

NATIONAL ARBITRATION FORUM

DECISION

Beat the Bookstore, LLC v. May Enterprise
Claim Number: FA0510000589501

PARTIES

Complainant is **Beat the Bookstore, LLC** (“Complainant”), represented by **Alan L. Edwards**, of **Kunzler & Associates**, 8 East Broadway, Suite 600, Salt Lake City, UT 84119. Respondent is **May Enterprise** (“Respondent”), represented by **Robert May**, 507 Canyon Park Drive, Pelham, AL 35135.

REGISTRAR AND DISPUTED DOMAIN NAME

The domain name at issue is <**beatthebookstore.com**>, registered with **Tucows Inc.**

PANEL

The undersigned certifies that he or she has acted independently and impartially and to the best of his or her knowledge has no known conflict in serving as Panelist in this proceeding.

Mr. Peter L. Michaelson, Esq. as Panelist.

PROCEDURAL HISTORY

The Complaint was brought pursuant to the Uniform Domain Name Dispute Resolution Policy (“Policy”), available at <icann.org/services/udrp/udrppolicy24oct99.htm>, which was adopted by the Internet Corporation for Assigned Names and Numbers (ICANN) on August 26, 1999, and approved on October 24, 1999, and in accordance with the ICANN Rules for Uniform Domain Name Dispute Resolution Policy (“Rules”) as approved on October 24, 1999, as supplemented by the National Arbitration Forum Supplemental Rules for Uniform Domain Name Dispute Resolution Policy then in effect (“Supplemental Rules”).

Complainant submitted a Complaint to the National Arbitration Forum (“Forum”) electronically on October 28, 2005; the Forum received a hard copy of the Complaint on October 31, 2005, together with Exhibits 1-13.

On October 31, 2005, Tucows Inc. confirmed by e-mail to the National Arbitration Forum that the <**beatthebookstore.com**> domain name is registered with Tucows Inc. and that the Respondent is the current registrant of the name. Tucows Inc. has verified that: the Respondent is bound by the Tucows Inc. registration agreement and has thereby agreed to resolve domain-name disputes brought by third parties in accordance with the Policy, the registration agreement is in English and the disputed domain name will remain in a locked status.

On November 2, 2005, the Forum transmitted, via e-mail, post and fax, a Notification of Complaint and Commencement of Administrative Proceeding (the "Commencement Notification"), setting a deadline of November 22, 2005 by which the Respondent could file a Response to the Complaint, to the Respondent and to all entities and persons listed on the Respondent's registration as technical, administrative and billing contacts, and to postmaster@beatthebookstore.com by e-mail.

A timely Response, with Exhibits 1-9, was received by the Forum and determined to be complete on November 15, 2005.

Thereafter and pursuant to Supplemental Rule 7, the Complainant timely filed an additional submission with the Forum on November 18, 2005. Subsequently, on November 23, 2005, the Respondent timely filed its additional submission with the Forum.

On November 28, 2005, pursuant to the Complainant's request to have the dispute decided by a single-member Panel, the Forum appointed Mr. Peter L. Michaelson, Esq. as Panelist and set a deadline of December 12, 2005 to receive the decision from the Panel.

In light of unexpected time conflicts experienced by the Panel -- which amounted to exceptional circumstances, the Forum, at the Panel's request, extended the deadline for the decision to December 21, 2005.

RELIEF SOUGHT

Complainant requests that the domain name be transferred from the Respondent to the Complainant.

PARTIES' CONTENTIONS

A. Complainant

1. Confusing similarity/identity

Complainant alleges that the disputed domain name, <beatthebookstore.com>, is almost exactly the same as Complainant's registered service mark, BEAT THE BOOKSTORE. Specifically, Complainant states that, with exception of the generic top-level domain (.com), the name and mark are pronounced the same way. When written, the two are almost identical, with the only differences being the spaces separating the words "BEAT THE BOOKSTORE" in the mark.

Further, Complainant also alleges that it has acquired common law trademark rights in the marks BESTTHEBOOKSTORE and BEAT-THE-BOOKSTORE through the use of the domain names <beatthebookstore.net> and <beat-the-bookstore.com> as of March 13, 2002 and September 1, 2002, respectively. Complainant alleges that the disputed

domain name is nearly identical to each of these marks, in much the same way as that name is nearly identical to Complainant's mark BEAT THE BOOKSTORE.

Hence, Complainant concludes that it has met the requirements of paragraph 4(a)(i) of the Policy.

2. Rights and legitimate interests

Complainant contends that Respondent has no rights or legitimate interests in the disputed domain name under paragraph 4(a)(ii) of the Policy.

First, Complainant contends that Respondent is not commonly known by either the disputed domain name or any related designation.

Second, Complainant contends that Respondent's activities amounted to passive holding which -- apart from a brief unsubstantiated claim which Respondent made and quickly abandoned during his communication with Complainant -- do not constitute a bona fide offering of goods or services, including those related to the buying and selling of college textbooks, or a legitimate non-commercial or fair use.

3. Bad faith use and registration

Complainant contends that Respondent has registered and is using the disputed domain name in bad faith, hence in violation of paragraph 4(a)(iii) of the Policy

First, Complainant states Respondent registered the name, which bears a striking similarity to Complainant's Mark, exactly one month after Complainant registered that mark. Since registering the name, Respondent has done nothing with it; he has neither used the name nor exploited it. Nevertheless, Respondent repeatedly communicated with Complainant and requested large payments (US \$ 6000, then subsequently \$ 3500, and finally \$ 2000) in exchange for transferring the name to Complainant. This manifests a desire by Respondent to prevent Complainant from using the name unless Respondent is unjustly enriched.

Second, Complainant contends that Respondent, in dealing with Complainant, misrepresented himself as an attorney licensed in Alabama simply to intimidate Complainant. Such actions constitute bad faith in and of themselves.

B. Respondent

1. Confusing similarity/identity; Rights and legitimate interests

Respondent does not contest that: (a) the disputed domain name is either identical or confusingly similar to Complainant's registered mark, and (b) Respondent has no rights or legitimate interests in that name.

3. Bad faith use and registration

Respondent contends that he did not register and use the disputed domain name in bad faith.

In essence, Respondent states that his inaction in using the name arose from two factors: (a) He had no substantial income since he registered the name on April 13, 2002 inasmuch as he was a student on an academic scholarship when he registered the name, and for several years thereafter amassed considerable student debt for his graduate education. Hence, given his dire financial situation during those years, he has been unable to hire a web developer or a coder, or even pay monthly access fees.

(b) Since a September 10, 2004 communication from Mr. Mickal Winward, CEO of Complainant, during which Mr. Winward threatened legal action, Respondent believed that, should he then use the name in connection with a web site, he might subject himself to damages. Consequently, Respondent has been afraid to so use the name and hence has not done so ever since.

Specifically, Respondent states that he registered the disputed domain name while he was a senior in college at the University of Georgia and with no prior knowledge of either Complainant or its Mark. At the time, Respondent was a political science major with no skills in web design. Respondent stated, as his intent in registering the name:

"One day it came to me to create a website where college students could post their books, contact information, price, etc. online and allow them to trade, buy, sell, etc. amongst each other. I was not motivated by a desire for profit, in fact I was willing to finance everything myself; I simply wanted to force the bookstores to be reasonable in their dealings with the students."

Further, Respondent points to various actions he took thereafter -- as evidenced by the following -- which collectively show that he was taking demonstrable steps, all prior to September 10, 2004, to eventually use that name in conjunction with an operable web site, hence reflective of Respondent's good faith use of the name:

1. an e-mail from Magi Inc. dated June 22, 2004 confirming that Respondent purchased FTP/FP web space for use with the name <beatthebookstore.com> (a copy of this e-mail appears in Exhibit 7 to the Response);
2. an e-mail to Mr. Matt Francis, owner of INTERSCAPE INC., a web development company, dated July 6, 2004, wherein Respondent stated his goals

for his desired web site at <**beatthebookstore.com**> and inquired about obtaining his services in developing that site (a copy of this e-mail appears in Exhibit 1 to the Response);

3. an e-mail to Mr. Francis dated November 2, 2005, wherein Respondent asked him to verify Respondent's oral communications with him of July 4, 2004 and Respondent's e-mail communication with Mr. Francis of July 6, 2004 (a copy of the November 2, 2005 e-mail appears in Exhibit 8 to the Response); and

4. an e-mail from Mr. Francis dated November 3, 2005 (a copy of which appears in Exhibit 9 to the Response) through which Mr. Francis confirmed the occurrence of Respondent's oral communication of July 4, 2004 and Respondent's e-mail communication of July 6, 2004.

Additionally, Respondent states that shortly after he sent the July 6, 2004 e-mail to Mr. Francis, Mr. Winward had contacted him and demanded that he transfer the name to Complainant. As Mr. Winward then presented no evidence to substantiate his claim that Complainant had any legal rights to the name, Respondent replied by stating that he was planning on opening a student oriented online bookstore and that Respondent would not simply give over his website without any evidence of such a claim. This communication occurred around July or August of 2002.

Respondent also denies that he ever offered to sell the disputed domain name to Complainant for US \$6000, and subsequently \$3500. However, Respondent acknowledges that, after September 10, 2004, he attempted to negotiate a \$2000 sale price with Mr. Winward for transfer of the name -- but only after Mr. Winward threatened Respondent with litigation.

Lastly, Respondent acknowledges that he falsely represented himself, to Mr. Winward, as being an attorney. As justification for doing so, Respondent states:

"I have not made any misrepresentation/s of any kind to the arbitrator in this Response or any of the attached exhibits, unlike Complainant. Further, at the time of my misrepresentation, I owed no legal duty to Complainant, Complainant had yelled at me and berated me on more than one occasion, threatened me with legal action, and our relationship had deteriorated from once amicable dealings to outright and overt contempt on the part of Complainant toward me."

C. Additional Submissions

Each party filed an Additional Submission, which the Panel has fully considered. Given Respondent's acquiescence, in the Response, to Complainant's allegations of confusing similarity and a lack of Respondent having any rights or legitimate interests in the name, both Additional Submissions are solely directed to whether, under paragraph 4(a)(iii) of the Policy, the Respondent engaged in bad faith registration and use of the name.

Since both submissions basically amplify the 4(a)(iii) allegations each party previously made in its initial pleadings, then, in the interests of brevity, the Panel will simply dispense with summarizing these submissions.

FINDINGS

A copy of the WhoIS registration records for the disputed domain name appears in Exhibit 7 to the Complaint. As indicated on these records, Respondent registered the disputed domain name on April 13, 2002.

A. Complainant's Mark

Complainant owns a single United States trademark registration for its mark BEAT THE BOOKSTORE and on which this dispute is based. Complainant has provided, in Exhibit 3 to the Complaint, a hard-copy printout of the entry for this mark from Trademark Electronic Search System (TESS) database accessible through the web site of the United States Patent and Trademark Office (USPTO). Details of this registration are as follows:

BEAT THE BOOKSTORE (block letters)
United States registration 2,879,136; registered: August 31, 2004
filed: October 14, 2002

This mark was registered for use in connection with “retail and wholesales [sic] store services and online ordering services featuring new and used college textbooks, kindergarten through grade 12 textbooks and trade books ” in international class 35. The registration states that both first use and first use in commerce of this mark in conjunction with these services commenced as of September 1, 2001.

Though Complainant claims common-law rights in two other marks, namely "BEATTHEBOOKSTORE" and "BEAT-THE-BOOKSTORE", which are highly similar to its registered Mark, these former marks carry first use dates of March 13, 2002 and September 1, 2002, respectively. Inasmuch as these dates are both later than the first use date of September 1, 2001 which Complainant claimed in its federal registration, then these common law marks are of far less importance for purposes of the present dispute than is the registered Mark and thus, for the sake of simplicity, will not be discussed in any further detail.

B. The Parties and their Activities

Once the challenged allegations are purged from the pleadings, the dispute distills down to a relatively simple set of facts.

Complainant is a wholesale Internet-based bookseller which commenced operating on or about September 1, 2001.

In August 2002, Complainant established a physical "Beat the Bookstore" retail store in Orem, Utah. The name was displayed, in conjunction with that store, on its store front (as seen in the hard-copy image provided in Exhibit 4 to the Complaint), its advertising, its letterhead and a side of a 20-foot trailer.

During July 2003, Complainant opened a second "Beat the Bookstore" retail store in Ogden, Utah, where the Mark was used in a similar way to that on the Orem store. During May 2004, Complainant began selling franchises for operating bookstores under its Mark and by do so, had three more stores opened in November 2004 and specifically one each at the University of Iowa, University of Utah and Texas A&M. As of the date of this complaint, Complainant has franchised nine stores with seven more scheduled to open in November 2005, at which time Complainant will have its "Beat the Bookstore" stores in California, Nevada, Arizona, Texas, Colorado, Iowa, Missouri, Florida, Utah, Georgia and Tennessee. *See* affidavit of Mr. Winward which appears in Exhibit 9 to the Complaint -- hereinafter simply the "Winward affidavit").

Respondent registered the disputed domain name on April 13, 2002 which is prior to the date, October 24, 2002, on which Complainant filed its federal trademark application, but subsequent to the date, September 1, 2001, on which Complainant claims it began use of its Mark.

Complainant has invested substantial amounts of money in its Mark (as well as its other marks). Accordingly, Complainant has generated goodwill in its marks, with customers identifying the phrase "BEAT THE BOOKSTORE" as being associated with Complainant. Complainant has never licensed nor otherwise consented to Respondent's use of any of Complainant's marks. *See* Winward affidavit.

When the disputed domain name is entered into an Internet browser, it resolves to a "parked" page, provided by the Registrar, and has done so since the date Respondent registered the name.

As indicated in the Winward affidavit, Mr. Winward first communicated by e-mail with Respondent in July/August 2002. In that e-mail, Mr. Winward stated that Complainant had established rights in the Mark and was actively using that Mark and Respondent was not using the disputed name. Mr. Winward then requested that Respondent transfer the

name to Complainant. Subsequently, Respondent replied that he intended and was planning to open an on-line store using the name.

Subsequently, after Complainant's Mark became federally registered, Mr. Winward telephoned Respondent, following up that call with a September 10, 2004 communication via e-mail and a letter sent by certified mail (a copy of the letter appears in Exhibit 11 to the Complaint), and again requested that the disputed domain name be transferred to Complainant and raised the possibility of filing a complaint, under the Policy, against Respondent. In the telephone conversation, Respondent requested \$2,000 in exchange for transferring the name to Complainant. Complainant refused.

Thereafter, a facsimile dated September 17, 2004 (a copy of which appears in Exhibit 12 to the Complaint) from Respondent to Mr. Winward stated, in pertinent part:

"I am in fact a resident-citizen of Alabama and I am gainfully employed as an attorney for all practical purposes, the Bar results in a couple of months will make it official, though I am already working at a top 5 firm here. I have not misrepresented myself or the strength of my case. You will not win with the ICANN dispute resolution. You absolutely can not prove the elements and there is no question about it. Should you wish to make a reasonable offer, feel free to contact me, otherwise I will see you in Federal District Court pursuant to USC § 1331. If judgment is entered *in absentia*, I will collaterally attack here in Alabama. I'm sorry you think I was lying to you but this is not the case."
[emphasis in original]

According to bar association records and as of September 29, 2005, Respondent is not an attorney in Alabama or any neighboring state.

When Respondent registered the disputed domain name, he was a college senior, majoring in political science, at the University of Georgia and had no prior knowledge of either the Complainant or its Mark. Furthermore, at that time and apparently continuing to the present, Respondent had no skills in web design. Currently, Respondent is a graduate student with very limited financial means.

DISCUSSION

Paragraph 15(a) of the Rules for Uniform Domain Name Dispute Resolution Policy (the "Rules") instructs this Panel to "decide a complaint on the basis of the statements and documents submitted in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable."

Paragraph 4(a) of the Policy requires that the Complainant must prove each of the following three elements to obtain an order that a domain name should be cancelled or transferred:

- (i) the domain name registered by the Respondent is identical or confusingly similar to a trademark or service mark in which the Complainant has rights;
- (ii) the Respondent has no rights or legitimate interests in respect of the domain name;
- and
- (iii) the domain name has been registered and is being used in bad faith.

Identical and/or Confusingly Similar; Rights or Legitimate Interests

Inasmuch as Respondent did not contest any of the allegations of Complainant concerning these two elements of the Policy, the Panel, for the sake of expediency and simplicity, adopts all those allegations as its findings.

Accordingly, the Panel finds that: (a) the disputed domain name is identical or confusingly similar to the Complainant's Mark, and (b) Complainant has shown that Respondent has no rights or legitimate interests in that name.

Hence, Complainant has satisfied the requirements of paragraphs 4(a)(i) and 4(a)(ii) of the Policy.

Registration and Use in Bad Faith

The Panel believes that Respondent's actions constitute bad faith registration and use of the disputed domain name.

Specifically, Respondent was first apprised by Complainant of the latter's rights in the Complainant's Mark in July or August 2002. At that time, Complainant requested that Respondent transfer the name to the Complainant. Respondent refused. Nothing further transpired from Respondent until June 22, 2004 when Respondent purchased web server space, and shortly thereafter on July 6, 2004 when he allegedly contacted, through e-mail, Mr. Matt Francis, stated his goals for his <beatthebookstore.com> web site and inquired about obtaining Mr. Francis' services in developing that site. Based on Respondent's own accounting of his prior actions, as delineated in the Response and noted above, he apparently engaged in no further activities aimed at actually furthering the development of his site.

When an allegation of passive holding is made -- as here, a respondent's activities must be viewed in their totality. Hence, whether the two acts of Respondent, being purchasing web server space and, some two weeks later, making contact with Mr. Francis, are sufficient in and of themselves to show that Respondent was acting in a manner consistent with developing his web site is not the issue. Rather, Respondent's acts must be assessed in light of the entire time period that spanned this dispute, which here includes a 2 year period of inactivity that preceded those acts and a 1 year period of inactivity that succeeded those acts, which moreover all occurred after Respondent was initially placed on notice by Complainant of both its trademark rights and of this dispute. When viewed in that context, the result is exceedingly clear: Respondent registered and

then simply held the name for an extended period of time all the while intending on depriving Complainant of the name and its rightful ability to exploit that name.

Respondent's protracted period of inaction, starting after he registered the name and extending for 2 years thereafter, is not excused by his fiscal status. Clearly, had Respondent fully intended to develop his web site, he could have undertaken various steps much earlier in time, even at minimal or no cost, to do so -- subject only to his creativity and business acumen in devising and then executing an appropriate plan of action that adequately took his impecunious situation into account. Apparently, he did not. As just one possibility, Respondent, within a few months, if not sooner, after he registered the name could have contacted various web designers/programmers in an effort to solicit their services at no cost but in consideration for a stake in the success of the web site. He apparently chose not to do so then. Two years elapsed before he finally acted.

This Panel does not view the Policy or any prior ICANN decisions involving passive holding as requiring a respondent to ultimately succeed in developing its web site, but rather, to overcome an allegation of passive holding, to have engaged in good faith steps that, when collectively viewed retrospectively across a relevant time continuum, appear to constitute an effort reasonably calculated to promptly achieve that end. While excessive delay experienced by a respondent in and of itself is not solely determinative of the existence of passive holding, to the extent a respondent has experienced such delay, then, as a threshold matter, that delay needs to be attributable, in good measure, to factors beyond the control of that respondent; otherwise, that delay is not likely to be justified. While Respondent could have engaged in any of a wide variety and number of activities -- even in light of his limited financial means, at a sufficiently early time, aimed at furthering the development of his web site and exploitation of the name in connection with that site, Respondent simply chose not to do so. In fact, for 2 years, he did nothing with the name. *See America Online, Inc. v D Brown* FA 520947 (Nat. Arb. Forum Sept. 6, 2005). There, the respondent failed to use a disputed domain name for 3 1/2 years and then demanded US \$10,000 for its transfer to the complainant. The respondent justified its demand on the basis that, in view of his long-term unemployment and other life circumstances, he needed to use the name as a revenue source. The panel in, rejecting that argument and ordering transfer of the name, stated: "Respondent's life circumstances, no matter how dire, do not entitle him to infringe and trade upon the registered marks of others, including Complainant, for a profit." This Panel agrees with that holding and finds it controlling here.

Various panels, including this one, have held that passive holding, coupled with a respondent's knowledge of trademark rights of a complainant in the name being so held -- as is clearly the case here, can amount to bad faith use under paragraph 4(a)(iii) of the Policy. In that regard, *See, e.g., The Cheesecake Factory Inc. and The Cheesecake Factory Assets Co., LLC v. Say Cheesecake*, D2005-0766 (WIPO Sept. 12, 2005); *see also Bayer Aktiengesellschaft v. Henrik Monssen*, D2003-0275 (WIPO May 30, 2003); *see also Lake at Las Vegas Joint Venture v. Principal Equiti, Inc.*, D2002-0758 (Oct. 4,

2002); *see also* *America Online, Inc. v. Curtis Woods*, D2001-0555 (WIPO June 13, 2001); *see also* *Awesome Kids LLC and/or Awesome Kids L.L.C. v. Selavy Communications*, D2001-0210 (WIPO Apr. 16, 2001); *see also* *402 Shoes, Inc. d/b/a Trashy Lingerie v. Jack Weinstock and Whispers Lingerie*, D2000-1223 (WIPO Jan. 2, 2001); *see also* *Liberty Public Limited Company v. Thomas Guarrera*, FA 95103 (Nat. Arb. Forum Aug. 17, 2000); *see also* *V & S Vin & Spirit Aktiebolag v. Gunnar Hedenlans Peev*, FA 95078 (Nat. Arb. Forum Aug. 9, 2000); *see also* *Revlon Consumer Prods. Corp. v. Yosef*, D2000-0468 (WIPO July 27, 2000); *see also* *Telstra Corporation Limited v. Nuclear Marshmallows*, D2000-0003 (Feb. 18, 2000); *see also* *Mary-Lynn Mondich and American Wine Biscuits, Inc. v. Shane Brown d/b/a Daddy's Antiques*, D2000-04 (WIPO Feb. 16, 2000).

When viewed in light of its totality, the Panel finds that Respondent's conduct amounts to passive holding which here constitutes bad faith registration and use.

Furthermore, Respondent's intentionally impersonated an attorney (soon to be licensed) in the State of Alabama knowing full well that he had no legitimate basis for doing so. In spite of that and through the impersonation, Respondent attempted to intimidate, and therethrough threaten, Complainant into submission, i.e., here being to desist from filing an action against Respondent under the Policy. That conduct is egregious, inexcusable and utterly reprehensible.

ICANN panels function in a quasi-equitable manner. Accordingly, a party seeking relief before any such panel must itself be worthy of that relief, i.e., appear before the panel with "clean hands." While Respondent attempts to excuse his conduct on the basis that: (a) he believed he owed no duty to Complainant, and/or (b) it was a fitting response to the manner through which Complainant allegedly treated Respondent, such excuses are completely unavailing.

Impersonation of a licensed professional, including an attorney, is itself a criminal act in many, if not all, jurisdictions. The intent of professional licensure laws is to assure all individuals (including Complainant) who come into contact with anyone claiming to be a licensed professional (which here includes Respondent) that, as a condition of having been granted a license, the professional meets certain minimum qualifications, including education, character and fitness to practice, as set forth by the relevant licensing authority to practice the profession in question, thus attempting to protect those individuals from harm which would result well from services rendered by one not meeting those qualifications.

Consequently, Respondent, in representing himself to Complainant as an attorney soon to be licensed in the State of Alabama, clearly owed a duty to Complainant of being qualified to practice law in that state, qualifications which Respondent knew he did not have and could not claim, but which nevertheless he asserted.

Respondent acts, in impersonating an attorney, let alone to further his own interests in retaining the disputed domain name by intimidating and, through such intimidation, threatening his adversary, constitute an independent basis under paragraph 4(a)(iii) for finding bad faith.

Hence, the Panel views Respondent's actions as constituting bad faith registration and use in violation of paragraph 4(a)(iii) of the Policy.

Accordingly, the Panel concludes that Complainant has provided sufficient proof of its allegations to establish a prima facie case under paragraph 4(a) of the Policy upon which the relief it now seeks can be granted.

DECISION

In accordance with paragraphs 4(i) of the Policy and 15 of the Rules, the relief sought by Complainant is hereby **GRANTED**.

Accordingly, the Panel orders that the disputed domain name, <**beatthebookstore.com**>, is to be **TRANSFERRED** from Respondent to Complainant.

Peter L. Michaelson, Esq., Panelist, Panelist
Dated: December 19, 2005