

## **ADMINISTRATIVE PANEL DECISION**

Facebook, Inc. v. Ronal Yau  
Case No. DIO2020-0001

### **1. The Parties**

The Complainant is Facebook, Inc., United States of America (“United States” or “US”), represented by Hogan Lovells (Paris) LLP, France.

The Respondent is Ronald Yau, United States, self-represented.

### **2. The Domain Name and Registrar**

The disputed domain name <facebook.io> is registered with Name.com, Inc. (the “Registrar”).

### **3. Procedural History**

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on June 1, 2020. On June 2, 2020, the Center transmitted, by email, to the Registrar a request for registrar verification in connection with the disputed domain name. On June 2, 2020, the Registrar transmitted, by email, to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details.

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

In accordance with the Rules, paragraphs 2 and 4, the Center formally notified the Respondent of the Complaint and that this proceeding commenced on June 3, 2020. In accordance with the Rules, paragraph 5, the due date for Response was June 23, 2020. On June 22, 2020, the Respondent contacted the Center requesting an extension of four calendar days to the response filing period. Pursuant to paragraph 5(b) of the Rules, on June 23, 2020, the Center granted the request and informed the Parties that the due date for the Response was extended to June 27, 2020. The Response was filed with the Center on June 27, 2020.

The Center appointed Peter L. Michaelson as the sole panelist in this matter on June 30, 2020. 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.

#### **4. Factual Background**

As reflected in the registration records for the disputed domain name in the public Whois database (a copy of that record appears in Annex 1 to the Complaint), the disputed domain name was registered on September 3, 2009.

##### **A. The Complainant's FACEBOOK Marks**

As indicated in the Complaint, the Complainant owns numerous US and foreign trademark registrations for the term "facebook" (collectively referred to as the "FACEBOOK Marks"). The Complainant has provided, in Annex 7 to the Complaint, copies of a small sample of its registration certificates for these registrations. Pertinent details of one of its United States registrations are as follows:

(i) FACEBOOK, United States Registration No. 3122052, registered on July 25, 2006, and renewed on July 25, 2016.

This service mark is currently registered for use in connection with: "Providing online chat rooms for registered users for transmission of messages concerning collegiate life, classifieds, virtual community and social networking" in international class 38. The Complainant claims that both first use and first use in commerce of this mark, when used in conjunction with these services, commenced as of November 16, 2004.

##### **B. The Parties and their activities**

The Complainant is a leading global provider of online social networking services. Founded in 2004, it allows Internet users to stay connected with friends and family and share information by accessing its services through the home page of its website at "www.facebook.com". A screen capture of that home page appears in Annex 3 to the Complaint.

User access to Facebook was originally restricted to students at Harvard University but was opened to and quickly expanded to users at other universities and eventually, in 2006, to anyone in the world having a valid email address. Since its launch in 2004, Facebook's user community rapidly increased with 1 million active users by the end of 2004, 100 million users in August 2008, 500 million users in July 2010, 1 billion users worldwide by September 2012, and 2.27 billion users as of September 2018. Corporation information regarding the Complainant appears in Annex 4 to the Complaint.

As of December 31, 2019, the Complainant has approximately 2.5 billion monthly active users and on average 1.66 billion daily active worldwide users. The Complainant's website is currently ranked, by the information company "Alexa", as the fourth most visited website in the world.

With approximately 85 percent of its daily active users located outside the United States and Canada, the Complainant provides its social networking services in more than 70 languages. In addition, the Complainant's "app", through which its services can be accessed, is available for mobile devices, and in recent years has consistently ranked amongst the top "apps" in the market. In 2019, the FACEBOOK brand ranked 14th in Interbrand's Best Global Brands report.

Since June 1, 2020, the filing date of the Complaint, the disputed domain name does not resolve to an active website. A screen capture of an inactive web page to which the name currently resolves appears in Annex 8 to the Complaint. During May 2016, the name was apparently briefly used in connection with a parking page displaying various pay-per-click links. A screen capture of that page appears in Annex 9 to the Complaint. The Complainant states that its search results did not uncover any further use of the name by the Respondent, whether for a website or otherwise.

On May 19, 2020, the Complainant sent the Respondent, by email and post, a cease-and-desist letter which requested transfer of the name. A copy of the letter appears in Annex 10 to the Complaint. On May 26, 2020, the Respondent replied, by email, to the letter (a copy of the reply appears in Annex 11 to the Complaint) stating:

“As I’m sure you are aware, the domain is not currently being used and therefore my registration of the domain is not in violation of any of Facebook’s rights nor does it confuse any person. If Facebook would like to purchase the domain from me, I will consider a reasonable offer. But these terms, and in particular the ask that I transfer this domain at no cost, are not reasonable.” [sic]

## 5. Parties’ Contentions

### A. Complainant

#### (i) Identical or Confusingly Similar

The Complainant contends that the disputed domain name is identical to its mark FACEBOOK.

Specifically, the disputed domain name contains this mark to which the country code Top-Level Domain (“ccTLD”) “.io” has been appended, with this ccTLD failing to sufficiently distinguish the name from the mark so as to avoid confusing Internet users.

Hence, the Complainant believes that it has satisfied the confusing similarity/identity requirement in paragraph 4(a)(i) of the Policy.

#### (ii) Rights or Legitimate Interests

The Complainant contends that, for various reasons, the Respondent has no rights or legitimate interests in the disputed domain name pursuant to paragraphs 4(a)(ii) and 4(c) of the Policy.

First, the Respondent is not using the name in connection with any *bona fide* offering of goods or services within the meaning of paragraph 4(c)(i) of the Policy.

Specifically, the name does not resolve to an active website, and to the best of the Complainant’s knowledge, the name has not otherwise been used by the Respondent for any other purpose, apart from briefly resolving during May 2016 to a parking page displaying pay-per-click links. The only intention that the Respondent appears to have with respect to the name is to profit from its sale to the Complainant, as evidenced by the Respondent’s reply to the Complainant’s cease-and-desist letter in which the Respondent stated: “If Facebook would like to purchase the domain from me, I will consider a reasonable offer.” Further, the Respondent is neither a licensee of the Complainant nor is it affiliated with the Complainant in any way. The Complainant has not granted any authorization to the Respondent to use any of the Complainant’s FACEBOOK Marks, in a domain name or otherwise. Consequently, any use by the Respondent of the name, as it contains the Complainant’s mark, would capitalize on the goodwill inherent in the Complainant’s FACEBOOK Marks and hence not be *bona fide*.

Second, the Respondent cannot legitimately claim to be commonly known by the name within the meaning of paragraph 4(c)(ii) of the Policy.

In particular, the Respondent is listed in the WhoIs record as “Ronald Yau”, which bears no resemblance to the disputed domain name whatsoever. To the best of the Complainant’s knowledge, the Respondent has not secured any trademark registrations for the terms “facebook” or “facebook.io”, as reflected in the disputed domain name. Further, the name does not resolve to any active website and is not being used in promoting any business or any other online service that might give rise to any reputation in the name

accruing to the Respondent, such that the Respondent may be considered to be commonly known by the name.

Lastly, the Respondent is not making a legitimate noncommercial or fair use of the name, without intent for commercial gain to misleadingly divert consumers within the meaning of paragraph 4(c)(iii) of the Policy.

Specifically, the Respondent is not actively using the name whatsoever. The Respondent has not asserted any claim of rights or legitimate interests in the name based on any legitimate noncommercial or fair use. Any underlying intent to profit from the sale of the name to the Complainant or a third party would be commercially motivated, and accordingly would not constitute a legitimate noncommercial or fair use of the name.

### (iii) Registered or Used in Bad Faith

While paragraph 4(a)(iii) of the Policy only requires that the Complainant prove that the Respondent has either registered or used the disputed domain name in bad faith, the Complainant contends that the Respondent has both registered and used the disputed domain name in bad faith.

With respect to bad faith registration, given the substantial worldwide reputation and distinctiveness which the Complainant's mark FACEBOOK gained since the Complainant starting using that mark in November 2004, the Respondent must have had prior knowledge of the Complainant and its rights in its mark – which the Respondent does not deny – at the time he registered the name in September 2009, when the Complainant's social network had already amassed over 300 million monthly active users, including 100 million such users in the United States where the Respondent is located. Further, the Respondent has not made any substantive use of the name and has not provided any evidence of any actual or planned good-faith use of the name.

In spite of the Respondent having no affiliation with the Complainant, he proceeded to register the name which identically incorporates the Complainant's mark FACEBOOK which, in turn, carries a high risk of implying that an affiliation or association of some sort exists between the parties, when, in actuality, no relationship whatsoever exists between them, and thus serves to mislead Internet users.

Regarding bad faith use, the Respondent, having held the name since September 2009 during which, with minor exception, he has not used the name, has passively held the name – which, when viewed under the totality of the circumstances, as here, constitutes bad faith use. Three factors relevant to a finding of bad faith are the degree of distinctiveness or reputation of the complainant's mark, the failure of a respondent to submit a response or to provide any evidence of actual or contemplated good-faith use and the implausibility of any good faith use to which the domain name may be put. See WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 3.3.

All these factors are present here.

Specifically, the Complainant's mark enjoys a substantial global reputation and has become exclusively associated with the Complainant. It is highly likely that Internet users upon viewing the disputed domain name would become confused and wrongly assume that the name is owned by or otherwise affiliated with the Complainant, when it is not. In responding to the Complainant's cease-and-desist letter, the Respondent did not provide any evidence of actual or contemplated good faith use of the name; rather, the Respondent has simply attempted to solicit the Complainant's purchase of the name.

Inasmuch as the name identically incorporates the Complainant's mark, the name carries with it a high risk of implying, in the minds of Internet users, that the Respondent is affiliated, in some manner, with the Complainant when, it is not, thus likely misleading those users and causing confusion. Given the Complainant's rights and the strength of its mark, it is highly unlikely that the Respondent could use the name in any way that would not cause such confusion. Citing to *Conair Corp. v. Pan Pin, Hong Kong Shunda International Co. Limited*, WIPO Case No. D2014-1564, the Complainant contends that the

Respondent's act of continuing to retain the name represents an abusive threat hanging over the head of the Complainant (*i.e.*, an abuse capable of being triggered by the Respondent at any time) and therefore a continuing abusive use reflecting bad faith.

Lastly, the Respondent's attempt to solicit the Complainant to purchase the disputed domain name also reflects bad faith.

## **B. Respondent**

The Response merely consisted of the Respondent's explicit consent to the relief requested by the Complainant, the Respondent stating: "I consent to the remedy requested and agree to transfer or cancel the disputed domain name".

## **6. Discussion and Findings**

The Respondent unconditionally consented to the Complainant's request for transfer of the disputed domain name. In such instances, the Panel would generally refrain from opining on the three factors delineated in paragraph 4(a) of the Policy, which a complainant would need to sufficiently prove on a *prima facie* basis, as doing so would be moot. However, as the Complainant, through an email message to the Center dated June 29, 2020, as a result of the consent received from the Respondent, expressly requested the Panel to render a decision on the merits, the Panel will now provide its discussion and findings concerning those factors.

The Policy as amended generally conforms to the Uniform Domain Name Dispute Resolution Policy (UDRP). The factors set forth in paragraph 4 of the Policy are identical to those set forth in paragraph 4 of the UDRP with one exception. Bad faith, as noted in paragraph 4(a)(iii) of the Policy merely requires a complainant to provide sufficient proof of either bad faith registration or bad faith use, not, as required by the UDRP, both. The Panel will rely on relevant UDRP jurisprudence for appropriate guidance, though cognizant of and taking this difference into account.

### **A. Identical or Confusingly Similar**

The Panel finds that the present disputed domain name <facebook.io> is, for all practical purposes, identical to the Complainant's mark FACEBOOK.

The only difference between the disputed domain name and the mark is merely the appending of a ccTLD ".io" to the mark, with such additions generally being ignored in assessing confusing similarity/identity. Well-established UDRP precedent holds that "[t]he applicable Top Level Domain ("TLD") in a domain name (e.g., ".com", ".club", ".nyc") is viewed as a standard registration requirement and as such is disregarded under the first element confusing similarity test." See WIPO Overview 3.0, section 1.11.

Hence, the Complainant has satisfied its burden under paragraph 4(a)(i) of the Policy.

### **B. Rights or Legitimate Interests**

Based on the evidence of record here, the Panel finds that no basis exists which would appear to legitimize any claim of rights or legitimate interests by the Respondent (if one were even made) to the disputed domain name under UDRP paragraph 4(c).

It is clear to the Panel that the Respondent has not used the name in connection with a *bona fide* offering of goods or services or made any prior demonstrable preparations to do so. In that regard, as of 2009, the Respondent, then very likely well aware of the Complainant's exclusive rights in its mark FACEBOOK yet, despite those rights, intentionally registered the name which identically incorporated the Complainant's mark. For the ensuing 11 years continuing to the present, the Respondent continually possessed the name but, with exception of one rather brief period (during May 2016 when the name resolved to a parking page with

pay-per-click links), did not use the name to resolve to an operational website. All the while, the Complainant's mark, through the Complainant's exponential global growth of its FACEBOOK-branded social networking services, developed what can only be characterized as enormous global reputation arising from its use of the mark. Such a passive use, particularly in light of the growth of the Complainant's global reputation, distinctiveness and recognition of the Complainant's mark FACEBOOK during that period, fails to qualify as a *bona fide* use under paragraph 4(c)(i) of the Policy. Nor does it constitute either a legitimate noncommercial or fair use of the name under paragraph 4(c)(iii) of the Policy.

Further, the Complainant has never authorized the Respondent to utilize the Complainant's mark FACEBOOK in a domain name. Given the Complainant's registered rights in its mark FACEBOOK, which predate the date (September 3, 2009) on which the Respondent registered the disputed domain name by some three years, and the enormity of the global recognition, reputation, and goodwill which the Complainant developed in its FACEBOOK Marks during that period, let alone to the present, the Respondent could not legitimately acquire such a public association or even an association with any mark similar to those of the Complainant — at least for the services provided by the Complainant under any of these marks — without interfering with the exclusive trademark rights of the Complainant. See, e.g., *Universal Services of America, LP d/b/a Allied Universal v. This Domain May be for Sale at <https://www.networksolutions.com>, New Ventures Services, Corp*, WIPO Case No. D2019-0834. Consequently, the Respondent is not commonly known by the disputed domain name or any of the Complainant's FACEBOOK Marks and hence does not qualify under paragraph 4(c)(ii) of the Policy.

Hence, the Respondent does not fall within any of UDRP paragraphs 4(c)(i) to 4(c)(iii) and thus has no rights or legitimate interests in the disputed domain name.

### **C. Registered or Used in Bad Faith**

The Panel finds that the Respondent's actions, with respect to the disputed domain name, constitutes bad faith registration and use, though either one alone suffices to satisfy paragraphs 4(a)(iii) and 4(b) of the Policy.

It is categorically clear to the Panel, even apart from any inference that could be drawn from the lack of any substantive response, that the Respondent was well aware of the Complainant and its mark FACEBOOK, and the potential for the name to cause confusion with the Complainant's FACEBOOK Marks. Yet, despite that knowledge, the Respondent intentionally and purposely registered the name for its potential to cause confusion and for the Respondent to ultimately profit therefrom.

There is no question whatsoever – and it is utterly implausible to suggest otherwise – that the Complainant's mark FACEBOOK, given the exponential growth of its global social networking services from November 2004 onward to the present, developed what can only be viewed as colossal reputation to the point where that mark has undeniably acquired global fame. As the mark had even developed considerable worldwide reputation and goodwill when the Respondent registered the name during September 2009 – some 11 years ago when the Complainant and its market footprint were smaller than they are today, it is evident to the Panel that the Respondent deliberately registered the name intending, at some future time, to sell the name to the Complainant at a profit – a price likely to be considerably in excess of its costs of registration. As the Complainant's exclusive trademark rights would likely prevent any other party, not authorized by the Complainant, including the Respondent from using the mark, let alone in a domain name, the only party to whom the Respondent could seek to sell the disputed domain name would be the Complainant. Recognizing this, the Respondent, in his reply of May 26, 2020 to the Complainant's cease-and-desist letter, solicited a purchase offer from the Complainant.

It stands to reason, and the Panel so infers from a lack of any substantive response reflecting any contrary assertion, that the Respondent simply decided to passively hold the name – and he did so for 11 years – to opportunistically exploit the building global recognition and reputation that occurred in the Complainant's mark FACEBOOK in order to maximize the price which he thought the Complainant would eventually be willing to pay to own the disputed domain name and prevent potential user confusion from otherwise

occurring should the Respondent or a third-party transferee start using the name (even if, given the Complainant's exclusive global trademark rights, such use would be illicit and actionable). The Panel further infers that, during the entire 11-year period, the Respondent was simply waiting, all the while passively holding the name, until the Complainant discovered that the Respondent owned the name, contacted the Respondent and made a suitable offer to purchase it – with the price the Respondent would ultimately accept likely increasing as time passed and the reputation of the mark FACEBOOK grew.

When faced with defending the present proceeding, the Respondent simply acquiesced, in his response, to the remedy now sought by the Complainant: transfer.

Under the totality of the circumstances here, the Respondent's actions in passively holding the name certainly for the duration he did and for the purpose he apparently had, in light of the Complainant's exclusive trademark rights in its FACEBOOK Marks and the ultimate reputation, distinctiveness and recognition achieved by those marks, constitute bad faith use.

Consequently, the Respondent's conduct constitutes bad faith registration and use, either of which fulfills the requirements of paragraphs 4(a)(iii) and 4(b) of the Policy.

Thus, the Panel concludes that the Complainant has provided sufficient evidence of its allegations, with respect to the disputed domain name to establish a case under paragraph 4(a) of the Policy upon which the relief it now seeks 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 Complainant.

The Panel now orders that the disputed domain name <facebook.io> be transferred to the Complainant.

*/Peter L. Michaelson/*

**Peter L. Michaelson**

Sole Panelist

Date: July 14, 2020