

Domain Name Dispute Resolution Center (DNDRC)

Arbitration and Mediation Center

COMPLAINT PANEL DECISION

Facebook, Inc. v. Instra Proxy Service

Case No. C2009-0004

Also in PDF C2009-0004

1. The Parties

The Complainant is Facebook, Inc., a Delaware corporation, having its principle place of business at 156 University Avenue, 3rd Floor, Palo Alto, California, 94301, United States of America represented by Lovells LLP, 6 Avenue Kléber, 75116, PARIS.

The Respondent is Instra Proxy Service, located at GPO Box 988 Melbourne, Victoria Australia, 3001

2. The Domain Name and Registrar

The domain name in dispute <facebook.pk> is registered by the organization, Instra Proxy Service by the PKNIC Whois data base.

3. Procedural History

Under the Supplemental Rules of DNDRC which override the ICANN Rules for Uniform Domain Name Dispute Resolution Policy in terms of paragraph 2 of the PKNIC - Internet Domain Registration Policy v 4.1, which states that “*DNDRC may consider and issue a recommendation in the matter in accordance with its own rules for such disputes or in default of such rules apply the Uniform Domain Name Dispute Resolution Policy (As Approved by ICANN on October 24, 1999) and/or the Rules for Uniform Domain Name Dispute Resolution Policy (As Approved by ICANN on October 24, 1999).*” As such DNDRC applies its Supplemental Rules to these proceedings as well as the UDRP and in case of any conflict the DNDRC Supplemental Rules to the ICANN Rules for the UDRP and UDRP apply.

The Complaint was filed with the Domain Name Dispute Resolution Center,(the “DNDRC”) on March 13, 2009.

In accordance with the PKNIC - Internet Domain Registration Policy and the Rules of ICANN's Uniform Domain Name Dispute Resolution Policy [UDRP], paragraphs 2(a) and 4(a), DNDRC formally notified the Respondent of the Complaint via email dated Monday, 25th May 2009 and the Respondent was asked to provide DNDRC with the Response in the format provided. The Respondent was informed that if a Response was not received within 7 days from the notification, the dispute would proceed *ex parte*.

The Respondent failed to submit the Response. Under section 5(e) of the UDRP, the Panel has the authority, in the absence of a proper response, to commence with the proceedings in default and to determine the matter *ex parte* based upon the Complaint. The proceedings commenced on 01st June, 2009.

Applying Paragraph 4(a) of the Rules for Uniform Domain Name Dispute Resolution Policy (the *Rules*), the Center appointed Ms. Nazifa Azmat Khan as the sole Arbitrator who has verified that the Complaint satisfies the formal requirements of the Policy and the Rules. The Panel finds that it was properly constituted. The Panel has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, to ensure compliance with the Rules, paragraph 7.

The language of the proceedings is English, being the language of the registration agreement.

4. Factual Background

The Complainant is a Delaware corporation having its principal place of business in Palo Alto, California, the United States of America. The Complainant was founded in 2004 and is a recognized leader in providing online social networking services, and related products and services. In the last year the Complainant’s website at www.facebook.com has been ranked as the eighth-most trafficked website globally and currently has the fifth highest level of traffic in Pakistan and the third highest level of traffic in Australia. Currently the Complainant provides its services in 35 languages to over 180 million active users worldwide.

The Complainant is the owner of numerous FACEBOOK trademarks that are registered in many countries worldwide, including Pakistan and Australia. It has five registered trademarks for the word FACEBOOK in Australia in international classes 9, 35, 38, 42 and 45:

- i. Trade Mark 1100642, registered from February 23, 2006;
- ii. Trade Mark 1101190, registered from February, 27, 2006;

- iii. Trade Mark 1164095, registered from February 28, 2007;
- iv. Trade Mark 1154693 registered from December 22, 2006 and;
- v. Trade Mark 1211165, registered from November 19, 2007.

The Complainant has applied for registration of trademarks for the word FACEBOOK in Pakistan in Classes 9, 35,38,41,42 and 45:

- i. Trade Mark No. 248337, filing date 31st March, 2008;
- ii. Trade Mark No. 248338, filing date 31st March, 2008;
- iii. Trade Mark No. 248339, filing date 31st March, 2008;
- iv. Trade Mark No. 248352, filing date 31st March, 2008.

Prior to initiating the Complaint, the Complainant made substantial efforts to identify and contact the Respondent, using the details current on PKNIC's registry. The Complainant's representative issued a cease and desist letter to the Respondents dated 2nd February, 2009 in order to alert the Respondents of the possible infringement of the Complainant's registered trademarks taking place by the registration of the domain name in dispute <facebook.pk> by the Respondent and to request a transfer of the domain name in dispute in order to stave off further action on the part of the Complainant. However the same has not been responded to, or complied with, by the Respondent.

The Respondents have failed to provide DNDRC with a Response to the Complaint initiated against them.

5. Parties' Contentions

A. Complainant

- Background on the Complainant

The Complainant is Facebook, Inc., the world's leading provider of online social networking services. Infact, the www.facebook.com website is ranked among the 5 most visited web sites in the world, according to web information company Alexa. In addition, the web site www.facebook.com has the fifth highest level of traffic in Pakistan and the third highest level of traffic in Australia, according to web information company Alexa. (See Annex D). The FACEBOOK site, which operates under and features the FACEBOOK trademark as well as the <facebook.com> domain name, allows computer users to communicate with existing friends, make new friends, join and organize groups

and events as well as share their personal profiles, statuses, activities, photos, links and videos. A copy of the snapshot of the home page of the www.facebook.com as can be currently viewed is attached as Annex E.

The Complainant's services were first offered under the FACEBOOK mark in 2004 as a networking site at Harvard University, Cambridge, Massachusetts, USA. Over the following year, 800 additional college networks were added in rapid succession. In 2006, access to the FACEBOOK service was progressively expanded so that anyone with a valid email address could register as a FACEBOOK user. As of 2009, Facebook provides authorized FACEBOOK social networking services in 35 languages to over 180 million active users worldwide. Facebook's networking services continue to expand significantly each year. The FACEBOOK site is the most popular photosharing application on the Internet, with more than 850 million photos and 7 million videos uploaded each month. There are more than 660,000 entrepreneurs and software developers worldwide who have created over 52,000 software applications for the FACEBOOK platform. Worldwide, Facebook users spend more than 3 billion minutes on the FACEBOOK site each day.

The explosive popularity and consumer recognition of the FACEBOOK name and site have made FACEBOOK one of the most famous online marks in the world. Given the exclusively online nature of the Complainant's social networking business, the Complainant's domain names consisting of the term FACEBOOK are not only the heart of its entire business, but also the only way for its millions of users to avail themselves of its services.

The fame of the FACEBOOK trademark is, ironically, also evidenced by the number of cybersquatters that have tried to unfairly exploit the enormous consumer recognition and goodwill attached to the mark and social networking site. Domain dispute panelists in earlier cases have recognized the strength and renown of the FACEBOOK mark, and have ordered infringing respondents to transfer infringing domain names to Facebook: *Facebook Inc. v. Privacy Ltd. Disclosed Agent for YOLAPT*, WIPO Case No. D2007-1193 (September 23, 2007) (<face-book.com>) (holding that the FACEBOOK mark is "inherently distinctive" and that Facebook's services "by their very nature, became known to the public through the Internet and thus worldwide."); *Facebook Inc. v. Talkbeans Media Limited*, WIPO Case No. DIE2007-0009 (February 19, 2008) (<facebook.ie>) (noting that FACEBOOK appears to be a "distinctive coined word" and that Facebook "achieved rapid and remarkable success and expansion since [][launch[ing] its business using that name in connection with its social networking services in 2004."); *Facebook, Inc. v. Callverse Pty Ltd*, WIPO Case No. DAU2008-0007 (June 4, 2008) (<facebook.com.au>) (finding that *the FACEBOOK mark is "inherently distinctive" and "well known internationally"* and that the online social networking services offered at the web site www.facebook.com are "internationally renowned" and "had received media publicity in Australia" [as of October 2007, when <facebook.com.au> was registered]);

and *Facebook, Inc. v. Sanjay Dalal*, .nz DRS Reference 281 (<facebook.co.nz> and <facebook.net.nz>). Copies of these decisions are attached as Annex F.

The Complainant has secured its ownership of the FACEBOOK mark through extensive national and international trademark registrations worldwide (See section 7 above).

As evidenced by the millions of active international users of the www.facebook.com web site and the successful domain dispute decisions described above, the Complainant provides its online social networking services and related products and services in countries worldwide. Indeed, Spanish, French, German, Italian, Portuguese, Dutch, Swedish, Russian, Chinese, Japanese and Korean are just a few of the many languages in which the FACEBOOK site is available. Facebook's online social networking services and related products and services are accessible from virtually any jurisdiction via the Internet.

Given the tremendous site traffic as well as the diverse user community of the FACEBOOK site, hundreds of companies purchase advertising space on the FACEBOOK site, including internationally well-known companies including but not limited to globally reputed and acclaimed brands such as Coca-Cola, Blockbuster, Sony Pictures, the New York Times and Verizon. Additionally, more than 100 companies in Pakistan have advertised on the FACEBOOK site.

Facebook began offering its services to individuals in Pakistan at least as early as September 15, 2006. As of July 2008, FACEBOOK users in Pakistan totalled over 236,675. Facebook has subsequently seen its user base in Pakistan grow exponentially.

Facebook has further established its connection with Pakistan in other ways. Facebook holds "Developer Garage" Events in Pakistan, targeted at Facebook application developers. Facebook pages related to these Developer Garage Events in Pakistan are attached as Annex H. Also, Facebook Mobile is available through numerous mobile phone providers in Pakistan, making the Facebook services available to anyone throughout Pakistan via mobile devices.

As the fame and notoriety of the FACEBOOK mark has grown, so has the worldwide media coverage of the company and the FACEBOOK web site. Facebook has been prominently featured, referenced and discussed in a multitude of media publications and broadcasts highlighting and evidencing Facebook's pioneering and wildly successful online social networking services. Copies of articles from the United States, Australia and Pakistan that illustrate the fame and rapid popularity of www.facebook.com are attached as Annex I.

Facebook's valuable reputation is based on the goodwill created from the millions of users that visit, post, and otherwise interact on the FACEBOOK web site daily. The user's experience on the FACEBOOK web site, and trust in FACEBOOK social networking

services is not only crucial to maintain the value and distinctiveness of the FACEBOOK trademark, but also vital to the success of the Complainant's business. Accordingly, the Complainant devotes significant resources to protecting its famous FACEBOOK mark and goodwill in forums such as these Proceedings.

- Background on Respondent and the Domain Name

The Domain Name is currently registered in the name of Instra Proxy Service. (See Annex A.)

As of February 2, 2009, Respondent's web site located at www.facebook.pk has not been active.

On February 2, 2009, after the Complainant discovered that its FACEBOOK trademark and company name had been registered under the .pk ccTLD by the Respondent, the Complainant's lawyers sent a cease and desist letter to the Respondent both in electronic form and by registered mail (See Annex C). The letter stated that the Complainant had established a wide reputation and a substantial goodwill worldwide. The letter also stated that the Registrant's use of the Domain Name amounted to a violation of its exclusive intellectual property rights. The letter therefore requested the Registrant to cease and desist any and all activity conducted in relation to the Domain Name and the use thereof as well as the transfer of the Domain Name. At the date of filing of this Complaint, the Complainant's lawyers have not received any reply to their letter.

- Legal Analysis

The Complainant asserts that the Respondent's registration and use of the Domain Name satisfies each of the elements set out in section 4(a) of the Policy, as established below:

(1) The Domain Name is identical or confusingly similar to the Complainant's trademark

The addition of the suffix .PK to domain(s) is immaterial in considering the confusing similarity between the Complainant's FACEBOOK trademark and the Domain Name (See *Standard Chartered PLC v. Hosting Campus Domain*, DNDRC Case No. C2007-0001 (August 30, 2007), "Similarly, it is established that the suffix ".pk" must be disregarded as simply being a necessary component of a ccTLD[.]")

By registering the Domain Name which reproduces the Complainant's exact trademark and conveys the same overall visual and phonetic impression as the Complainant's mark, the Respondent has undoubtedly created confusing similarity with the Complainant's trademark. See, e.g., *Dr. Ing. h.c. F.Porsche AG v. Vasily Terkin*, WIPO Case No. D2003-0888 (January 6, 2004) ("In numerous cases, it has been held that a domain name

*that wholly incorporates a Complainant's registered mark may be sufficient to establish confusing similarity for purposes of the UDRP.”). Respondent thus intends to mislead consumers to believe that the Domain Names and/or their operator are affiliated with or endorsed by Facebook. See, e.g., *Microsoft Corporation v. Microsoft.com aka Tarek Ahmed*, WIPO Case No. D2000-0548 (July 21, 2000). Respondent also intends to prohibit Facebook from reflecting its mark in a corresponding domain. See *eBay Inc. v. SGR Enterprises and Joyce Ayers*, WIPO Case No. D2001-0259 (April 11, 2001). Given the enormous popularity of Facebook's services and the fame of the FACEBOOK mark it is apparent that Registrant's intention in registering the Domain Name was to misappropriate for itself - and deny to Complainant - the benefit of the reputation that Complainant has established.*

The Domain Name is therefore identical or confusingly similar to the Complainant's FACEBOOK trademark.

(2) The Respondent has no rights or legitimate interests in the Domain Name

The Complainant asserts that the Respondent has no rights or legitimate interests in the Domain Name.

The Respondent is not commonly known by the FACEBOOK name, and has not secured or even sought to secure any trademark rights in the FACEBOOK name. See *Harrice Simons Miller v. H Rheyne*, WIPO Case No. D2004-0504 (September 3, 2004) (transferring domain name where there was no evidence in the record that the Respondent was “*commonly known*” by the disputed domain name).

The Respondent has not made any legitimate non commercial or fair use of the Domain Name. Indeed, the Respondent has not made any use of the Domain Name at all, let alone any use that could be considered legitimate non commercial or fair use.

The Respondent is not an authorized dealer, distributor, or licensee of the Complainant, nor has it been otherwise allowed by the Complainant to make any use of its trademarks. Yet the Domain Name registered by the Respondent reproduces the exact FACEBOOK famous trademark. See, for instance, *Philip Morris Incorporated v. Alex Tsykin*, WIPO Case No. D2002-0946 (February 13, 2003) (“*Complainant has not authorized Respondent to use its distinctive and famous MARLBORO mark nor the ‘red roof’ logo. These circumstances are sufficient to constitute a prima facie showing by Complainant of absence of rights or legitimate interest in the disputed domain name on the part of Respondent.*”).

Neither can the Respondent claim to have made demonstrable preparations to use the Domain Name prior to notification of this dispute in connection with a *bona fide* offering of services. There is no evidence that the web site to which <facebook.pk> is pointing was ever used for any legitimate purpose, and no evidence that the Respondent has any

plans to use the web site for any legitimate purpose. See, e.g., *Pepperdine University v. BDC Partners, Inc.*, WIPO Case No. D2006-1003 (September 25, 2006) (finding no demonstrable preparations to use in connection with a *bona fide* offering of services where the “Respondent’s plan is based in large measure upon registering Domain Names using other people’s legally established trade and service marks without license or permission from the owners of those marks”).

The above facts are sufficient to establish, *prima facie*, that the Respondent has no legitimate interest or rights in the Domain Name.

(3) The Domain Name was registered and is being used in bad faith

Paragraph 4(b) of the Policy lists six factors which, without limitation, may be evidence of the registration or use of a domain name in bad faith for the purposes of paragraph 4(a)(iii) of the Policy.

The Respondent registered the Domain Name on June 24, 2007, by which time the Complainant had already acquired tremendous goodwill and reputation as well as protected rights in the term FACEBOOK and the services offered through its web site at www.facebook.com. By June 24, 2007, Facebook had been using its FACEBOOK trademark on the www.facebook.com web site for over 3 years. As already established, the goodwill and reputation of the Complainant's business in Australia and Pakistan was significant at the time of registration of the Domain Name.

The Complainant asserts that the Respondent registered the Domain Name as it became aware of the fact that the Complainant's online business was one of the fastest growing and most successful in the world. It is therefore not conceivable that the Respondent did not have the Complainant's trademark in mind when registering the Domain Name. “Actual or constructive knowledge of the Complainant’s rights [] is a factor supporting bad faith.” See, for instance, *eBay Inc. v. Sunho Hong*, WIPO Case No. D2000-1633 (January 18, 2001). This is further supported by, for instance, *Telenor v. Mohammad Tahir*, DNDRC Case No. C2008-0001 (February 5, 2008) “*The Domain Name is composed of the term “telenor”, which is identical to the Complainant’s Telenor trademarks. The Panel considers that the Telenor trademarks have a reputation and are well known throughout the world. In accordance with ACCOR v. Tigertail Partners, WIPO Case No. D2002-0625, the Panelist finds it is reasonable to conclude that only someone who was familiar with the Telenor trademark could have registered the Domain Name.*”

Given Facebook’s worldwide prominence, it is clear that the Respondent registered the Domain Name in bad faith, with full knowledge that reproducing the Complainant's exact FACEBOOK trademark in entirety in the Domain Name would be likely to cause an Internet user visiting the web site to which <facebook.pk> is pointing to assume that the

Domain Name is somehow sponsored by or affiliated with Facebook. See, e.g., *eBay Inc. v. ebayMoving / Izik Apo*, WIPO Case No. D2006-1307 (January 31, 2007); *Guinness UDV North America, Inc. v. Dallas Internet Services*, WIPO Case No. D2001-1055 (December 12, 2001) (“*Registration of a domain name containing a famous mark is strong evidence of bad faith.*”). The Respondent thus attempted to capitalize on the valuable FACEBOOK brand by misleading consumers. See, for instance, *Microsoft Corporation v. Microsof.com aka Tarek Ahmed*, WIPO Case No. D2000-0548 (July 21, 2000).

The Complainant submits that the Registrant has registered the Domain Name to prevent the Complainant from reflecting its globally famous trademarks, in which it has legitimate rights, in a corresponding domain name. The Complainant intends to reflect its FACEBOOK trademarks in countries where it has a significant number of users using its services, such as Pakistan, and, for that purpose, the Complainant has registered over 100 domain names under a great number of extensions such as, for instance, .DE, .PL, .COM.AU, .FR and .CN. Being undoubtedly aware of the Complainant’s development, the Registrant anticipated that the Complainant would be interested in registering under the .PK ccTLD and thus registered the Domain Name to prevent the Complainant from reflecting its globally famous trademarks in a corresponding .PK domain name. This is supported, for instance, by *Telenor v. Mohammad Tahir*, DNDRC Case No. C2008-0001 (February 5, 2008): “*The Domain Name uses the Complainant’s trade name in its entirety. The Complainant is a very widely and well established [] service provider, and is commonly known by its trade name ‘Telenor’ all over the world. The Respondent has registered [] ‘telenor.pk’, and hence prevented the Complainant from getting it registered and using it for their own purposes, or provision of services.*”

Given the enormous popularity of Facebook’s services and the fame of the FACEBOOK mark it is apparent that Respondent’s intention in registering <facebook.pk> was to misappropriate for itself - and deny to the Complainant - the benefit of the reputation that the Complainant has established.

The Respondent’s current passive holding of the Domain Names also constitutes bad faith. “*It has been well established that Respondent’s passive holding of the domain name amounts to a bad faith use of the domain name in certain circumstances.*” *Expedia, Inc. v. Miles Pennella*, WIPO Case No. D2001-1416, (March 14, 2002). Such circumstances would include in the present instance the fact that the Complainant’s FACEBOOK trademark is highly distinctive and famous, that the Complainant has continuously used the FACEBOOK mark since 2004, and that there is no evidence of any actual or contemplated good faith use of the Domain Name by the Respondent. Panels have consistently determined that such factors constitute bad faith passive holding of a domain name. See, for instance, *Advance Magazine Publishers Inc. and Les Publications Condé Nast S.A. v. ChinaVogue.com*, WIPO Case. No. D2005-0615, (August 9, 2005); *Mary-Lynn Mondich and American Vintage Wine Biscuits, Inc. v. Shane Brown*, WIPO Case No.

D2000-0004, (February 16, 2000); *Telstra Corporation Limited v. Nuclear Marshmallows*, WIPO Case No. D2000-0003, (February 18, 2000).

Furthermore, as decided in, *Microsoft Corporation v. Whois Privacy Protection Service / Lee Xongwei*, WIPO Case No. D2005-0642 (October 12, 2005) "*while a proxy service can have a legitimate purpose[], the Panel considers that its use in this case is suggestive of bad faith when taken with the other factors []*." See also *Advance Magazine Publishers Inc. d/b/a Condé Nast Publications v. MSA, Inc. and Moniker Privacy Services*, WIPO Case No. D2007-1743 (Feb. 22, 2008) (*[A] motive for using a domain privacy service in this instance was to increase the difficulty for a trademark owner of identifying the registrant, assessing the merits of a legal claim or Policy complaint, and contacting the registrant, which does not reflect good faith.*) See also *The Saul Zaentz Company d/b/a Tolkein Enterprises v. Eurobox Ltd. / "The Saul Zaentz Company"* WIPO Case No. D2008-0156 (May 20, 2008): "*The use of a proxy service would more usually [] be indicative that the respondent is seeking to hide its activity from scrutiny in proceedings under the Policy. The natural inference from this is a negative one []*."

The use by the Respondent of a proxy service in order to obtain the registration of the Domain Name, in addition to the other circumstances described above constitutes a further element from which bad faith can be inferred.

The Complainant therefore asserts that the Domain Name was registered and is being used in bad faith

In accordance with Paragraph 4(b)(i) of the Policy, for the reasons described in Section 8 above, the Complainant requests that the Administrative Panel appointed in this administrative proceeding transfer the Domain Name to the Complainant.

B. Respondent

The Respondent failed to provide a Response to the Complainant's contentions even though they were notified of the same along with an opportunity to respond was provided to them by DNDRC. Thus the Panel shall proceed with the decision ex parte by deciding the dispute based upon the Complainant initiated by the Complainant in line with section 5(e) of the UDRP Rules.

6. Jurisdiction

The Panel's jurisdiction over this dispute between the Complainant and the Respondent is established by virtue of the PKNIC - Internet Domain Registration Policy June 20, 2006 version 4.1 and the Rules.

The Respondent applied for, was granted registration of the disputed domain name on the basis of and has submitted to the PKNIC - Internet Domain Registration Policy June 20, 2006 version 4.1 and the Rules to the arbitral jurisdiction of the DNDRC and its arbitration decisions.

7. Discussion and Findings

The application for the registration of the domain name in dispute <facebook.pk> on behalf of the Complainant is regulated by both, the PKNIC - Internet Domain Registration Policy Aug 7, 2007 ver. 4.2 as well as the UDRP Rules.

The Respondent applied for registration of the disputed domain name <facebook.pk> on the basis of these regulations and was allowed registration subject to the same.

The PKNIC - Internet Domain Registration Policy Aug 7, 2007 ver. 4.2 paragraph 6 states that:

“PKNIC has neither the resources nor the legal obligation to screen requested Domain Names to determine if the use of a Domain Name by an Applicant may infringe upon the right(s) of a third party. Consequently, as an express condition and material inducement of the grant of an applicant's ("Applicant") request to register a Domain Name, Applicant represents, agrees and warrants the following four statements and a failure to comply with them, or any other parts of the PKNIC policy, will cause PKNIC to cancel the domain registration of the non-compliant domains of Applicant:

- 1. Applicant's statements in the application are true and **Applicant has the right to use the Domain Name** as requested in the Application;*
- 2. Applicant has a **bona fide intention to use the Domain Name on a regular basis on the Internet;***
- 3. The use or registration of the Domain Name by Applicant **does not interfere with or infringe the right of any third party in any jurisdiction in Pakistan, with respect to trademark, service mark, tradename, company name or any other intellectual property right;***
- 4. Applicant is not seeking to use the Domain Name for any unlawful purpose, including, without limitation, tortuous interference with contract or prospective business advantage, unfair competition, injuring the reputation of another, or **for the purpose of confusing or misleading a person, whether natural or incorporated.**”*

Additionally the PKNIC - Internet Domain Registration Policy Aug 7, 2007 ver. 4.2 paragraph 4 states that:

If a party claims that a domain name already registered with PKNIC violates their registered tradename, an obvious derivation of their registered company name, is not bona fide as recognized by international best practice, is a contravention of the latest version of the Pakistan Penal Code Act, 1860 (including offences of defamation & blasphemy)/ Anti-Terrorism Act, 1997/any applicable criminal law, agitates the right to cancel or transfer the domain to the claiming party as per the ICANN's Uniform Domain Name Dispute Resolution Policy [UDRP] (with PKNIC amendments) or as per the orders of a court judgment in Pakistan.

ICANN's Uniform Domain Name Dispute Resolution Policy (UDRP) lays down three basic requirements under paragraph 4(a) on the basis of which a domain name Complaint shall be decided:

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

Therefore the Panel shall determine the Complainant subject to the following issues:

- i. Illegality, unlawfulness or otherwise invalidity with respect to the Application & Registration (a PKNIC - Internet Domain Registration Policy Aug 7, 2007 ver. 4.2 criteria).
- ii. Identical or confusing similarity with a trademark or service in which the Complainant has rights (a UDRP criteria).
- iii. Legitimate interest in the domain name (a UDRP criteria).
- iv. Registration and use of the domain name in bad faith (a UDRP criteria).

I. Illegality, unlawfulness or otherwise invalidity with respect to the Application & Registration of the domain name

In terms of the PKNIC - Internet Domain Registration Policy Aug 7, 2007 ver 4.2, a domain name is registered , and hence is deemed valid, subject to inter alia paragraph 1 & 4 and is held invalid if it:

- a. infringes upon a registered tradename,*
- b. is not bona fide as recognized by international best practice,*
- c. is a contravention in the opinion of PKNIC to be a contravention of the latest version of the Pakistan Penal Code Act, 1860 (including offences of defamation & blasphemy)/ Anti-Terrorism Act, 1997/any applicable criminal law,*
- d. has been declared by a Criminal Court of appropriate jurisdiction to have contravened the latest version of Pakistan Penal Code Act, 1860 (including offences of defamation & blasphemy)/Anti-Terrorism Act, 1997/any applicable criminal law), or*
- e. in the opinion of PKNIC is not appropriate for registration.*

The PKNIC - Internet Domain Registration Policy Aug 7, 2007 ver 4.2 paragraph 4 also states that:

If a party claims that a domain name already registered with PKNIC violates their registered trade name, an obvious derivation of their registered company name, is not bona fide as recognized by international best practice, is a contravention of the latest version of the Pakistan Penal Code Act, 1860 (including offences of defamation & blasphemy)/ Anti-Terrorism Act, 1997/any applicable criminal law, agitates the right to cancel or transfer the domain to the claiming party as per the ICANN's Uniform Domain Name Dispute Resolution Policy [UDRP] (with PKNIC amendments) or as per the orders of a court judgment in Pakistan.

Therefore, for the assessment of illegality, unlawfulness or otherwise invalidity of the Application & Registration of the domain name in dispute, the application and registration of the domain name in dispute “<facebook.pk>” shall be assessed under the following aspects:

- i. Whether the Domain Name in dispute “<facebook.pk>” infringes upon a registered trade name / trade mark?
- ii. Whether the application and/or registration of the Domain Name in dispute “<facebook.pk>” is bona fide?

- iii. Whether the application and/or registration of the Domain Name in dispute “<facebook.pk>” contravene the Pakistan Penal Code or any applicable criminal law?

The Panel will deal each of these sub-issues sequentially below.

- i. Whether the Domain Name in dispute “<facebook.pk>” infringes upon, or is an obvious derivation of, a registered trade name / trade mark?**

The registered trademarks of the Complainant have been set out with section 4 of this decision. Furthermore it is apparent that the Complainant has utilized all reasonable methods to internationally protect its registered trademarks. The domain name in dispute is <facebook.pk>. The relevant part of this domain name is <facebook>. The Panel indubitably finds that this part of the domain name is identical to the numerous trademark registrations of the word <FACEBOOK> held by the Complainant. In addition, the Panel finds that the whole of the domain name in dispute is confusingly similar to the above mentioned trademark registrations.

Furthermore it is established law to disregard the ccTLD when considering the matter of confusing similarity or obvious derivation, as the addition of the suffix “.pk” does not create any distinctive distinction that may eliminate the possibility of confusion by the Complainant’s customers (see *Nokia Corporation v. Firdaus Adinegoro/Beli Hosting*, WIPO Case No. D 2004-0814). Therefore the Panel determines the domain name in dispute <facebook.pk> to be an obvious derivation of the Complainant’s registered trademark and correspondingly in obvious infringement of the same.

As per paragraph 1 of The PKNIC - Internet Domain Registration Policy Aug 7, 2007 ver. 4.2, if a Complainant simply establishes this one criterion of infringement upon a registered trade mark/name, the registration would be deemed illegal and unlawful and for all purposes invalid, furthermore due to the lack of Response from the Respondents, the Panel is required to decide the matter based upon the Complaint. Therefore subject to the above stated conclusion, the Panel may well determine the domain name in dispute to be transferred to the Complainant, however for the purpose of completeness (but not to create any binding precedent requiring the same to be followed in the future), the Panel will also assess and determine the remaining issues as listed above.

- ii. Whether the application and/or registration of the Domain Name in dispute “<facebook.pk>” is bona fide?**

It has been established by the Complainant, and has not been refuted by the Respondent, that the Complainant is the registered owner of the trade mark/name FACEBOOK. The Complainant has

registered numerous trademarks and domain names world wide in order to reflect and protect the same. The facts prove that the FACEBOOK name is internationally renowned and highly recognizable; its popularity is even more pronounced within the country that the domain name in dispute is registered in i.e. Pakistan and the county the Respondent belongs to i.e. Australia. Since in light of the same the Respondent could not help but be aware of the name FACEBOOK being the registered trade mark of the Complainant, the Respondent's registration of the domain name in dispute <facebook.pk>, with the salient feature of the domain name i.e. "facebook" being identical to the registered trademark of the Complainant, does not appear to be bona fide. The Respondent's motives are not entirely clear however a lack of bona fide on the Respondent's part may be construed on the basis of the facts before this Panel i.e. the Respondent has registered a world-famous trademark and has not pleaded any tenuous possible legitimacy, such as agency, for its intended use.

The Panel concludes that the Respondent must therefore have known of the Complainant's name, trademark and business, and that it is not reasonably credible that the Respondent's purpose would be of a bona fide nature, as appropriation of a well known trademark of which a Respondent must have been aware, for the purposes of a domain name without authorization, is commonly a sufficient basis for a finding lack of bona fide (*Veuve Clicquot Ponsardin, Maison Fondée en 1772 v. The Polygenix Group Co.*, [WIPO Case No. D2000-0163](#); *Parfums Christian Dior v. Javier Garcia Quintas and Christiandior.net*, [WIPO Case No. D2000-0226](#); *Société des Hôtels Méridien v. LaPorte Holdings, Inc.*, [WIPO Case No. D2004-0849](#); *Société pour l'Oeuvre et la Mémoire d'Antoine de Saint Exupéry – Succession Saint Exupéry – D'Agay v. Perlegos Properties*, [WIPO Case No. D2005-1085](#)).

The failure of the Respondent to reply to the Complainant's cease and desist letter of 2nd February, 2009 is found to be compounding evidence of lack of bona fide as well (*Ebay Inc. v. Ebay4sex.com and Tony Caranci*, [WIPO Case No. D2000 1632](#)).

Taking into account all of the above, it would not be probable to conceive any plausible actual or contemplated active use of the domain name by the Respondent that would not be illegitimate and constitute an bona fide on the part of the Respondent. Thus the Panel finds the second criteria of paragraph 1 of The PKNIC - Internet Domain Registration Policy Aug 7, 2007 ver. 4.2 to be established as well thus the registration of the domain name in dispute is held to be deemed illegal and unlawful and for all purposes invalid.

- iii. Whether the application and/or registration of the Domain Name in dispute "<facebook.pk>" contravene the Pakistan Penal Code or any applicable criminal law?**

Although Pakistani law does not apply by force of law over PKNIC's jurisdiction, conformity with it is a contractual term of the agreement executed between the Respondent and PKNIC, therefore any illegality pertaining to the Application and Registration of the domain name in dispute would render the registration of the domain name in dispute to be void.

In this spirit and for this purpose alone the following provisions of Pakistani law are being analyzed.

The relevant laws pertaining to registration of the domain name in dispute includes the Trade Marks Ordinance, 2001 section 4 and 40, The Electronic Transactions Ordinance, 2002 section 3, subject to which infringements of Trade Marks and Trade Names is equated with the infringement of domain names hence the Pakistan Penal Code section 478(1), that deal with infringement of Trade Marks, would possibly also cover domain names.

Additionally under the Pakistan Penal Code, 1860 sections 464, 470, 471, 473, 476, 479, 480, 481, 482, 483 and 485 the continuing registration of the domain name in dispute "<facebook.pk>" by a person other than the owner/rightful holder/authorized user of the registered trade marks/names could be construed to be an offence on multiple accounts, and by operation, would not only give the impression to the Respondent that PKNIC (though PKNIC under International best practice would not have any liability if it had no knowledge but once it would have notice would have a duty to act) was allowing aiding, abetting, encouraging and conspiring with the Respondent and would also be liable to criminal offences under the above mentioned legislations.

Lastly by operation of the Electronic Transactions Ordinance 2002 section 3 and the Prevention of Electronic Crimes Ordinance 2008 section 15 it can be construed that in any event where a Respondent has established or is using a website or a domain for any purpose, in which he does not hold legitimate interests, is entitled to be charged with the offence of spoofing under s.15 of the PECO 2008. The punishment under this legislation is not simply limited to fines and could also amount to imprisonment.

The above mentioned factors would increase the likelihood of giving rise to liability under the above mentioned legislations, which in turn would raise significant doubt regarding the legitimacy and bona fide of the Respondent's registration of the domain name in dispute.

In the opinion of the Panel this criteria has been sufficiently proven by the Complainants and no evidence to the contrary has been tendered by the Respondent. However this Panel shall also assess the Complaint in terms of the ICANN UDRP as amended by the PKNIC- Internet Domain Registration Policy Aug 7, 2007.ver 4.2.

II. Identical or confusing similarity with a trademark or service in which the Complainant has rights

The Complainant's trademark FACEBOOK comprises of two common words of the English language, however the combination of these two words is arbitrarily is used in a manner that distinguishes the services provided by the Complainant and thus makes the term FACEBOOK inherently distinctive. Such trademarks, that comprise of generic terms (other examples are "apple" for computers and "camel" for cigarettes) are in fact considered to be very strong marks. The Complainant's registration of the mark FACEBOOK shows that it has exclusive rights in the FACEBOOK mark in numerous countries, including Pakistan and Australia and the Complainant demonstrated the carrying out of all reasonable methods possible to protect its registered trademark.

As is evident, the domain name in dispute <facebook.pk.> comprises of the entirety of the Complainant's registered trademark as the addition of the generic ccTLD indicator ".pk" cannot be taken into consideration when judging confusing similarity. It is well-established that the incorporation of a Complainant's mark in full within a disputed domain name, may be sufficient to establish confusing similarity between the mark and the disputed domain name (see *Nokia Group v. Mr. Giannattasio Mario*, WIPO Case No. D2002-0782, *The Ritz Hotel Ltd v. Damir Kruzicevic*, WIPO Case No. D2005-1137, and *Quintessentially UK v. Mark Schnoreberg / Quintessentially Concierge*, WIPO Case No. D2006-1643.)

Confusing similarity is evident in the real world, but also, when considering the particular circumstances of use on the Internet. People in Pakistan, who are searching for the Complainant's FACEBOOK website, may expect to find it under its principal identifier "FACE BOOK" combined with the ccTLD indicator, such as ".pk". They may therefore type the sequence <facebook.pk> and will be directed to the inactive website of the Respondent. Thereby being misled by the confusing similarity between the domain name in dispute and the Complainant's registered trademark.

The Complainant has produced adequate evidence of its rights in the trademark FACE BOOK as is accepted by several Panel decisions as well (see *Facebook Inc. v. Privacy Ltd. Disclosed Agent for YOLAPT*, WIPO Case No. D2007-1193, *Facebook Inc. v. Talkbeans Media Limited*, WIPO Case No. DIE2007-0009, *Facebook, Inc. v. Callverse Pty Ltd*, WIPO Case No. DAU2008-0007). gTLD suffix ".com" or its equivalent is an integral part of a domain name and is not considered relevant to the consideration of confusing similarity. The remainder of the domain name, whilst contiguous, is easily read as the words "face", "book", therefore the generic words "face" and "book" in combination are readily discerned as FACEBOOK, being the strong, distinctive and

globally renowned trademark of the Complainant. (see *Brookfield Communications, Inc. v. West Coast Entertainment Corp.*, 174 F.3d 1036, 1059 9th Cir. 1999; "*The intentional registration of a domain name knowing that the second level domain is another company's valuable trademark weighs in favor of likelihood of confusion.*").

The domain name in dispute reasonably creates likelihood that individuals will be confused into thinking that the domain name or the related site is owned, endorsed, licensed, sponsored, or maintained by the Complainant to promote their services therefore the Complainant has established the confusing similarity of the disputed domain names with its own legitimate registered trademarks.

Thus The Panel finds confusing similarity between the disputed domain name and the Complainant's trademark under paragraph 4(a)(i) of the Policy.

III. Legitimate interest or rights in the Domain Name

The onus is on the Complainant to satisfy the Panel that the Respondent does not have rights or legitimate interests in the disputed domain name <facebook.pk>. The Complainant has alleged that it has not authorized the Respondent to use its registered trademark in any manner or form, and that as far as may be ascertained the Respondent is not commonly known by the disputed domain name and has not made any legitimate use of the domain name in dispute as the website is inactive.

It is for the Respondent to refute the Complainant's *prima facie* case as provided for in paragraph 4(c) of the Policy. The Respondent has not replied to the allegations made against its registration of the domain name in dispute; therefore the Panel may decide the matter *ex parte* based upon the Complaint and the relevant facts contained therein.

Given the fame of the FACEBOOK mark and the popularity of the services provided by the Complainant in Pakistan and Australia, as well as on a global level, it is inconceivable that the Respondent was unaware of the Complainant's rights and interests prior to the registration of the domain names in dispute .It can, therefore, reasonably be concluded, on the basis of the facts and proof provided by the Complainant, that the Respondent did not created a fabricated name, which happened to consist of the trademark FACEBOOK of the Complainant, in light of the recent popularity of the FACEBOOK network within the Respondent's home country, Australia, and the country that hosts the domain name in dispute <facebook.pk>, Pakistan. The Respondent themselves appear to have no link to the FACEBOOK name as the Respondent is not commonly known by the FACEBOOK name and has tendered no proof to claim registration to any

trademark related to the FACEBOOK name (see *Harrice Simons Miller v. H Rheyne*, WIPO Case No. D2004-0504)

Furthermore, the Respondent's domain names are not descriptive terms, in which he might have an interest. Even if "face" and "book" are common words of the English language, their combination creates a term with a distinct meaning, and is not a generic term or item.

The Complainant has not consented to the Respondent's use of the domain name in dispute <facebook.pk>, which incorporates its trademark FACEBOOK entirely. Mere registration of the domain name in dispute by the Respondent does not create any right or legitimate interest in the domain name in dispute (see *Red Bull GmbH v. Mario Maranda*, WIPO Case No. D2008-0941). Furthermore as the Respondent is not an authorized dealer, distributor, or licensee of the Complainant, nor has it been otherwise allowed by the Complainant to make any use of its trademarks, the use of the Complainant's registered trademark may then "constitute a prima facie showing by Complainant of absence of rights or legitimate interest in the disputed domain name on the part of Respondent." (*Philip Morris Incorporated v. Alex Tsypkin*, WIPO Case No. D2002-0946).

Furthermore, none of the circumstances listed under 4(c) of the Policy, possibly demonstrating rights or legitimate interests, are given. The Respondent does not appear to be using the domain name in dispute in connection with a bona fide offering of goods or services and has not demonstrated any preparations, or provided any proof, for such use. Thus, the Respondent has not made any legitimate non commercial or fair use of the domain name, indeed, the Respondent does not appear to have made any use of the domain name in dispute at all, let alone any use that could be considered legitimate non commercial or fair use. As can be seen in *Expedia, Inc. v. Miles Pennella*, WIPO Case No. D2001-1416, passive holding of a domain name does not construe legitimate right or use. In *Pepperdine University v. BDC Partners, Inc.*, WIPO Case No. D2006-1003 it was held that due to lack of demonstrable preparations to utilize the domain name in dispute it may be inferred that "Respondent's plan is based in large measure upon registering Domain Names using other people's legally established trade and service marks without license or permission from the owners of those marks".

The Respondent has not provided evidence of circumstances of the type specified in paragraph 4(c) of the Uniform Policy, or of any other circumstances giving rise to a right to or legitimate interest in the domain name in dispute due to the fact that:

- i. the Complainant has not licensed or otherwise permitted the Respondent to use any of its trademarks or to apply for or use any domain name incorporating any of those marks, and;

- ii. the word FACEBOOK appears to be an invented word, and as such is not one entities would legitimately choose unless seeking to create an impression of an association with the Complainant.

Therefore the Panel concludes that the Respondent has not discharged its burden of proof with respect to proving its legitimate rights or interests in the domain name in dispute.

IV. Registration and use of the domain name in bad faith

Paragraph 15(a) of the Rules instructs the Panel to “*decide a complaint on the basis of the statements and documents submitted in accordance with the policy, these rules and any rules and principles of law that it deems applicable*”.

The fact that the Respondent has deliberately disregarded the opportunity to submit a Response is particularly relevant to the issue of whether the Respondent has registered and is using the domain name in bad faith. Paragraph 14(b) of the Rules provides that, in the absence of exceptional circumstances, a Panel shall draw such inferences as it considers appropriate from the failure of a party to comply with a provision or requirement of the Rules. This Panel could not find any exceptional circumstances for Respondent’s failure to submit a response; therefore the Panel draws the following inferences:

- i. Respondent does not deny the facts which the Complainant asserts, and;
- ii. Respondent does not deny the conclusions which the Complainant asserts can be drawn from these facts.

Nevertheless, the Panel still assumes the responsibility of determining which of the Complainant’s assertions are established as facts, and whether the conclusions asserted by the Complainant can be drawn from the established facts (see, *Inter-IKEA Systems B.V. v. Hoon Huh*, WIPO Case No. D2000-0438).

The third element in paragraph 4(a) of the Policy requires the determination of the fact that the domain name in dispute “*has been registered and is being used in bad faith*” by the Respondent. The Panel highlights two essential facts. First, the provision contains the conjunction “and” rather than “or”. Secondly, the provision refers to both the past tense (“has been registered”) and the present tense (“is being used”).

This draws attention to the fact that that paragraph 4(a)(iii) requires the Complainant to prove use in bad faith as well as registration in bad faith.

Paragraph 4(a)(iii) of the Policy utilizes both, past and present, tenses thereby inferring that upon determining bad faith on the part of the Respondent, the Panel should consider the circumstances at the time of registration as well as the subsequent behavior of the Respondent following the registration, with regards to the domain name in dispute.

The Panel finds that the Respondent cannot be seen to be conducting any legitimate commercial or non-commercial business activity in Pakistan. It is also not possible to conceive of a plausible situation in which the Respondent would have been unaware of the popularity and success of the Complainant's services at the time of registration (see *Facebook Inc. v. Privacy Ltd. Disclosed Agent for YOLAPT*, WIPO Case No. D2007-1193, *Facebook Inc. v. Talkbeans Media Limited*, WIPO Case No. DIE2007-0009, *Facebook, Inc. v. Callverse Pty Ltd*, WIPO Case No. DAU2008-0007). Subject to these findings as well as the conclusions reached by the Panel in the above section, relating to the legitimate right and interest of the Respondent, the Panel concludes that the domain name in dispute <facebook.pk> has been registered by the Respondent in bad faith.

The second prong of the requirement for bad faith requires the Complainant to show that the domain name in dispute "is being used in bad faith" by the Respondent. The domain name <facebook.pk> is linked to an inactive website and there is no demonstration and/or preparation to use the same by the Respondent. There is no evidence of advertising, promotion or display to the public on the domain name in dispute. Finally, there is no evidence that the Respondent has offered to sell, rent or otherwise transfer the domain name in dispute to the Complainant, a competitor of the Complainant, or any other person. In short, there is no positive action being undertaken by the Respondent in relation to the domain name in dispute. The question therefore to be determined is whether it is possible for inactivity by the Respondent to amount to the domain name in dispute being used in bad faith.

Paragraph 4(b) of the Policy identifies, without limitation, circumstances that "*shall be evidence of the registration and use of a domain name in bad faith*", for the purposes of paragraph 4(a)(iii). Three circumstances of this paragraph contemplate either a positive action or inaction in relation to the domain name, i.e. the circumstances identified in paragraphs 4(b)(i), (ii) and (iii) can be found in a situation involving a passive holding of the domain name registration therefore, paragraph 4(b) can be seen to recognize that inaction (e.g. passive holding) in relation to a domain name registration may constitute a domain name being used in bad faith (see *Telstra Corporation Limited v. Nuclear Marshmallows*, WIPO Case No. D2000-0003; *Jupiters Limited v. Aaron Hall*, WIPO Case No. D2000-0574). Additionally paragraph 4(b) allows for additional circumstances that may form evidence of domain names being registered in bad faith as the circumstances identified in paragraph 4(b) are "*without limitation*" that logically depend upon the circumstances of the case at hand.

In this case the Panel has considered the following with respect to determining if passive holding of the domain name in dispute by the Respondent amounts to the Respondent acting in bad faith:

- i. the Complainant's trademark has a strong reputation and is widely known, as evidenced by its substantial use in Australia, Pakistan and in other countries and the domain name in dispute registered by the Respondent is identical to the renowned registered trademark of the Complainant. It therefore appears that the Respondent has registered and used the domain name in dispute <facebook.com> in order to create an association with the mark;
- ii. the Respondent has provided no evidence whatsoever of any actual or contemplated good faith use of the domain name in dispute. Registration of a well-known trademark by a party with no connection to the owner of the trademark and no authorization and no legitimate purpose to use the mark is usually construed to be a strong indication of bad faith (see *Sporty's Farm*, 202 F.3d at 498; *Caravan Club v. Mrgsale*, FA 95314 (Nat. Arb. Forum August 30, 2000); *Charles Jourdan Holding AG v. AAIM*, WIPO Case No. D2000-0403);
- iii. taking into account all of the above, it is not possible to conceive of any plausible actual or contemplated active use of the domain name in dispute by the Respondent that would not be illegitimate, such as by being a passing off, an infringement of consumer protection legislation, or an infringement of the Complainant's rights under trademark law.

Lastly, the Complainant informed the Respondent of the infringement of their registered trademarks taking place by their registration of such a domain name via the cease and desist letter sent to the Respondent, however the Respondent failed to acknowledge or respond to the letter thereby laying further credence to the existence of bad faith on the part of the Respondent.

In light of these circumstances, the Panel concludes that the Respondent's passive holding of the domain name in this particular case satisfies the requirement of paragraph 4(a)(iii) that the domain name "is being used in bad faith" by Respondent.

Therefore, by registration of the domain name in dispute, the Respondent appears to have intentionally attempted to create a likelihood of confusion with the Complainant's registered mark.

Taking into account all of the above, it is not possible to conceive of any plausible actual or contemplated active use of the domain name in dispute by the Respondent that would not be illegitimate and constitute an infringement of Complainant's registered marks and rights. In light

of these particular circumstances, the Panel concludes that Respondent's registration and passive holding of the domain name in dispute, in this particular case, satisfies the requirements of paragraph 4(a)(iii) of the domain name being registered and used in bad faith by the Respondent.

8. Decision

For the foregoing reasons, the Panel therefore concludes and decides that:

- i. The Respondent's registration of the disputed domain name <facebook.pk> is in violation of the PKNIC - Internet Domain Registration Policy Aug 07, 2007 version 4.2.
- ii. The Respondents have no legitimate interest in the disputed domain name.
- iii. The disputed domain name is identical to the Complainant's trade marks/names and registered domain names.
- iv. The Respondent is making mala fide use of the Complainant's trade marks/names.
- v. Pursuant to Paragraphs 4 of the PKNIC - Internet Domain Registration Policy Aug 07, 2007 version 4.2, and Paragraph (i) of the UDRP the Panel therefore recommends to PKNIC to transfer the registration of the domain name at issue <facebook.pk> to the Complainant, as prayed for within 48 hours of receipt of this decision by email or it being uploaded onto the DNDRC website www.dndrc.com/cases_resolved/, whichever takes place earlier. The Complainant shall also be at liberty to contact PKNIC for implementation of this decision.

Arbitrator: Ms. Nazifa Azmat Khan

Sole Panelist

Date: 01st June, 2009