



WIPO Arbitration and Mediation Center

ADMINISTRATIVE PANEL DECISION

Krispy Kreme Doughnuts, Inc. v. John Sharp

Case No. D2009-0099

1. The Parties

The Complainant is Krispy Kreme Doughnuts, Inc. of Winston-Salem, North Carolina, United States of America represented by Bricker & Eckler LLP, United States.

The Respondent is John Sharp of Severna Park, Maryland, United States appearing *pro se*.

2. The Domain Name and Registrar

The disputed domain name <krispykremeexpress.com> is registered with Wild West Domains, Inc. (the “Registrar”).

3. Procedural History

The Complaint was brought pursuant to the Uniform Domain Name Dispute Resolution Policy (the “Policy” or “UDRP”), 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 Rules for Uniform Domain Name Dispute Resolution Policy (the “Rules”) as approved on October 24, 1999, and the World Intellectual Property Organization (“WIPO”) Supplemental Rules for Uniform Domain Name Dispute Resolution Policy in effect as of December 1, 1999 (the “Supplemental Rules”).

The Complaint, with accompanying Annexes A-E, was filed with the WIPO Arbitration and Mediation Center (the “Center”) by email on January 26, 2009 and subsequently by hardcopy on February 3, 2009. In response to a request from the Center dated February 5, 2009, the Complainant filed an amendment to the Complaint with the Center by email on the same date and by hardcopy on February 10, 2009.

Pursuant to paragraph 4(d) of the Policy, the Complainant selected the Center as the ICANN approved administrative dispute resolution service provider to administer this proceeding. Through the Complaint, the Complainant requested a single-member panel.

After receiving the original Complaint, the Center, in accordance with paragraph 5 of the Supplemental Rules, verified that the Complaint complied with the formal requirements of the Rules and the Supplemental Rules. In that regard, on January 27, 2009, the Center requested confirmation from the Registrar as to whether the registrar received a copy of the Complaint from the Complainant and to confirm contact and registrant information set forth in the Complaint relative to the disputed domain name. The Center also requested the registrar to specify for the disputed domain name: (a) whether the Policy applies to that name, (b) whether the registrant has submitted, in its registration agreement, to the jurisdiction at the location of the principal office of the registrar for court adjudication of disputes concerning or arising from the use of the name, (c) the language of the registration agreement, and (d) whether the name will remain "locked" during the proceeding.

Subsequently, on January 27, 2009, the Registrar provided its response to the Center through which it specified name and contact information pertinent to the disputed domain name to the extent, as it then existed, in its WhoIs database. Further, the Registrar stated that it had not received a copy of the Complaint and that the Respondent was listed as the registrant for the name. The Registrar's response further indicated that: (a) the Policy applies to the name, (b) Wild West Domains, Inc. is the registrar, (c) the Registrant submitted to the jurisdiction of the courts at the location of the principal office of the Registrar, (d) the registration agreement is in English, and (e) the name will remain locked during the proceeding.

The Center verified that the Complaint together with the amendment to the Complaint satisfied the formal requirements of the Policy, the Rules and the Supplemental Rules.

On February 10, 2009, the Center formally notified the Respondent of the filing of the Complaint, including an indication that the Center was forwarding a complete copy of the Complaint to that Respondent, together with all its exhibits, by post or courier and also by email. The Complaint and its accompanying documents, and all subsequent communications associated therewith, were provided in the preferred manners and to the addresses as mandated by paragraphs 2(a), 2(b) and 4(a) of the Rules.

Hence, the notification to the Respondent having occurred on February 10, 2009, under paragraph 4(c) of the Rules, this administrative proceeding is deemed to have commenced on that date.

Having reviewed the Complaint and all the correspondence, including that between the Center and the Registrar, the Panel agrees with the determination of the Center that the Complaint and its handling met the requirements of the Rules and the Supplemental Rules.

The Respondent was then provided with a 20 calendar day period, expiring on March 2, 2009, to file its Response with the Center and the Complainant. In response to an email request from the Respondent dated February 21, 2009, this period was subsequently extended by the Center to March 12, 2009. The Response, together with Annexes A-Z, was timely filed by the Respondent on March 10, 2009 with the Center and was subsequently acknowledged by the Center through an email letter dated March 13, 2009.

Accordingly, pursuant to the Rules and Supplemental Rules, by email letter dated March 20, 2009, the Center contacted the undersigned, Mr. Peter L. Michaelson, Esq., requesting his service as sole Panel for this dispute. Subsequently, on the same date, Mr. Michaelson accepted and returned, by email attachment to the Center, a fully executed Statement of Acceptance and Declaration of Impartiality and Independence. The Center, through an email letter dated March 23, 2009, notified the Parties of the appointment of Mr. Michaelson as sole Panelist.

Based on the deadline set forth in paragraph 15 of the Rules, a decision was to be issued by the Panel to the Center on or before April 6, 2009. Owing to unexpected time conflicts issues experienced by the Panel which constituted unforeseen circumstances, the Center, at the request of the Panel, subsequently notified the Parties that this due date had been extended to April 27, 2009.

This dispute concerns one domain name, specifically <krispykremeexpress.com>.

The language of this proceeding is English.

4. Factual Background

As indicated in the WhoIs registration records provided in Annex A to the Complaint, the disputed domain name was registered on July 10, 2008.

A. Complainant's KRISPY KREME Marks

The Complainant owns various United States trademark registrations for the mark KRISPY KREME either in block letters or stylized form. The Complainant has provided, in Exhibit C to the Complaint, copies of its United States registration certificates for those marks. Pertinent details of some of those registrations are as follows:

1. KRISPY KREME (stylized)
United States registration 539,165; registered: March 13, 1951

This mark is registered for use in connection with “doughnuts and the mix for making same” in international class 30. The record indicates that both first use and first use in commerce of this mark, when used in conjunction with these goods, commenced as of August, 1934.

2. KRISPY KREME
United States registration 938,245; registered: July 18, 1972

This mark is registered for use in connection with “restaurant services” in international class 42. The record indicates that, in conjunction with this service, the mark was first used as early as August, 1934 and in commerce as early as June, 1935.

3. KRISPY KREME (stylized)
United States registration 939,106; registered: July 25, 1972

This mark is registered for use in connection with “restaurant services” in international class 42. The record indicates that, in conjunction with this service, the mark was first used as early as August, 1934 and in commerce as early as June, 1935.

4. KRISPY KREME

United States registration 967,684; registered: September 4, 1973

This mark is registered for use in connection with “doughnuts and doughnut mixes, buns, pies and pie crust mixes, shortening and glaze flavors” in international class 30. The record indicates that, in conjunction with these goods, the mark was both first used and first used in commerce as early as August 31, 1934.

B. The Complainant

The Complainant is an international retailer of doughnuts available in more than twenty different varieties. HDN Development Corporation is a wholly-owned subsidiary of HD Capital Corporation which itself is a wholly-owned subsidiary of the Complainant. HDN owns the KRISPY KREME Marks.

The Complainant was founded by Vernon Carver Rudolph who opened the first Krispy Kreme shop in Winston-Salem, North Carolina in 1937. Over the ensuing 70 years, the Complainant has substantially expanded in size and scope. Presently, KRISPY KREME is an international brand with the Complainant having doughnut stores in approximately 500 locations around the world, currently including the United States, Australia, Bahrain, Canada, Indonesia, Japan, Kuwait, Lebanon, Mexico, the Philippines, the Republic of Korea, Qatar, the Kingdom of Saudi Arabia, the United Arab Emirates, and the United Kingdom of Great Britain and Northern Ireland. These stores are now either franchised or owned by the Complainant. Currently, the Complainant produces approximately 7.5 million doughnuts every day.

Originally, all these stores were factory stores that produced the doughnuts on premises. Beginning in 2004 and presumably in an effort to reduce costs, the Complainant began to develop smaller satellite stores, where several such stores in a common geographic area are served by a centralized manufacturing and distribution facility. The Complainant continues to experiment with using a variety of market sizes and settings through which it distributes and sells its products.

Over the past 15 years, the Complainant’s products and retail stores have received significant promotion, media spending and press attention to the point where the mark KRISPY KREME has gained widespread recognition and fame throughout the United States. In the past five years alone, the Complainant has spent in excess of USD25 million on advertising, marketing and promoting its Krispy Kreme products and retail stores.

Since October, 1998, the Complainant has owned and used its domain name <krispykreme.com> to: (a) provide information to Internet users regarding its doughnuts, retail stores, and the history of the Complainant and other promotional activities provided by the Complainant including community group fundraising, and (b) provide a vehicle through which those users could purchase clothing, toys and other merchandise bearing the KRISPY KREME marks. Hardcopy printouts of the home page and various sub-pages from the Complainant’s website appear in Annex D to the Complaint.

C. The Respondent and its interactions with the Complainant

During July 1999, the Respondent founded “Doughnut Man Catering” (“DMC”), a doughnut delivery company headquartered in Annapolis, Maryland. When it opened, DMC began delivering Krispy Kreme doughnuts as its only product. Since then, the Respondent and/or even his customers referred to this business through use of other names, including: Krispy Kreme Express, Krispy Kreme Express Man, Krispy Kreme Man, Krispy Kreme Doughnut Man, Krispy Kreme Express Doughnut Delivery Man, The DoughnutMan, DoughnutMan, Doughnut King, Doughnut Dude, and The Amazing Doughnutman.

During 1999 and 2000, the Respondent repeatedly met and spoke, either in person or telephonically, with the Complainant’s executives regarding expanding the Complainant’s client base by offering a delivery service for its doughnuts based on the Respondent’s business model. One such meeting occurred on July 26, 2000 when the Respondent met with Messrs. Stan Parker (Senior Vice President of Marketing), Margaret Urquhart (Chief Operating Officer), and Darryl T. Williams (Senior Vice President of Sales) at the Complainant’s offices in Winston Salem, NC.

During the July 26th meeting, the Respondent presented the “Krispy Kreme Express” delivery service which it was then already providing via DMC and through use of its domain name <thedoughnutman.com>. While Mr. Parker, speaking on behalf of the Complainant declined use of the Respondent’s business model, he apparently told the Respondent to continue operating as it had been, with DMC delivering orders for the Complainant’s doughnuts as received by phone, fax or Internet, and apparently using the trade names noted above.

During the next 8 years, numerous problems arose between the Complainant and the Respondent, particularly concerning pricing and relationship between DMC and the Complainant. Copies of pertinent email messages between the Respondent and Mr. Parker noting these difficulties and their resolution appear in Annexes C and D to the Response.

In 2008, the Respondent again contacted Mr. Parker for assistance in resolving a pricing issue. After several emails and phone calls and no reply from the Complainant, DMC discontinued carrying the Complainant doughnuts as “on hand available”. However, DMC continued to provide those products but only as a “special order item” until the pricing issue was resolved.

The Respondent registered the disputed domain name <kripsykremeexpress.com> with the intent of using it for DMC’s business of selling and delivering Krispy Kreme doughnuts in the same basic manner as the Respondent had been doing for the prior nine years or, if negotiations between the Respondent and the Complainant ultimately succeeded, for the business venture, using the Respondent’s business model, which the Respondent had proposed to the Complainant.

During subsequent negotiations through 2008 between the Complainant and the Respondent and particularly at a meeting on October 13, 2008 between the two at the Complainant’s offices in Winston Salem, North Carolina, the Complainant informed the Respondent that the former decided to institute a new pilot program called Krispy Kreme Express, which apparently the Respondent had previously proposed to the Complainant

during August 2008. Further, at the October 13, 2008 meeting, the Complainant stated that it would make a business offer, involving DMC, to the Respondent, which the Complainant in fact later did on October 31, 2008. Shortly thereafter, the Respondent made a counter-proposal to the Complainant. However, the negotiations ultimately failed.

Over the 9+ years during which the Respondent delivered the Complainant's doughnuts, he purchased in excess of USD 300,000.00 of those products from the Complainant. Copies of some of the purchase receipts appear in Annex G to the Response.

At the time of the offer, the Respondent used the disputed domain name to re-direct Internet traffic to its existing site at <thedoughnutman.com>. Presently, the disputed domain name resolves to a parked page containing, among other aspects, links, with those links including not only those to the Complainant's doughnut shops but also to its direct competitors. Further, other ones of these links direct Internet users to websites for fast food products competitive with doughnuts and particularly those then offered by the Complainant, to websites which offer unauthorized "Krispy Kreme" branded merchandise, and even to a law firm website that was ostensibly soliciting plaintiffs for a class action lawsuit against the Complainant.

On November 17, 2008, the Complainant telephoned the Respondent and demanded that the Respondent transfer the disputed domain name to the Complainant. The Respondent refused. As a result, the Complainant instituted the present proceeding.

5. Parties' Contentions

A. Complainant

(i) Identical or Confusingly Similar

The Complainant appears to contend that the disputed domain name is confusingly similar to the Complainant's mark.

Specifically, the Complainant ostensibly states that the name includes the Complainant's KRISPY KREME Mark in its entirety along with a generic term "express". The latter not only fails to adequately distinguish the resulting name from the mark but, owing to the high degree of similarity existing between the name and the mark, actually exacerbates ensuing confusion of 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 the Respondent has no rights or legitimate interests in the disputed domain name pursuant to paragraph 4(a)(ii) of the Policy.

First, the Respondent is not a licensee of or otherwise currently affiliated with the Complainant.

Second, the Respondent's name does not include the words "Krispy Kreme", hence the Respondent is not commonly known by the Complainant's mark KRIPSY KREME. Moreover, given the Complainant's exclusive rights in the mark which started some 70 years prior to the date on which the Respondent registered the disputed domain name, the Respondent could never be so known. Consequently, as the Respondent's unauthorized use of the mark in the domain name constitutes infringement such use is not *bona fide* and thus illegitimate.

(iii) Registered and Used in Bad Faith

Lastly, the Complainant contends that the Respondent registered and is now using the disputed domain name in bad faith under paragraph 4(a)(iii) of the Policy.

In particular, the Complainant alleges that the Respondent uses the name to intentionally create confusion with the Complainant's KRISPY KREME marks and, by doing so, attract Internet users, who seek the Complainant's website, to the Respondent's site instead. After a user reaches the Respondent's site, the Respondent receives click-through revenue each time that user clicks on one of the displayed links, many of which redirect those users to websites selling products directly competitive with those of the Complainant. In doing so, the Respondent is illicitly exploiting the Complainant's marks for the Respondent's own pecuniary gain.

B. Respondent

(i) Identical or Confusingly Similar

The Respondent, in contrast to the Complainant's position, contends that the disputed domain name is not confusingly similar to the Complainant's KRIPSY KREME marks.

Specifically, the Respondent states that adding the word "EXPRESS" to any word mark to form a domain name "changes the entire meaning of the words" and particularly to indicate some type of delivery mechanism associated with the name. Nowhere on the Complainant's website is there any indication that the Complainant has ever attempted to deliver or offer any delivery service for their products. Those Internet users looking for information about the Complainant itself will go to the Complainant's website at "www.krispykreme.com", while those users seeking to have the Complainant's products delivered to their door will look to "Krispy Kreme delivery or Krispy Kreme express" which is exactly what the Respondent's business has been providing for the last 9+ years.

The Respondent further notes that he has always delivered the Complainant's products with the latter's authorization to do so.

(ii) Rights or Legitimate Interests

The Respondent, here too contrary to the Complainant's position, contends that he does possess rights and legitimate interests in the disputed domain name.

In that regard, the Respondent states he provides and has always provided a *bona fide* service of delivering the Complainant's doughnuts.

Further, though the Respondent acknowledges that he is not a licensee of the KRISPY KREME Marks, he states that he devised the name “KRISPY KREME EXPRESS” some nine years ago and even informed the Complainant about it. Moreover, the Complainant not only sold the Respondent doughnuts throughout that entire period, the Complainant profited from doing so and also permitted and apparently encouraged the Respondent to continue offering his service - hence implicitly recognizing the legitimacy of the Respondent’s interests in the disputed domain name.

(iii) Registered and Used in Bad Faith

Lastly, as to bad faith, the Respondent attempts to rebut the Complainant’s position by contending that he did not register or use the disputed domain name in bad faith.

In particular, the Respondent states that he never received any revenue from his active web site “www.thedoughnutman.com” including any click-through revenue or that from any other source.

Further, as to competitive offerings, the Respondent states that the Complainant not only knew that his website offered products from the Complainant’s competitors, but the Complainant itself was “selling their doughnuts alongside Hostess and Sara Lee products in gas stations and grocery stores for the better part of the 70 years they have been in business” and thus “takes away any credibility to the statement that links to their competition is taking away business”.

The Respondent alleges that he does not use the name in bad faith by stating: “I don’t hold it [the name] in bad faith, but in good faith. Any customer seeking delivery of Krispy Kreme doughnuts will be able to make a purchase and get them delivered. In addition, it will profit Krispy Kreme by helping them sell their doughnuts, which is what they are in business to do.”

6. Discussion and Findings

A. Identical or Confusingly Similar

The Panel finds that the disputed domain name is confusingly similar to the Complainant’s KRISPY KREME marks.

From a simple comparison of the disputed domain name to the Complainant’s mark KRISPY KREME, no doubt exists that the name is confusingly similar to the Complainant’s marks.

The primary difference between the disputed domain name and the mark KRISPY KREME is the addition of the generic word “express” to form a separate corresponding composite term along with, secondarily, appending the gTLD (generic top level domain) “.com” to that term to form the name with the last addition being totally irrelevant in assessing confusing similarity or identity under paragraph 4(a) of the Policy and thus ignored.

It is now very well-established in UDRP precedent, including numerous decisions previously rendered by this Panel, that a minor variation, such as adding short letter or number groups or even generic or highly descriptive words to a mark, is usually insufficient in and of itself, when used in forming a domain name that results from modifying the mark, to confer requisite and sufficient distinctiveness to that name to avoid user confusion. Here, adding such a word, that being “EXPRESS”, in the manner which the Respondent specifically did, to the mark KRISPY KREME clearly resulted in such a minor variation. See, e.g., *MasterCard International Incorporated v. Global Prepaid*, WIPO Case No. D2008-2008 (March 25, 2009); *HRB Innovations Inc., Express Tax Service Inc. v. Calvin Brown*, WIPO Case No. D2008-1072 (September 4, 2008); *Dreamworks Animation, LLC v. Creahq, Mike Furlong*, WIPO Case No. D2008-0505 (May 28, 2008); *Marvel Manufacturing Company Inc. v. Koba Internet Sales, LP*, WIPO Case No. D2008-0265 (May 5, 2008); *MySpace, Inc. v. Edwin De Jesus, EDJ Associates Inc.*, WIPO Case No. D2007-1878 (March 12, 2008); *Blackrock, Inc. v. blackrockfinancialservices.com*, WIPO Case No. D2007-1627 (January 4, 2008); *F. Hoffmann-La Roche AG v. Transliner Consultants*, WIPO Case No. D2007-1359 (November 14, 2007); *National Football League v. Peter Blucher d/b/a BluTech Tickets*, WIPO Case No. D2007-1064 (September 24, 2007); *Toilets.com, Inc. v. Rons Porta Johns*, WIPO Case No. D2007-0952 (August 27, 2007); *Associated Bank Corp. v. Texas International Property Associates*, WIPO Case No. D2007-0334 (June 28, 2007); *Gerber Childrenswear Inc. v. David Webb*, WIPO Case No. D2007-0317 (April 24, 2007); *SPX Corporation v. Hevun Diversified Corporation*, NAF Case No. FA791657 (November 13, 2006); *Google Inc. v. Jennifer Burns*, NAF Case No. FA 726096 (August 16, 2006); *The Cheesecake Factory Inc. and The Cheesecake Factory Assets Co., LLC v. Say Cheesecake*, WIPO Case No. D2005-0766 (September 12, 2005); *Napster, Inc. v. Giovanni Vinscani*, WIPO Case No. D2005-0531 (July 19, 2005); *Caesars Entertainment, Inc. v. Nova Internet Inc.*, WIPO Case No. D2005-0411 (June 22, 2005); *Lockheed Martin Corporation v. The Skunkworx Custom Cycle*, WIPO Case No. D2004-0824 (January 18, 2005); *Lockheed Martin Corporation v. Deborah Teramani*, WIPO Case No. D2004-0836 (December 1, 2004); *National Collegiate Athletic Association v. Dusty Brown*, WIPO Case No. D2004-0491 (August 30, 2004); *Lane-Labs USA, Inc. v. Powell Productions*, NAF Case No. FA 155896 (July 1, 2003); and particularly *Cable News Network LP, LLP v. Elie Khouri d/b/a Channel News Network et al.*, NAF Case No. FA 117876 (December 16, 2002).

Moreover, by including the term “EXPRESS” with the Complainant’s mark KRISPY KREME to form the corresponding disputed domain name, the potential for user confusion is likely to be exacerbated, not reduced. In that regard, should an Internet user seek a service that promptly delivers the Complainant’s doughnuts, it is quite likely, given current naming conventions on the Internet used in forming domain names, for that user to enter, as a corresponding domain name, the Complainant’s mark immediately followed by the word “express” as the latter is a common, well-known term for a delivery service -and concluding with “.com” for a web site associated with such a service and particularly one related to the Complainant. The Respondent, in his Response, has expressly recognized this as well. Rather than reaching the Complainant’s website or one affiliated with the Complainant, as would be expected from entry of the name into a browser, each of those users would instead be directed to the Respondent’s corresponding web site through which that user would be provided with links not only to the Complainant’s shops but also to sites promoting doughnuts from third-parties directly competitive with the Complainant as well as to sites promoting competing fast food substitutes for the Complainant’s doughnuts.

Hence, by appending the generic word “express” to the Complainant’s mark, those users would likely be deceived into thinking that the Respondent’s site and the products and services offered there through were somehow affiliated, related to or sponsored by the Complainant when, in fact, they are not. Thus, the Panel finds that that the disputed domain name here, which contains the term “express”, along with the Complainant’s mark KRISPY KREME tends to aggravate, rather than ameliorate, user confusion and does so to the Respondent’s ultimate benefit. See *Dreamworks* and *MySpace*, cited *supra*.

The Respondent argues that no confusion is likely inasmuch as the Complainant itself does not offer a delivery service for its doughnuts, while the Respondent does. In this Panel’s view, the proper focus in assessing a composite name, that includes a mark, is not limited to considering the name in conjunction with just those specific goods or services which the parties themselves actually offer in the marketplace. Rather, the inquiry encompasses those goods and/or services reflected in that name which Internet users are reasonably likely to think that the owner of the mark would then offer even if, in fact, the owner does not then do so. Users, who enter such a composite name, into their browsers, which also includes a generic term commonly identifying a specific good or service associated with the mark, have good reason to believe that, by doing so, they will reach a website for a legitimate source of that particular branded good or service which they then initially believe is being provided, in some rightful fashion, by or through the owner - even if very shortly thereafter that belief is proven wrong. It is those users, acting upon their initial beliefs, which this Panel seeks to protect from being subjected to confusion intentionally caused by a third-party which seeks to illicitly exploit that confusion for its own ill-gotten benefit. Since the Respondent’s website here has links to sources and products directly competitive with those of the Complainant and, as discussed below, apparently does so to exploit the Complainant’s mark for its own benefit, the Respondent’s argument is quite misplaced.

Therefore, the Panel finds that the disputed domain name is confusingly similar to the Complainant’s marks as to cause confusion; 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, under the circumstances here, would legitimize the Respondent’s claim to the disputed domain name under paragraph 4(c) of the Policy.

The Complainant has never authorized the Respondent to utilize its mark KRISPY KREME in a domain name, nor does the Respondent apparently have any legal relationship, affiliation or association whatsoever with the Complainant through which the Respondent would be allowed to so use the mark. Despite the Respondent’s extended and pointed arguments regarding the longevity of its business relationship with the Complainant, including having cumulatively purchased over USD 300,000.00 of the Complainant’s doughnuts, the record fails to document any instance where the Complainant has ever authorized the Respondent to use the mark. The Respondent even acknowledges that he has no such authorization.

While the Complainant approved and probably even actively encouraged the Respondent to continue to purchase and distribute the Complainant’s doughnuts over a 9+ year period,

through an express delivery service which the Respondent had developed, this approval never extended beyond what appears to have been a simple supply relationship through which the Complainant supplied its doughnuts to the Respondent who, in turn, delivered and ultimately resold those doughnuts to its retail customers. Though the parties seriously attempted to negotiate a more extensive relationship, those negotiations failed and the relationship remained as it had always been.

Consequently, any use to which the Respondent were to put the Complainant's mark KRISPY KREME as part of a domain name - which the Respondent was never authorized to do and expressly admits - through which the Respondent offered identical or similar goods and services to those currently provided by the Complainant, would seem to violate the exclusive trademark rights now residing with the Complainant. See, e.g., *Delta Compression S.R.L. v. Targon Ltd.*, WIPO Case No. D2008-1934 (March 30, 2009); *Unique Brands Enterprises, LLC v. Media Insights, Media Insight*, WIPO Case No. D2008-1749 (January 8, 2009); *MySpace*, cited *supra*; *GoDaddy.com, Inc., v. GoDaddysDomain.com, Clark Signs, Graham Clark*, WIPO Case No. D2007-0303 (May 7, 2007); *Citgo Petroleum Corporation v. Richard Antinore*, WIPO Case No. D2006-1576 (March 14, 2007); *New Destiny Internet Group, LLC and Xplor Media, Inc. v. SouthNetworks*, WIPO Case No. D2005-0884 (October 14, 2005); *Pelmorex Communications Inc. v. weathernetwork*, WIPO Case No. D2004-0898 (December 28, 2004); *Sybase, Inc. v. Analytical Systems*, WIPO Case No. D2004-0360 (June 24, 2004); *Caesars World, Inc. and Park Place Entertainment Corporation v. Japan Nippon*, WIPO Case No. D2003-0615 (September 30, 2003); *Leiner Health Services Corp. v. ESJ Nutritional Products*, NAF Case No. FA 173362 (September 16, 2003); *MPL Communications, Limited et al v. IWebAddress.com*, NAF Case No. FA 97092 (June 4, 2001); *Treeforms, Inc. v. Cayne Industrial Sales, Corp.*, NAF Case No. FA 95856 (December 18, 2000); and *America Online, Inc. v. Xianfeng Fu*, WIPO Case No. D2000-1374 (December 11, 2000).

Further, there is absolutely no evidence of record that the Respondent has ever been commonly known by the disputed domain name. Nor is it likely that the Respondent in this case could ever become so known, in light of the Complainant's trademark rights which date back some 70+ years (since 1934) prior to the date, July 10, 2008, on which the Respondent registered the disputed domain name. In that regard, the Respondent's actual business name has always been and continues to be "Doughnut Man Catering" and never contained the mark "KRISPY KREME". The fact that, from time to time, some of the Respondent's customers, as well as the Respondent itself, may have casually used the mark in referring to his business, rather than solely using its actual business name, is basically irrelevant, apart from having been misuse of the mark and improper, for the simple reason that the Respondent never had the legal right to include that mark in his actual business name.

Hence, based on the evidence before the Panel, the Respondent does not fall within paragraph 4(c)(ii) of the Policy.

Moreover, since the Respondent's use of the disputed domain name, which in this Panel's view infringes the Complainant's trademark rights, cannot constitute a *bona fide* offering of goods or services, the Respondent's conduct does not fall within paragraphs 4(c)(i) or 4(c)(iii) of the Policy either. See, e.g., *Unique Brands*, cited *supra*.

The legitimacy and *bona fides* of the Respondent's delivery and resale business itself over the past 9+ years, a point which the Respondent strenuously argues, is not in question. Rather, the proper question is whether the Respondent has legitimate interests in the disputed domain name itself. The Panel finds that he does not.

Accordingly, the Panel concludes that, in light of the specific facts of record here, the Respondent has no rights or legitimate interests in the disputed domain name within paragraph 4(a)(ii) and 4(c) of the Policy.

C. Registered and Used in Bad Faith

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

It is clear to this Panel that if the Respondent were truly intent on using the disputed domain name solely in conjunction with its delivery services for the Complainant's products and there through complement and enhance Complainant's sales of its products by offering an alternate distribution modality to those presently provided by the Complainant, its franchisees and authorized resellers, then the Respondent would have used the domain name to do just that, i.e., resolve a website which had that goal as its primary, if not sole, focus. The Respondent did not. Instead, the Respondent uses the name to resolve to a site that provides links not only to shops that offer the Complainant's products but also to direct competitors of the Complainant and also to competing substitute fast food products. The Respondent attempts to dismiss the seriousness of this conduct, in a rather cavalier fashion, by pointing to the Complainant's knowledge that its doughnuts were offered, for many years, for sale right alongside those of its competitors as if this knowledge somehow excuses the Respondent's actions. It does not.

At all times since the Respondent founded DMC in July 1999 and through his negotiations in 2008 with the Complainant, the Respondent apparently, at least under the facts of record, never publicly held either himself or DMC out as a merchant handling various different brands of doughnuts, but rather zealously adhered to selling and delivering just one brand of doughnuts over all others: the Complainant's Krispy kreme doughnuts.

By using the disputed domain name, with its incorporation of the Complainant's mark KRISPY KREME, in the manner he now does, the Respondent is obviously and intentionally harming the Complainant's reputation for presumably the Respondent's own benefit. The Respondent intentionally choose to retain possession of the name in spite of: (a) the negotiations between the parties having ended unsuccessfully in 2008, and (b) his own knowledge (by his own admission) that he was not authorized to use the Complainant's mark in a domain name. Rather than relinquishing the name one which the Respondent obviously knew he could not legitimately use without infringing on the Complainant's marks to the Complainant upon its demand, the Respondent proceeded otherwise.

The record before the Panel, particularly the Response, totally fails to indicate why the Respondent is doing so. Consequently, the Panel infers that the Respondent's likely goal is to attain, over time, some illegal advantage, whether pecuniary or otherwise, through the illicit leverage afforded by continued retention of the disputed domain name and the damage its continued use would increasingly cause to the Complainant's reputation.

Eventually, this damage would rise to a level which would extort the Complainant into negotiating and concluding an agreement with the Respondent if, for no other reason, than to ultimately pay the Respondent off to secure transfer of the disputed domain name and put an end to any further reputational injury. See, for example, in an analogous situation, *Citgo Petroleum Corporation v. Richard Antinore*, WIPO Case No. D2006-1576 (March 14, 2007) where transfer of a name containing a complainant's registered mark and used in conjunction with a "gripe site" highly critical of the complainant was ordered as a result of a respondent having demanded a sum of money from the complainant, far in excess of its costs of registration of the name, for the name and ultimately cessation of the site.

Here, were such an agreement hypothetically reached between the parties, then obviously it would have needed to be sufficiently beneficial, whether monetarily or otherwise, to the Respondent as the quid pro quo for ultimately ending further injury to the Complainant. Rather than pursue such an agreement to its own detriment whether financial or otherwise, the Complainant validly exercised its rights under the Policy and filed its Complaint to secure appropriate relief through administrative transfer of the disputed domain name.

The Panel finds that the Respondent's conduct constitutes bad faith use and registration under paragraph 4(b) and hence also under paragraph 4(a)(iii) of the Policy.

Thus, the Panel concludes that the Complainant has provided sufficient proof 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.

D. Reverse Domain Name Hijacking

Since the Panel has found for the Complainant, the Respondent's invitation to the Panel, to assess whether the Complainant's action in filing the Complaint amounted to reverse domain name hijacking, is now moot.

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 disputed domain name, namely <krispykremeexpress.com>, is ordered transferred to the Complainant.

Peter L. Michaelson
Sole Panelist

Dated: April 20, 2009