, although the Respondent has not yet used any of the names, this seven-month period of non-use is insufficient to show bad faith inasmuch as the Respondent has made efforts during that time towards using the names and, as

such, the Respondent's actions during these months must be assessed in their totality.

6. Discussion and Findings

A. Threshold issues

(i). Consolidation

Each of the four disputed domain names, registered by the Respondent, incorporates a registered mark owned by a different one of all four Complainants. As a preliminary matter, the Complainants note that inasmuch as the Respondent registered all the disputed domain names on the same day and these disputed domain names are the product of the same conduct targeting all four Complainants, then, for purposes of equity and procedural efficiency, the Complainants have consolidated what would otherwise have been four separate disputes into the present Complaint and thus one common administrative proceeding. Wipo Overview of WIPO Panel Views on Selected UDRP Questions ("WIPO Overview 2.0"), paragraph 4.16. Furthermore, related companies are generally recognized as having rights to the relevant trademark for purposes of the UDRP. WIPO Overview 2.0, paragraph 1.8. The Respondent does not object to the consolidation in its Response. Accordingly, the Panel, which strongly supports use of procedural mechanisms which are likely, in a given situation, to yield overall process efficiencies, approves this consolidation without further comment.

(ii). ".social" TLD related issues

The Respondent raises two additional threshold issues, all focused on the ".social" TLD, for determination, specifically:

- a) Does the ".social TLD" currently convey a unique widely-held meaning to those in the Internet community such that this meaning must be taken into account in assessing identity/confusing similarity under paragraph 4(a)(i) of the Policy?
- b) If the owner of a mark does not preferentially register a ".social" domain name containing that mark during the Sunrise, Landrush and "Trademark Claim Notice" periods that were available during the launch of the ".social" registry, has that owner acquiesced to another who registers such an infringing name after those periods have expired?

a) .social TLD

As to the first issue, UDRP panels have been consistent in their interpretation of the impact of the TLD for purposes of the first element of the Policy. Generally, the first element consists of a threshold comparison between the mark and the domain name to determine the likelihood of Internet user confusion; the TLD is usually disregarded for purposes of the Policy, except where the suffix forms part of the mark at issue. Some UDRP panels have considered whether the new TLDs may impact the typical UDRP assessment in terms of Internet user confusion. With regard to the first issue raised by the Respondent which asserts that a ".social" domain name is "unique" simply by virtue of that TLD, the Panel notes that the threshold test under the UDRP is not a matter of the specific status or degree of popular recognition of the TLD as such; where appropriate, the second and third parts of the UDRP test may take such factors into account. In any event, for purposes of assessing identity/confusing similarity under the Policy, the Panel in this case views no reason to treat the present TLD differently than any other TLD, such as ".com", ".net" or ".org".

b) Acquiescence

Preceding the general opening of the ".social" registry, trademark holders were given preferential rights of pre-registration during a Sunrise period that occurred between February 26, 2014 through April 28, 2014. A

subsequent Landrush period from May 7, 2014 to May 26, 2014 permitted a closed group of entities which did not own trademark rights to preferentially register “.social” domain names. The Respondent contends that because the Complainants did not register any of the disputed domain names during either period or even later during an immediately succeeding 90-day “Trademark Claim Notice” period, they apparently acquiesced to the Respondent which registered the disputed domain names after all those periods expired and thus the Complainants are now unable to challenge the Respondent’s registrations.

The Respondent’s position is untenable. Primarily the Sunrise and secondarily the Landrush periods provided trademark owners with opportunities during finite periods of time to seek preferential registration of “.social” domain names that included their marks prior to the general opening of the “.social” registry to the entire Internet user community. However, if a trademark rights owner failed to avail itself of its preferential registration rights during these periods and a third party, after the expiration of these two periods or even after the “Trademark Claim Notice” period, registered a domain name which infringes on the rights of the owner, that owner is not prevented from seeking redress. It can institute an administrative proceeding - as here - under the Policy against the name registrant to secure transfer or cancelation of the disputed domain name. Preferential registration is available to those rights-holders who seek to avail themselves of it, but does not preclude those rights-holders who do not from seeking redress under the Policy later once general opening has occurred.

Failure to secure the domain name during either of these two preferential periods or even during the subsequent “Trademark Claim Notice” period does not signify in itself any acquiescence on the part of the rights-holder - contrary to the implicit belief of the Respondent that it does - to any domain name registrant (the Respondent here) which infringes the holder’s mark through its subsequent registration of an infringing domain name.

B. Identical or Confusingly Similar

The Panel finds that the disputed domain names are identical to the Complainants’ marks.

From simply comparing each of the disputed domain names to the corresponding mark, no doubt exists that that disputed domain name is identical to the mark. The only difference between the two is the addition of the “.social” TLD to that mark to form each one of the disputed domain names, with that addition being irrelevant in assessing confusing similarity or identity under paragraph 4(a)(i) of the Policy and thus typically ignored.

Thus, the Panel finds that each of the disputed domain names is identical to a different corresponding one of the Complainants’ marks, AUDI, LAMBORGHINI, SKODA and VOLKSWAGEN. Hence, the Complainants have satisfied their burden under paragraph 4(a)(i) of the Policy.

C. Rights or Legitimate Interests

Based on the evidence of record here, the Panel finds that no basis exists which would appear to legitimize a claim of rights or legitimate interests by the Respondent to any of the disputed domain names under paragraph 4(c) of the Policy.

While the Respondent’s business was an authorized franchised dealer of Complainant Audi and commenced operation as such during October 2007, that relationship terminated on December 31, 2014 - prior to the filing date of the Complaint. Thus, as of the beginning of 2015, the Respondent did not have any ongoing relationship or association whatsoever with Complainant Audi. As such, any prior authorization which the Respondent may have had to use any mark owned by Audi, including the mark AUDI, for the goods and services set forth in its corresponding registrations, probably expired upon termination of the franchise. Further, as the Respondent never had any relationship or association with any of the other three Complainants, Lamborghini, Skoda and Volkswagen, the Panel is satisfied that it never had their authorization to use any of their marks.

Given the exclusive trademark rights that reside in each of the Complainants and have resided well prior to the September 2, 2014 date on which the Respondent registered all of the disputed domain names and the lack of any authorization presently residing in the Respondent to use any of those marks, and the lack of any significant use of, or demonstrable preparations for using the disputed domain names, the Respondent is not able to legitimately acquire any public association, through the disputed domain names, between itself and any of the Complainants' marks - at least for the goods and services which the Complainants provides under their marks.

Further, there is absolutely no evidence of record that the Respondent has ever been commonly known by any of the disputed domain names - particularly since the Respondent has yet to use any of the names as an address of an operative website. Nor could the Respondent likely ever become commonly known by any of the disputed domain names or the marks without infringing on the exclusive trademark rights of the Complainants.

Thus, the Respondent does not fall within paragraph 4(c)(ii) of the Policy.

Though the Respondent has not yet implemented an operational website to which any of the disputed domain names resolves, it alleges it is currently investigating two potential uses of these sites and developing its business plans, though its efforts have not progressed beyond the "start-up" stage. The Respondent has also established corresponding pages on Facebook for the disputed domain names, though these pages are presently devoid of content.

These steps, in and of themselves, do not satisfy paragraph 4(c)(i) of the Policy. That paragraph also requires that such demonstrable preparations must be made "in connection with a *bona fide* offering of goods or services" (emphasis added). While a social media site which effectuates the general purposes contemplated by the Respondent may provide a service under this paragraph, doing so, through use of a domain name which includes the mark of another and is registered in bad faith, specifically to either preclude its owner from reflecting its mark in a corresponding domain name and for purposes of eventually selling that name to the owner to yield a pecuniary benefit to the registrant - both of which are discussed below in the next section - is not a *bona fide* offering for purposes of paragraph 4(c)(i).

As such, the Respondent also does not fall within paragraph 4(c)(i) of the Policy.

Lastly, as the Respondent has not yet used any of the disputed domain names as an address of an operational website, such non-use does not constitute either a legitimate non-commercial or fair use within the ambit of paragraph 4(c)(iii) of the Policy.

Accordingly, based on the evidence presently before the Panel, the Respondent does not qualify under any of paragraphs 4(c)(i)-(iii) of the Policy. Also, there is simply no evidence that the Respondent has acquired, through any other means, any rights or legitimate interests in any of the disputed domain names.

Moreover, the Respondent has ardently argued that inasmuch the term "social" has acquired a unique meaning in the Internet community, then any ".social"-based domain name that includes a mark (as here) is inherently distinguishable from that mark and, consequently, has a legitimacy all its own. The Panel rejects this argument.

While the ".social" registry may seek to form an Internet community of websites, each having a ".social"-based name, that collectively provide discussion forums or other related interactivity among a user group through some form of social media connectivity, portals or other-related functionality, this goal is simply aspirational. The ".social" registry is an open registry. Consequently, a ".social" name registrant can

use that name for any purpose, regardless of whether it is to implement a social media site or not.¹ As this registry is open, there is no guarantee whatsoever that the registry's goal will ever be reached and, if so, to what extent, such that this registry ultimately attains, in practice, the communal functionality which the Respondent ascribes to it. In that regard, the Respondent provides no proof of its belief that an over-arching communal functionality has or will ever develop over time through the use of ".social"-based domain names. Nor can the Respondent even provide such proof, let alone persuasive, at this time as the registry is unrestricted and the market for such names is still rather embryonic, and thus subject to considerable uncertainty. By maintaining an open registry, the ".social" registry is allowing the market for this TLD to commercially develop along whatever course it eventually takes. Thus, contrary to the Respondent's view, no reason exists that provides any legitimacy under paragraph 4(c) of the Policy, to a ".social"-based domain name that includes a mark simply because that name includes the ".social" TLD. The Panel does not reach here the question, were the Registry to somehow achieve its mentioned goal, whether this would provide any rights or legitimate interests in the domain name.

In any event, the Panel concludes that the Respondent has no rights or legitimate interests in any of the disputed domain names within paragraph 4(a)(ii) of the Policy.

D. Registered and Used in Bad Faith

The Panel finds that the Respondent's actions, with respect to all the disputed domain names, constitute bad faith registration and use.

One indicia of bad faith stated in paragraph 4(b)(ii) of the Policy is the registration of a 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 the registrant has engaged "in a pattern of such conduct".

Here, the Respondent not only registered the four disputed domain names, each of which identically contains a mark of a corresponding one of the Complainants, but moreover it registered ten additional domain names each of which also identically contains a mark of a different corresponding automobile manufacturer. Nine of those names were registered on September 2, 2014, with the last one having been registered on March 16, 2015.

Though the Respondent argues that since it registered a number of such domain names within a very short time frame, that action should be regarded as "one aggregate item of conduct rather than an historical pattern of conduct", this argument lacks merit. Paragraph 4(b)(ii) does not define "pattern" as having any temporal component or constraint, e.g., that multiple registrations must occur with no less than a certain maximum time period elapsing between successive registrations, or having to exceed a certain minimum number of registrations occurring within a specific period of time. All this paragraph requires is a "pattern" with the definition of what validly constitutes a pattern being left to a panel's assessment in light of the facts of a given administrative proceeding. The consensus view, as reported in the WIPO Overview 2.0 at paragraph 3.2 is a "single case where the respondent has registered multiple domain names which are similar to trademarks", though registration of two such domain names in the same case is generally insufficient to show a pattern. There is absolutely no question that the Respondent's conduct constitutes a "pattern". It registered 14 domain names (4 that are the object of the present case: <audi.social>, <lamborghini.social>, <skoda.social> and <volkswagen.social>; 10 additional names which the Complainants have noted: <alfaromeo.social>, <chrysler.social>, <fiat.social>, <jaguar.social>, <mazda.social>, <mercedes.social>, <renault.social>, <subaru.social>, <suzuki.social> and <volvo.social>), each identically including a mark of a different automobile manufacturer. Accordingly, the Respondent has prevented each of 14 separate manufacturers from procuring a ".social" domain name that identically

¹ See the Registry Agreement dated November 7, 2013 currently in force between ICANN and United TLD Holdco, Ltd. which governs operation of the .social TLD registry (accessible at <https://www.icann.org/sites/default/files/tlds/social/social-agmt-docx-07nov13-en.docx>) which states in Specification 11, paragraph 4(a) that the .social registry is an open TLD where "no restrictions shall be placed on registrant's eligibility to register a TLD web address for legitimate and lawful purposes". Also, see, Annex JWT1 to the Trivett Declaration, "Annex .social - Special Conditions for the .Social TLD", version 1.0, March 17, 2014.

includes its mark. The fact that 13 of these registrations occurred on the same day, September 2, 2014, is irrelevant in determining whether a pattern exists or not. What is crucial here is the multiplicity of registrations, not their timing. Hence, it is indisputable to the Panel that the Respondent's actions in registering all such domain names as it has constitutes bad faith in violation of paragraph 4(b)(ii) of the Policy.

Further, when the facts of record are viewed in their entirety, it is clear to this Panel that the intended use of the disputed domain names as social media websites is actually a pretext for those names eventually being offered for sale to the owners of their respective marks for a sum exceeding the Respondent's out-of-pocket costs of registration, thus violating paragraph 4(b)(i) of the Policy.

This view is predicated on the following factors:

- (a) the Respondent obviously knew of all the marks that constitute the disputed domain names and, in spite of that knowledge, proceeded to register each of the names;
- (b) the Respondent's repeated registration of 14 domain names (4 in the present dispute) that identically contain unitary marks of other different automobile manufacturers;
- (c) its prior intention, stated in correspondence with Complainant Audi's service provider regarding the <audi.social> name, of "selling the traffic" or "leasing the [<audi.social>] site" to Audi (though the Respondent attempted - unsuccessfully in this Panel's view - to clarify its previously stated intention in the Trivett Declaration by explaining that it never intended to sell any of the disputed domain names);
- (d) the Respondent's prior registration of over 1,300 domain names; and
- (e) the absence of any actual efforts by the Respondent reasonably designed to convert its intention for its websites, to which the disputed domain names are to ultimately resolve, into actual operational sites.

The Respondent stridently argues that it intends at each of the four disputed domain names to establish a website that will either: (i) apparently augment the online presence of each of the corresponding manufacturers - as the Respondent believes that those manufacturers are not fully conversant in the digital marketplace, or (ii) develop online forums for the benefit of social groups (such as car enthusiasts, clubs, shows, etc.). Yet, there is no persuasive evidence of record that the Respondent has actually done so - a point with which the Respondent also agrees as its efforts remain in the "start-up" phase as the Respondent's attention has been directed elsewhere to its other "business interests" - or even will actually do so at a time certain in the future.

Specifically, there is no independent corroborating proof of any of the Respondent's actions, including those set forth in the Trivett Declaration, which are reasonably designed to actually transform its intention into a practical website implementation - regardless of whether that implementation would ultimately achieve its intended functionality or not. Even the social media pages provided on the Facebook website which the Respondent established for use with these domain names are bare; they are devoid of any substantive content - which the Respondent explicitly acknowledges. All this evidences that the Respondent's plans are still conceptual in nature. Nothing which the Respondent states, in the Trivett Declaration, that it purportedly accomplished thus far advances its implementation. The Respondent's intention remains just that: an intention, nothing more. Even the Respondent concedes that it has not yet decided which of two alternate paths it will take in establishing its websites.

Further, there is no indication in the evidence of record, including the Trivett Declaration, of any technical or related efforts that reflect such an implementation is underway or sufficiently definite plans for such an implementation have been formulated and will be accomplished in a time certain. For example, the record is remiss of any information from the Respondent of any anticipated completion dates for implementing its websites, a schedule of tasks with milestones for any individual tasks that would collectively result in that implementation, or even just a delineation of those tasks it anticipates accomplishing towards that

implementation. Hence, there is no evidence of record that persuades this Panel that the Respondent will actually ever advance its intention to evolve its websites past their present conceptual stage.

Therefore, when the facts of record are viewed in their totality, the Panel is left with only one realistic conclusion regarding the Respondent's registration and likely future use: the Respondent has acquired and will simply retain all the disputed domain names, and all others it registered like them, until such time it can sell each of the domain names to the corresponding owner of the mark at a price in excess of its out-of-pocket costs of registration to yield a sufficiently large pecuniary benefit to the Respondent to warrant the sale.

Hence, the Panel finds that the Respondent's registration and use of the disputed domain names also violates paragraph 4(b)(i) of the Policy.

Thus, the Panel concludes that the Complainants have provided sufficient proof of their allegations, with respect to the disputed domain names, to establish a case under paragraph 4(a) of the Policy upon which the relief they collectively seek can be granted.

7. Decision

Accordingly, under paragraphs 4(i) of the Policy and 15 of the Rules, the Panel grants the relief sought by the Complainants. The disputed domain name:

- (a) <audi.social> is to be transferred to Complainant Audi AG;
- (b) <lamborghini.social> is to be transferred to Complainant Lamborghini S.p.A.;
- (c) <skoda.social> is to be transferred to Complainant Skoda Auto a.s.; and
- (d) <volkswagen.social> is to be transferred to Complainant Volkswagen AG.

Peter L. Michaelson
Sole Panelist
Date: July 9, 2015