

ADMINISTRATIVE PANEL DECISION

Cofra Holding AG v. Mr Obada Alzatari
Case No. D2014-1709

1. The Parties

The Complainant is Cofra Holding AG of Zug, Switzerland, represented by Kennedy Van der Laan, Netherlands.

The Respondent is Mr Obada Alzatari of Jerusalem, Israel, represented by Muscovitch & Associates, Canada.

2. The Domain Name and Registrar

The disputed domain name <c-a.com> is registered with GoDaddy.com, LLC (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on October 1, 2014. On the same day, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. Later that day, the Registrar transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details.

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

In accordance with the Rules, paragraphs 2(a) and 4(a), the Center formally notified the Respondent of the Complaint, and the proceedings commenced October 7, 2014. In accordance with the Rules, paragraph 5(a), the due date for Response October 27, 2014. The Response was timely filed with the Center on October 27, 2014.

The Center appointed Peter L. Michaelson, Flip Jan Claude Petillion and The Hon Neil Brown Q.C. as panelists in this matter on November 18, 2014. The Panel finds that it was properly constituted. Each member of the Panel has submitted the Statement of Acceptance and Declaration of Impartiality and

Independence, as required by the Center to ensure compliance with the Rules, paragraph 7.

4. Factual Background

As reflected in the registration record for the disputed domain name in the Registrar's Whois database (a copy of that record appears in Annex 1 to the Complaint), the disputed domain name was created on December 27, 2001 and is set to expire on December 27, 2020. The Respondent acquired the disputed domain name on January 31, 2014.

A. The Complainant's C&A Marks

As indicated in the Complaint, the Complainant owns over 90 trademark registrations in various countries around the world, including the United States of America ("United States"), Benelux, Germany, France, the European Community, Turkey, China, Brazil, Mexico and Israel for goods, including clothing, and services in international classes 9, 18, 24, 25 and 35. The Complainant has provided a list of its registrations in the Complaint and copies of its registration certificates in Annex 3 to the Complaint. Generally, these marks are for: (a) the characters "CA" or "C&A" in block letters; (b) the letters "C&A" set against an oval-shaped background having an outer oval-shaped annulus with an undulating outer border; or (c) the oval-shaped background with an undulating outer surface having the superimposed lettering "C&A" but without the annulus. The following is a small representative sample of its registrations:

1. C&A (block letters)
CTM registration no.: 0028040965
registered: November 24, 2003

This mark is registered for use in connection with: "Commercial retailing and online retail services related to clothing, footwear and headgear; textile fabrics and textile materials; sporting goods, games and playthings; leather goods, bags, umbrellas and parasols; paper, cardboard and goods made from these materials; jewelry and articles made from precious metals; clocks and chronometric instruments; optical instruments and spectacles; toiletries, soaps, cosmetics and beauty products" all in international class 35; "Services for providing food and drink" in international class 43; and "Hire of clothing" in international class 45.

2. CA (block letters)
CTM registration no.: 004729703
registered: September 22, 2006

This mark is registered for use in connection with: "Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewelry, precious stones; horological and chronometric instruments" in international class 14; "Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery" in international class 18; and "Clothing, footwear, headgear" in international class 25.

3. C&A (stylized)
Israel registration no.: 467,976
registered: September 7, 1982

This mark is registered for use in connection with: "clothing, including boots, shoes and slippers".

4. C&A (stylized)
United States registration no.: 3,676,497
registered: September 1, 2009

This mark is registered for use in connection with: "retail store and online store services featuring clothing

and related goods” in international class 35.

B. The Complainant

In 1841, Clemens and August Brenninkmeijer opened a general merchandise store under the name “C&A Brenninkmeijer” at Sneek, the Netherlands. Since then, the Complainant (and its predecessors) has continually operated and expanded its retail operations to now include close to 2,000 stores in 24 countries, with over 60,000 employees. As a result, the Complainant has become a leading worldwide fashion retailer. Throughout Europe, the Complainant operates more than 1,575 stores with more than 33,500 employees. Approximately 2 million people visit its stores on a daily basis. With 500 stores, Germany represents the Complainant’s largest market, followed by the Netherlands, Austria, Belgium, Spain and France. The Complainant also operates stores in the Czech Republic, Hungary, Luxemburg, Russia, Slovakia, Slovenia and Turkey and recently opened its stores in Italy, Romania, Croatia, Serbia and Denmark. In 2013, the Complainant launched three flagship store openings, in Düsseldorf, Paris and Madrid. (see Annex 4 to the Complaint).

The Complainant has received numerous prizes awarded by independent consumer surveys, organizations and associations. For example, in 2010, the readers of *Reader’s Digest* voted the Complainant to be the most trusted clothing brand in both Germany and Belgium. In the Netherlands, the Complainant was awarded in 2009 the “Best Retailer Men’s Fashion” prize for retailers awarded by consumers. In Austria, readers of *Reader’s Digest* chose the Complainant as their most trusted brand. (see Annex 5 to the Complaint).

Since 1998, the Complainant sells clothing online in its European market through its C&A brand via its website at <c-and-a.com>. The Complainant also operates corresponding websites for its Brazilian, Mexican and Chinese markets.

The Complainant places its C&A Marks on virtually each of the products sourced, sold and marketed by the Complainant or on its packaging. The Complainant also places its marks on the signage of all its stores and virtually all its advertisements, promotional materials, shopping bags, catalogs and invoices for all the products and services it sells.

C. The Respondent and its actions

The Respondent is a professional pharmacist who resides in Jerusalem, Israel. On a part-time basis since 2008, the Respondent is also a domain name broker who buys and sells generic domain names. Respondent claims to be particularly interested in registering two letter domain names separated by a hyphen for the reason that two-letter domain names without a hyphen are mostly in use and are not for sale, or are too expensive due to their scarcity and appeal. (see declaration of Obada Alzatari appearing in Annex O to the Response).

Though the disputed domain name was originally registered in 2001, the Respondent purchased the disputed domain name on January 31, 2014, for USD 3,000 (a copy of a receipt from Escrow.com evidencing payment for purchase of the name appears in Annex Q to the Response).

The disputed domain name resolves to a parking page containing sponsored links. The page states that the disputed domain name is for sale by the Respondent for USD 340,000.

D. Interactions between the parties

On February 13, 2014, the Respondent sent an email (a copy of which appears in Annex 17 to the Complaint) to the Complainant’s European online business, C&A Online GmbH. In that message, the Respondent stated:

“Since you are using the domain name (c-and-a.com) which is a seven characters domain, it would be a fantastic opportunity and a once in life chance for you to own a three characters domain name (c-a.com) which can be a shorter address for you. It would be a very prestigious to you to own a rare, short, and easy to remember brand-able domain name like many other enterprises, recently Facebook.com acquired (FB.com) domain name only for \$8 million!”

The Respondent then offered to sell the disputed domain name to the Complainant for “a premium price in the six figures range only”.

On May 5, 2014, the Complainant responded, through email (a copy of which appears in Annex 18 to the Complaint), by requesting the Respondent to provide its “best realistic price” for the disputed domain name.

Thereafter, on May 6, 2014, the Respondent answered by email (a copy of the message appears in Annex 19 to the Complaint) stating that the asking price is USD 280,000 reduced from USD 340,000.

The Complainant did not respond to the Respondent’s May 6th message.

5. Parties’ Contentions

A. Complainant

(i) Identical or Confusingly Similar

The Complainant contends that the disputed domain name is confusing similar to the Complainant’s mark C&A simply because the disputed domain name incorporates that mark but with a hyphen being substituted for the ampersand in the mark, while the “.com” generic Top-Level Domain (“gTLD”) is ignored for the purposes of assessing identity or confusing similarity.

The Complainant further states that an ampersand is an invalid character in a domain name and, as such, for the purpose of assessing confusing similarity, the substitution of a dash for the ampersand should be ignored.

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 also contends, for any of several reasons, 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 acquired the disputed domain name solely to re-sell it to the Complainant, as the owner of marks nearly identical to the disputed domain name, and has parked the disputed domain name until the Respondent succeeds in doing so. The Respondent further benefits from the click-through revenue it receives from the links on the parking page to which the disputed domain name currently resolves. The page further states that the disputed domain name is for sale. Such a use, given the circumstances of this case through which the Respondent is infringing the Complainant’s C&A Marks, does not constitute a right or legitimate interest in the disputed domain name, specifically, for example, is not a *bona fide* commercial use, or either a fair use or noncommercial use under paragraphs 4(c)(i)-(iii) of the Policy.

Further, the Respondent is not known by or in connection with the disputed domain name or has ever been engaged in any business or any other organization related to that name.

In addition, the Respondent is not a licensee of Complainant nor has it been granted permission from the Complainant to use any of the Complainant’s C&A Marks or any other mark which is either identical or

similar to any of the Complainant's marks.

(iii) Registered and Used in Bad Faith

The Complainant also contends that the Respondent has registered and is using the disputed domain name in bad faith pursuant to paragraph 4(a)(iii) of the Policy.

Specifically, the Complainant alleges that the Respondent acquired the disputed domain name for the purpose of reselling it at a price (initially USD 340,000 thought later reduced to USD 280,000) that far exceeds the out-of-pocket costs of registration and hence would yield a significant profit at the Complainant's expense.

In that regard, the Respondent acquired the disputed domain name in 2014. Given the considerable reputation and substantial worldwide recognition which the Complainant's C&A Marks have acquired since the first such mark was registered in 1925, and the very similar, nearly identical, nature of the disputed domain name to the those marks, the Respondent had to have been aware of the Complainant and its marks when the Respondent acquired the disputed domain name. Based on that knowledge, the Respondent intentionally acquired the disputed domain name to specifically resell it to the Complainant by exploiting the Complainant's goodwill and reputation – which, if the effort succeeded, would yield a considerable profit to the Respondent. Shortly after the Respondent acquired the disputed domain name, it contacted the Complainant and began its attempt to resell the disputed domain name ultimately offering the disputed domain name to the Complainant for USD 280,000.

The Respondent's actions in registering and then offering the disputed domain name for sale constitute bad faith use and registration under paragraph 4(b)(i) of the Policy.

B. Respondent

(i) Identical or Confusingly Similar

Contrary to the Complainant's position, the Respondent contends that the disputed domain name is not confusingly similar to the Complainant's mark C&A.

Specifically, the Respondent states that although the difference between the two, *i.e.*, the substitution of a hyphen for a dash, is a small difference, nevertheless it suffices to dissuade confusion as the hyphen creates a different look and impression for the disputed domain name relative to the mark. Furthermore, the terms "C-A" and "CA" are generic with various different meanings as either an acronym or an abbreviation, the latter illustrated by the term "CA" being a well-known abbreviation for the state of California.

(ii) Rights or Legitimate Interests

The Respondent further contends that it has rights and legitimate interests in the disputed domain name.

Specifically, the Respondent alleges that, since the term "C-A" is a generic term, here composed of two common English letters, the first person to register it in good faith is entitled to the name. Further, though the Respondent has used the disputed domain name to address a parking page, nevertheless as the disputed domain name itself is generic, then the act itself of trading in the disputed domain name, *i.e.*, offering it for sale, is itself a legitimate use and hence reflects the Respondent's legitimate interest in the disputed domain name.

(iii) Registered and Used in Bad Faith

The Respondent also contends that it has not registered and used the disputed domain name in bad faith.

Specifically, the Respondent states that the disputed domain name appealed to him as a short, scarce

acronym with geographic significance specifically with respect to the state of California. The Respondent believed that a future purchaser of the disputed name would likely be someone from California as the disputed domain name incorporated that well-known abbreviation, "CA", for the state name. (Alzatari declaration, cited *infra*).

The Respondent never heard of the Complainant when he acquired the disputed domain name inasmuch as the letters "C-A" could have multiple uses and was too dissimilar to the Complainant's C&A brand. Further, the Respondent lives in Israel, a country where the Complainant has no stores, and, as such, would have no reason to "have even heard of the Complainant whose business is limited to only certain countries". As such, the Respondent, having no prior knowledge of the Complainant or its marks, had no intention whatsoever to exploit the Complainant or those marks when the Respondent acquired the disputed domain name, thus reflecting its good faith acquisition (registration) of the disputed domain name. Moreover, the Respondent contends that the Complainant cannot point to any evidence which suggests that the Respondent was aware of the Complainant or its marks prior to the time the Respondent registered the disputed domain name. (Response at paragraph 45).

Furthermore, the Respondent's attempt to sell a generic domain name, absent any intention to exploit the Complainant's goodwill, is not bad faith use.

Accordingly, the Complainant has failed to prove bad faith under paragraph 4(a)(iii) of the Policy.

6. Discussion and Findings

A. Identical or Confusingly Similar

The Panel finds that the disputed domain name is confusingly similar to the Complainant's C&A Marks.

From a simple comparison of the disputed domain name to the Complainant's mark C&A, no doubt exists that the disputed domain name is confusingly similar to the Complainant's marks. The primary difference between the disputed domain name and the mark C&A is the substitution of a hyphen in the disputed domain name for the ampersand in the mark along with, secondarily, appending the generic Top-Level Domain (gTLD ".com" to that term to form the disputed domain name, with the last addition being irrelevant in assessing confusing similarity or identity under paragraph 4(a)(i) of the Policy and thus ignored.

It has often been expressed in UDRP decisions that a minor variation, such as adding a short letter or number group including a generic or highly descriptive word, substituting one punctuation mark for another or adding a punctuation mark, 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, changing the ampersand to a hyphen, in the manner which the Respondent specifically did, to the mark C&A clearly resulted in such a minor variation. See, e.g., *Forideas Pty Limited v. Movember Organization*, WIPO Case No. D2013-1385; *AlgaeCal Inc. v. AlgaeCal Fraud*, WIPO Case No. D2013-1248; *General Motors LLC v. Carol Schadt*, WIPO Case No. D2012-2106; *National Westminster Bank plc v. Steve Mart*, WIPO Case No. D2012-1711; *Tommy Bahama Group, Inc. v. Berno Group International*, WIPO Case No. D2012-0531; *National Association of Realtors v. Hammerberg & Associates, Inc.*, WIPO Case No. D2012-0075; *Space Needle LLC v. Erik Olson*, WIPO Case No. D2011-0931; *Oakley, Inc. v. Kate Elsberry, Elsberry Castro*, WIPO Case No. D2009-1286; *Clearwire Legacy, LLC v. Leon Ganesh*, WIPO Case No. D2010-0148; *Burberry Limited v. Domain Admin*, WIPO Case No. D2009-0703; *Krispy Kreme Doughnuts, Inc. v. John Sharp*, WIPO Case No. D2009-0099; *MasterCard International Incorporated v. Global Prepaid*, WIPO Case No. D2008-2008; and *HRB Innovations Inc., Express Tax Service Inc. v. Calvin Brown*, WIPO Case No. D2008-1072.

Further, an ampersand, as Complainant correctly notes, is an invalid character in a domain name. A domain name must start with a letter or digit, end with a letter or digit, and have as interior characters only letters, digits, and hyphen (see RFC 1035 and RFC 1123 of the Internet Engineering Task Force). Consequently, it

stands to reason that a domain owner, as here, would readily use another character or punctuation mark instead if it wanted to preserve whatever connotation the mark had. A hyphen is the most logical substitute using Internet naming grammar/conventions, and probably the only one that makes any sense to users by not changing the connotation conveyed by the name.

The Respondent repeatedly argues that the terms “C-A” and “CA” are generic. Yet, the Respondent has provided no proof that either term is generic nor, as the Panel suspects, can it, based on the evidence of record, particularly in view of the Respondent having illustrated, in its Response (paragraph 9) that each of the terms has various alternate meanings thus directly contradicting any reasonable basis that either mark has become generic. In that regard, there is no indication in the record that the Internet user community understands either of the terms “C-A” or “CA” to have one predominate commonly-understood meaning as would be the case with a generic term, *i.e.*, that the term has lost all its trademark significance. A non-generic term can have several different connotations any of which may be fully protectable as a trademark depending on how that term is used. Here, the Complainant uses a minor variant of the terms “CA” or “C-A”, specifically C&A, as the bases of all its Marks, *i.e.*, its brand identifier in connection with its goods and services, and thus has exclusivity over that particular use to prevent a likelihood of consumer confusion occurring in the marketplace.

Further, the Respondent contends that the term “C-A” is likely to be perceived in some fashion as being associated with the name of the state of California (which is commonly abbreviated as “CA”). The Panel does not accept this contention. In the Panel’s view, the inclusion of a hyphen in the disputed domain name, as the Respondent has done here, implies to Internet users that the two letters “C” and “A” do not connote one common term (*e.g.*, California) but rather two separate words or terms that have been joined together by the hyphen, even if as here the specific words themselves have long since lost their public recognition or significance (“C” and “A” happen to be the initials of the first names of the two founders of the Complainant’s stores: Clemens and August Brenninkmeijer).

Therefore, the Panel finds that the disputed domain name is confusingly similar to the Complainant’s C&A marks. Hence, the Complainant has satisfied its burden under paragraph 4(a)(i) of the Policy.

B. Rights or Legitimate Interests

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

Specifically, the Complainant has never authorized the Respondent to utilize any of its C&A Marks, nor does the Complainant apparently have any relationship or association whatsoever with the Respondent. Given the exclusive trademark rights that reside in the Complainant, the Respondent could not legitimately acquire any public association between himself and the mark C&A or even any mark similar thereto, at least for the goods and services provided by the Complainant under its marks.

Further, there is absolutely no evidence of record that the Respondent has ever been commonly known by the disputed domain name or more generally the mark C&A. Nor could the Respondent likely ever become commonly known by either the disputed domain name or the mark, at least with respect to the goods and services provided by the Complainant, without infringing on the exclusive trademark rights of the Complainant. This is so in light of the Complainant’s exclusive trademark rights which date back to 1925. Needless to say, these rights and the Complainant’s reputation substantially predate January 31, 2014, when the Respondent acquired (registered) the disputed domain name. See, *e.g.*, *Forideas, National Westminster, Tommy Bahama, Space Needle, Oakley, Burberry*, all cited *supra*; and *General Motors LLC v. Carol Schadt*, WIPO Case No. D2012-2106. Hence, the Respondent does not fall within paragraph 4(c)(ii) of the Policy.

The Respondent argues (Response, paragraph 38) that it has legitimate interests in the disputed domain name by virtue of its trading in the disputed domain name itself, *i.e.*, offering what it believes to be a generic

name for sale. For a *bona fide* offering of goods or services to exist under paragraph 4(c)(i) of the Policy, the Respondent's possession of those goods or services, in this case the disputed domain name itself, must be legitimate in the first instance. If the Respondent has no rights in the disputed domain name – which is the case here, then its subsequent action in offering the disputed domain name for resale does not convert its illegitimate possession into a legitimate one. If that were not the case, then anyone who illicitly possesses a domain name could have legitimate rights spring up in the name simply by offering it for sale. That makes no sense and would defeat the purpose of paragraph 4(c)(i).

Lastly, the Respondent's use of the disputed domain name to address a parking page comprised of sponsored links does not constitute either a legitimate noncommercial or fair use within the ambit of paragraph 4(c)(iii) of the Policy.

Accordingly, based on the evidence presently before the Panel, the Respondent does not fall within any of paragraphs 4(c) of the Policy. Indeed, the evidence is to the contrary. Pivotal to this decision is the fact that the Respondent acquired the disputed domain name on January 31, 2014, and made his first overture to the Complainant to buy it, at "a premium price in the six figures range only", as early as February 13, 2014. The Panel is entitled to draw all reasonable inferences from the evidence and the only inference that can be drawn from the evidence just cited is that the Respondent probably bought the disputed domain name because he realized it was confusingly similar to the Complainant's well known trademark and that he could see an opportunity for making some substantial money from trading on that similarity. That situation cannot, on any meaning given to the words of the Policy, give rise to a right or legitimate interest in the disputed domain name.

Also, there is simply no evidence that the Respondent has acquired, through any other means, any rights or legitimate interests in the disputed domain name.

Accordingly, the Panel concludes that the Respondent has no rights or legitimate interests in the disputed domain name within paragraph 4(a)(ii) 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.

Given the Complainant's worldwide recognition, the Panel finds the Respondent's argument unpersuasive that it had no knowledge of the Complainant when it acquired the disputed domain name and only later decided to solicit the Complainant to purchase the disputed domain name at a price starting at USD 340,000 – which vastly exceeds any likely out-of-pocket costs of the original registration of the disputed domain name. Given the Complainant's showing of its reputation and worldwide recognition of its C&A Marks, it is realistic for the Panel to infer that the Respondent had prior knowledge of the Complainant when it acquired the disputed domain name and sought to exploit that reputation for its own financial gain.

The Respondent (Response, paragraph 45) attempts to place the burden on the Complainant to show that the Respondent had specific prior knowledge of the Complainant. Clearly imposing such a burden on the Complainant would be unfair as all the underlying facts are in possession of the Respondent. Hence, the Panel shifts the burden to the Respondent to specifically prove (on the balance of probabilities) that it had no such prior knowledge. Other than the Respondent's own self-serving statements to that effect, the Respondent offered no corroborating proof to support those statements, thus failing to have sufficiently proven its lack of knowledge.

Based on the totality of the evidence before the Panel, the Panel finds, as it has already noted, that: (a) the Respondent likely knew of the Complainant and its C&A Marks before it acquired the disputed domain name; (b) discovered the disputed domain name was available and then purchased it for USD 3,000 thinking that it could likely resell the disputed domain name at a significant profit to the Complainant; and (c) intentionally attempted to so resell the disputed domain name starting just two weeks after he acquired it by ultimately

offering it to the Complainant to purchase for USD 280,000 (down from USD 340,000).

Given the views expressed by panelists in many decisions issued under the Policy, a respondent will very likely not admit that it acquired a domain name that incorporates the mark of another or a term confusingly similar to the mark specifically for the purpose of offering the domain name for sale to the trademark rights holder at a substantial profit well in excess of its cost of registration – and the Respondent here is no exception. To do so is simply to concede bad faith under para 4(b)(i). By now, respondents have probably learned, not to do that.

Hence, the Panel believes that the Respondent perceived an opportunity to target the Complainant and exploit its reputation for the Respondent's own financial gain, seized that opportunity by acquiring the disputed domain name and then actually attempted to sell the disputed domain name to the Complainant for a sum far exceeding the original costs of registration, thus violating paragraph 4(b)(i) of the Policy.

As such, the Panel concludes that the Respondent registered and used the disputed domain name in bad faith.

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.

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 <c-a.com> is ordered to be transferred to the Complainant.

Peter L. Michaelson
Presiding Panelist

Flip Jan Claude Petillion
Panelist

The Hon Neil Brown Q.C.
Panelist
Date: December 9, 2014