



## DECISION

Treeforms, Inc. v. Cayne Industrial Sales, Corp.  
Claim Number: FA0010000095856

### **PARTIES**

The Complainant is **Treeforms, Inc.**, Greensboro, NC, USA ("Complainant")  
**represented by Denis E. Jacobson, Esq., Tuggle, Duggins & Meshan, P.A.** The  
Respondent is **Cayne Industrial Sales, Corp.**, Hauppauge, NY, USA ("Respondent").

### **REGISTRAR AND DISPUTED DOMAIN NAME**

The domain name at issue is "**TREEFORMS.COM**" registered with Network Solutions  
("NSI") of Herndon, Virginia.

### **PANELIST**

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 the 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  
*"<http://www.icann.org/services/udrp/udrp-policy-24oct99.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 in effect for cases filed as of  
October 1, 2000 ("Supplemental Rules").

The Complainant submitted a Complaint to the National Arbitration Forum ("The  
Forum") electronically on October 24, 2000. The Forum received a hard copy of the  
Complaint, together with Exhibits A-D, on October 23, 2000.

On November 10, 2000 and in response to a confirmation request from The Forum, NSI confirmed by e-mail to The Forum that the contested domain name "TREEFORMS.COM" is registered with NSI and that the Respondent is the current registrant of the name. NSI also verified that Respondent is bound by the Network Solutions 4.0 registration agreement and has thereby agreed to resolve domain-name disputes brought by third parties in accordance with ICANN's UDRP, and stated that the domain name registration is in an "active" status.

On November 10, 2000, a Notification of Complaint and Commencement of Administrative Proceeding (the "Commencement Notification"), setting a deadline of November 30, 2000 by which the Respondent could file a Response to the Complaint, was transmitted to the Respondent via e-mail, post and fax, to all entities and persons listed on the Respondent's registration as technical, administrative and billing contacts, and to postmaster@treeforms.com by e-mail.

On November 30, 2000, the Respondent filed its response, by facsimile with the Forum. Apparently, the Respondent also filed a confirmation of its response, by facsimile, with the Forum on December 1, 2000. In accordance with Supplemental Rule 7 and on December 6, 2000, the Complainant filed a rebuttal submission, with accompanying Exhibits A-C and a requisite fee, with The Forum.

On December 7, 2000, pursuant to Complainant's request to have the dispute decided by a One Member panel, the Forum appointed Mr. Peter L. Michaelson, Esq. as Panelist.

Thereafter, on December 8, 2000, the Respondent filed a sur-rebuttal submission with The Forum by facsimile. Though this latest submission was filed without fee and outside the 5-day period specified in Supplemental Rule 7, the Panel, in the interests of justice, has accepted and considered this submission.

Based on deadline set forth in paragraph 15 of the Rules, a decision was to be issued by the Panel to The Forum on or before December 21, 2000.

#### **RELIEF SOUGHT**

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

## **PARTIES' CONTENTIONS**

### **A. Complainant**

#### **1. Confusing similarity**

The Complainant contends that the contested domain name is identical to its TREEFORMS mark; hence, satisfying the confusing similarity requirement in paragraph 4(a) of the Policy.

#### **2. Legitimacy**

The Complainant contends, that the Respondent has no legitimate interest in the contested domain name.

Specifically, the Complainant notes that the Respondent is a competitor of the Complainant.

The Complainant states that, in conjunction with its "TREEFORMS" mark, it manufactures and distributes lockers, interior wood sign frames, contemporary solid wood furniture and locker room accessories or services. In that regard, the Complainant alleges that the Respondent distributes lockers, which compete with those of the Complainant, and that the Respondent is aware that the name "TREEFORMS" is well recognized in the locker industry.

The Complainant alleges that the Respondent has not used the name "TREEFORMS" in connection with any aspect of its business in the past.

Furthermore, in view of the Respondent's position, as indicated below, that it intends to use the contested domain name in connection with a business directed to interior and exterior architectural landscapes, the Complainant contends that the Respondent is not involved in that business, has never been in that business and has not substantiated its claim that it is entering that business.

Hence, the Complainant concludes that the Respondent cannot demonstrate any rights or legitimate interests in the contested domain name pursuant to paragraph 4(a) of the Policy.

#### **3. Bad Faith**

The Complainant contends that the Respondent registered the contested domain name in bad faith.

Specifically, the Complainant states that that the Respondent has registered the contested domain name to prevent the Complainant from using that name, to confuse the public, to

attempt to benefit from the Complainant's name recognition in the locker industry, and/or to benefit by holding the contested domain name for sale.

In that regard and in its rebuttal submission, the Complainant states that, inasmuch as the Respondent competes with the Complainant, Internet visitors, who ostensibly seek information about the Complainant's goods and would likely visit a web site addressed by the contested domain name, would receive information on the Respondent. Even if the Respondent's activities, as indicated on that site, were directed to interior and architectural landscape services, the Complainant contends that this site could easily be used for other aspects of the Respondent's business by simply directing potential customers to click to view other services which are provided by the Respondent.

Furthermore, in its rebuttal submission, the Complainant disputes the Respondent's claim that the Respondent was not interested in selling the contested domain name. Specifically, the Complainant points to a letter from the Respondent dated September 5, 2000 (a copy of which appears in Exhibit C to the rebuttal submission) to the Complainant's counsel through which the Respondent invited the Complainant's counsel to submit, to the Respondent and on behalf of the Complainant, an offer for purchase of the contested domain name.

Therefore, the Complainant concludes that the Respondent's conduct amounts to bad faith under paragraph 4(a) of the Policy.

## B. Respondent

### 1. Confusing similarity

The Respondent does not dispute the Complainant's contention that the contested domain name and the Complainant's mark are confusingly similar.

### 2. Legitimacy

In contrast to the Complainant's position, the Respondent states that it has registered the contested domain name for use, with a family member, in conjunction with a future business directed to interior and exterior architectural landscapes.

The Respondent, in its sur-rebuttal submission, notes that its current product line does include lockers and interior landscape items such as partitions, desks, chairs, mezzanines, stairways, chrome shelving, air flotation equipment, movable filing systems, cart systems and "floating" air walls. In that submission, the Respondent notes that it sells its products to architects, interior designer firms, public/private institutions and governmental agencies.

### 3. Bad Faith

The Respondent states that, while it does recognize that the Complainant has a trademark on the term "TREEFORMS" for lockers, the Respondent has not used the contested domain name "within the locker industry".

Furthermore, the Respondent states that it has not solicited the sale of the contested domain name within the locker industry and has refused all negotiations initiated by others within that industry based on its "future use" of the contested domain name.

In its sur-rebuttal submission, the Respondent stated that its solicitation of the offer for purchase of the contested domain name was only made to the Complainant's counsel in response to a written request, dated August 30, 2000 made by that counsel to the Respondent, to release the contested domain name.

### **FINDINGS**

Upon consideration of the record before it, the Panel makes the following findings.

The Complainant, Treeforms, Inc., owns a currently valid and subsisting U.S. trademark registration for the mark "TREEFORMS"; a copy of the registration as issued by the US Patent and Trademark Office (US PTO) has been provided in Exhibits B and C to the Complaint, with the salient details as follows:

mark: TREEFORMS (block letters)

US registration 1,142,571; registered December 9, 1980

This trademark was registered for use in connection with: "Wooden Panels", in international class 19. This mark claims first use and first use in inter-state commerce of May 1978.

This mark has become incontestable by virtue of a declaration of continued use and incontestability made under §§ 8 and 15, respectively, of the Lanham Act (15 USC §§ 1058 and 1064, respectively) dated December 4, 1986 and accepted by the US PTO in a notice mailed on April 27, 1987. Copies of this declaration and its official notice of acceptance respectively appear in Exhibits D and A to the Complaint. Inasmuch as this registration would expire on December 9, 2000, a declaration, under §§ 8 and 9 of the Lanham Act (15 USC 1058 and 1059, respectively) to renew this registration was executed by the Complainant on November 21, 2000 and, together with an accompanying specimen of use, presumably timely filed with the US PTO (a copy of the declaration and the specimen collectively appears in Exhibit B of the Complainant's rebuttal submission). The specimen, which appears to be a product catalog, may be inadequate under current PTO regulations to properly show use of the mark on or in conjunction with the goods specified in the registration, i.e. "wooden panels". Inasmuch as this deficiency is generally easily remedied through submission of substitute specimens, the Panel accepts,

for purposes of the present proceeding, the signed declaration itself as evidencing that this mark is still in use by the Complainant.

The Complainant manufactures and distributes lockers, interior wood sign frames, solid wood furniture and locker room accessories. The Respondent competes with the Complainant, at least insofar as lockers are concerned.

Nothing appears in the record before this Panel to indicate that a relationship or affiliation of any sort, other than being competitors, exists between the Complainant and the Respondent.

As supplied by The Forum to the Panel, the WHOIS registration record from NSI, as well as the confirmation information provided to The Forum, indicates that the Respondent is the current owner of the contested domain name. According to this record, the contested domain name was registered by the Respondent at least as early as September 15, 1999.

No evidence has been adduced by the Respondent that it is currently using the contested domain name as the address of a web site through which it offers any of its goods or services, regardless of whether those goods compete with the Complainant or not. Moreover, nothing in the record before the Panel indicates that the Respondent has taken any concrete steps, subsequent to registering the contested domain name and before receiving notice of this dispute, towards constructing and deploying an operational web site addressable by that name.

When the contested domain name is entered into a browser for access, as the Panel has done, a web page is returned from the web site hostmaster, as specified in the registration record, i.e. Verio Inc., which indicates that the site [www.treeforms.com](http://www.treeforms.com) is currently under construction. This page also includes banner advertisements for services rendered by Verio Inc. including domain name registration, and web site design, construction and hosting. Hence, the Panel finds that the domain name is not currently being used by the Respondent, and, at this time, any such use is only an expectancy.

Through its letter of September 5, 2000 to the Complainant's counsel, the Respondent did solicit an offer from the Complainant to purchase the contested domain name; though no such offer resulted.

## **DISCUSSION**

Paragraph 4(a) of the ICANN Uniform Domain Name Dispute Policy (“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:

(1) the domain name registered by the Respondent is identical or confusingly similar to a trademark or service mark in which the Complainant has rights;

- (2) the Respondent has no rights or legitimate interests in respect of the domain name; and
- (3) the domain name has been registered and is being used in bad faith.

#### A. Identical/ Confusing Similarity

Even though the Respondent did not dispute this issue, the Panel makes the following specific findings.

No doubt exists whatsoever that, for all practical purposes, the contested domain name is identical to the "TREEFORMS" mark. The sole difference between the contested domain name and the registered "TREEFORMS" mark is simply the inclusion of a generic top-level domain (.com) in the former. This difference is so de minimus as to be inadequate to preclude any confusion from occurring. *See, e.g., MSNBC Cable, LLC v. Tsys.com* D2000-1204 (WIPO November 28, 2000), *ViewSonic Corporation v. Informer Associates, Inc.* D2000-0852 (WIPO September 6, 2000) and *Lana Marks, Ltd., Inc. v. SYP Web* D2000-0304 (WIPO June 23, 2000).

In that regard, it is beyond question that confusion would likely arise when and if the Respondent, or any third-party not affiliated with the Complainant to which the Respondent were to transfer the contested domain name, or were to start using the contested domain name in conjunction with goods and/or services similar to those of the Complainant.

Such confusion, should it occur, would undoubtedly cause Internet users intending to access the Complainant's website, but who reach a website through the contested domain name, to think that an affiliation of some sort exists between the Complainant and the Respondent or its third-party transferee, when, in fact, no such relationship would exist at all. *See The Pep Boys Manny, Moe and Jack of California v. E-Commerce Today, Ltd.* AF-0145 (eResolution May 3, 2000).

#### B. Rights or Legitimate Interests

Based on its federal trademark registration, the Complainant has acquired exclusive rights to use its "TREEFORM" mark. Furthermore, by virtue of the registration of this mark, the US PTO has implicitly recognized that this mark has acquired appropriate secondary meaning in the marketplace.

The Respondent has yet to provide any basis that would legitimize any claim it has to the contested domain name. In fact, it is extremely unlikely that the Respondent can even make such a claim.

The simple reason is that the contested domain name includes the Complainant's "TREEFORMS" mark under which it distributes its goods, and has been doing so for some time, at least since 1978 as the first use date claimed in its registration. Apparently,

the Complainant has never authorized the Respondent to utilize its registered mark, nor does the Complainant appear to have any relationship or association whatsoever with the Respondent. Hence, any use to which the Respondent were to put to the "TREEFORMS" mark in connection with at least the specific goods listed in the corresponding trademark registration would directly violate the exclusive trademark rights now residing in the Complainant.

In that regard, although "wooden panels" are the only goods listed in the Complainant's registration, the Panel recognizes that the Complainant's trademark rights in its mark are not so limited. In view of the long and continuous use (over 20 years) to which the Complainant has put to its mark and that its use extends to related items, specifically lockers (which the Respondent admits is one of its current products), partitions, and locker accessories -- all as indicated in the product catalog which the Complainant has provided in connection with its renewal application, the Panel believes that the Complainant has extended its trademark rights to use of its mark in connection with all of these products, either through common law protection (actionable under § 43(a) of the Lanham Act, i.e. 15 USC 43(a)), and/or by virtue of having "bridged the gap" through which courts are likely to enlarge the description of goods set forth in a federal registration to encompass reasonable product extensions which, in the absence of such enlargements, would engender confusion as to source of the products. See, e.g. *Centaur Communications, Limited v. A/S/M Communications, Inc.* 4 U.S.P.Q.2d 1541, 1549 (CA2 1987); *Lois Sportswear, U.S.A., Inc. et al v. Levi Strauss & Co.* 230 U.S.P.Q. 831, 836 (CA2 1986); *Scarves by Vera, Inc. v. Todo Imports Ltd. (Inc.)* 192 USPQ 289, 295 (CA2 1976) and *Polaroid Corp. v. Polarad Electronics Corp.* 128 U.S.P.Q. 411, 413 (CA2 1961).

In light of the above findings, the Panel is not persuaded that the Respondent has any or, based on current facts provided to the Panel, is likely to acquire any legitimate rights in the contested domain name, whether on a commercial or non-commercial basis.

Furthermore, the Panel is cognizant of the heavy burden that would be placed on complainants if in support of their cases on illegitimacy each of those complainants were to be impressed with a burden of providing detailed proof of any lack of rights or legitimate interests on behalf of their respondents. Such a burden is particularly problematic given that the underlying facts more than not are in exclusive or near exclusive possession and control of the respondents, particularly if they have not in fact made publicly discernible use. As such, the Panel believes that where allegations of illegitimacy are made, particularly as here, when coupled with conduct of respondents that evidences bad faith, it is quite reasonable to shift the burden of proof to each such respondent to adequately show that its use of the contested domain name is legitimate, such as by showing that, in conjunction with the contested domain name, it is making a bona fide commercial offering of goods or services or preparations for such offerings, or non-commercial or fair use. See *Playboy Enterprises International, Inc. v. Hector Rodriguez* D2000-1016 (WIPO November 7, 2000).

In instances as here, where a respondent has not yet used the contested domain name, the burden becomes one of showing, consistent with paragraph 4(c)(1) of the Policy, that, prior to its receipt of any notice of a dispute concerning that name, the respondent has made or is making demonstrable preparations to construct a web site addressable by that name. *See Casual Corner Group Inc. v. Neil Young* FA 0007000095112 (Nat. Arb. Forum August 7, 2000) where a delay of 10 months in developing a site was viewed by the panel as being too short to signify a lack of bona fide intent to actually use the name. *Compare Wine Biscuits v. Brown* D2000-0004 (WIPO February 16, 2000) where the panel held that a failure to develop a site in two years raised an inference of a lack of such an intent.

Granted, in instances where a respondent has not begun its use of a contested domain name, the period of time that constitutes reasonable and excusable delay is highly factually dependent and will greatly depend on the nature of the actions, i.e. demonstrable preparations, actually undertaken by the respondent during that time aimed at effectuating use of the name for an operational web site and ultimately deploying that site. Delay in and of itself does not necessarily negate the existence of demonstrable preparations.

Realistic practicalities, inherent in business planning and execution in general and web site development in particular, mandate against setting a single sharp, fixed period of time, such as, e.g., two months, six months and the like, that is applicable to each and every situation. What constitutes justifiable delay in any factual scenario is assessed against the nature of the exact actions which the respondent has taken during that time that are proffered as being "demonstrable preparations".

Given the present situation now facing this Panel, it is beyond question that the Respondent's conduct falls short of meeting this burden. There simply is no proof whatsoever of any usage of the contested domain name since at least September 15, 1999 (over fifteen months ago) and no evidence whatsoever of any activities having been undertaken by the Respondent between that date and the present that are calculated to result in deployment of an operational web site addressed by that name.

Hence, the Panel can only view that the Respondent, despite its statements to the contrary, has no intent to actually and legitimately utilize the contested domain name to provide a bona-fide offering of goods or services, or a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the Complainant's trademark.

Thus, the Panel finds that use of the contested domain name by the Respondent is illegitimate within paragraph 4(a)(ii) of the Policy.

### C. Registration and Use in Bad Faith

Registration of a domain name coupled with subsequent retention of that name by a competitor without any use of that name over an extended period of time can evince bad

faith registration. Given the Respondent's inactivity toward the contested domain name for a 15-month period and its total lack, as discussed above, of undertaking any demonstrable preparations during that time to utilize the name in an operational web site, the Panel believes that the Respondent registered the contested domain name in bad faith, i.e. without a bona fide intent to make a good faith use. See, e.g., *Sanrio Company, Ltd. and Sanrio Inc. v. DLI* D2000-0159 (WIPO April 20, 2000) and *Mondich et al v. Brown d/b/a Big Daddy's Antiques* D2000-0004 (WIPO February 16, 2000).

Furthermore, the Panel is not persuaded that the Respondent chose "TREEFORMS.COM", which contains the Complainant's registered mark "TREEFORMS", for any reason other than to eventually sell this particular name to its competitor, the Complainant, for a sum in excess of the Respondent's direct costs of registration.

If the Respondent had no intention of selling the name or had merely intended to recover its direct costs of registration, then one could very well ask why would the Respondent, in its September 5, 2000 letter, solicit an offer from the Complainant for purchase of this domain name. Clearly, such altruistic motivation lacks credibility. People do not expend their efforts and solicit offers from others unless their goal, simply put, is an expectation of receiving an adequate reward, i.e., sufficient profit, as evidently the Respondent did here.

Contrary to the Respondent's position, the Panel is unconcerned as to whether a respondent acted independently in providing an offer to a complainant or, as here, provoked the complainant to submit an offer. What matters is intent: did the respondent, through its actions, manifest an overt intent to sell the domain name to the complainant, trademark owner, for consideration in excess of the respondent's direct costs of registration? Here, the Respondent did. Moreover, the Panel is unconcerned that the solicitation did not elicit a specific-dollar offer inasmuch as it is eminently reasonable for the Panel to infer, particularly when the record fails to indicate otherwise, that the Respondent clearly sought a sum that exceeded its costs; otherwise, why would it solicit an offer in the first place. In such situations where the respondent's motivation is at issue and only it can provide sufficient justification, it again seems reasonable to this Panel to shift the burden to the respondent to show that, through soliciting or making an offer, it only sought to recoup its direct costs of registration and nothing more. Here, the Respondent has offered no such proof.

Hence, the Panel finds that the Complainant has shown a sufficient basis to establish bad faith under paragraphs 4(a)(iii) of the Policy.

In this connection the Panel notes that in its opinion, the Respondent's actions in registering and now retaining the contested domain name also evince bad faith in violation of the Anti-Cybersquatting provisions of the Lanham Act (15 USC § 1125(d)(1) with various factors indicative of 'bad faith' given in 15 USC § 1125(d)(1)(B)(i) though limited by 15 USC § 1125(d)(1)(B)(ii).

Thus, the Panel concludes that the Complainant has provided sufficient proof of its allegations for all elements under paragraph 4(a) of the Policy so as to establish a prima facie case 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 the Complainant is hereby granted. The contested domain name, "TREEFORMS.COM", is ordered transferred to the Complainant.

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Peter L. Michaelson, Esq., Panelist  
Dated: December 18, 2000