

ADMINISTRATIVE PANEL DECISION

General Nutrition Investment Company v. John Gates / The Web Group Case No. D2014-0982

1. The Parties

Complainant is General Nutrition Investment Company of Wilmington, Delaware, United States of America, represented by McGuireWoods LLP of Richmond, Virginia, United States of America.

Respondent is John Gates¹ / The Web Group of Washington, D.C., United States of America, represented by Zak Muscovitch of Toronto, Ontario, Canada.

2. The Domain Name and Registrar

The disputed domain name <gnc.asia> (the “Domain Name” or the “Disputed Domain Name”) is registered with PDR Ltd. d/b/a PublicDomainRegistry.com (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on June 10, 2014. On June 10, 2014, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Disputed Domain Name. On June 11, 2014, the Registrar transmitted by email to the Center its verification response confirming that 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” or “UDRP”), 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 Respondent of the Complaint, and the proceedings commenced June 17, 2014. In accordance with the Rules, paragraph 5(a), the due date for Response was July 7, 2014. At the request of Respondent and with the written consent of Complainant, the due date for response was extended until July 14, 2014. The Response was filed with the

¹ Although the Registrar identified the “Registrant Name” as simply “John,” Respondent identified himself as “John Gates” in the Response.

Center July 14, 2014.

The Center appointed Douglas M. Isenberg, Diane Cabell and the Hon. Carolyn Marks Johnson as panelists in this matter on August 20, 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

Complainant states that it is a wholly owned intellectual property investment subsidiary of General Nutrition Centers, Inc. ("GNC"), which "is the world's largest specialty retailer of nutritional, diet, energy and sports nutrition products, including vitamin, mineral, herbal, and other specialty supplements" and that it "currently has more than 8,500 retail locations around the world, including more than 6,300 retail locations in the United States alone," branded as "General Nutrition Centers". Complainant provides further information about the large size and scope of GNC's business, which apparently has been in operation for 50 years, and states that "GNC has been named the leading vitamin franchise in the industry for 20 years, and is consistently ranked among the top franchises in any industry in America".

Complainant states that it "owns more than 150 trademark registrations" for the trademark GNC (hereafter, the "GNC Trademark" or the "GNC Mark") "in over 75 countries, including the United States, China, Hong Kong, Japan, Singapore, South Korea, Taiwan, Thailand, and Vietnam". Complainant has provided a copy of U.S. Reg. No. 3,793,104 for the mark GNC.COM for use in connection with "online retail store services featuring health foods, dietary supplements, nutritional supplements, herbs, vitamins, sports nutrition products, fitness products and apparel, cosmetics, body care, diagnostic exercise or aromatherapy products" (first used in commerce on December 31, 1999). Complainant states that, "[f]rom 2012 to 2013 alone, GNC's sales under the GNC Mark totaled more than \$5 billion".

The Disputed Domain Name was created on October 21, 2013. According to a printout of a website using the Disputed Domain Name (included as an annex to the Complaint), the Disputed Domain Name is being used in connection with a monetized parking page that includes a variety of links for dating services.

5. Parties' Contentions

A. Complainant

Complainant contends, in relevant part, as follows:

- The Disputed Domain Name is identical to the GNC Trademark.
- The Respondent has no rights or legitimate interests in respect of the Disputed Domain Name because, *inter alia*, "Respondent's use of the Domain to present pay-per-click links is not a *bona fide* offering of goods or services, regardless of whether Respondent directly benefits from such advertising"; "Respondent's use of the Domain to display pay-per-click links is not a legitimate noncommercial or fair use of the Domain"; "the headline of the website where the Domain resolves offers to sell the domain name [and] [o]ffering the domain name for sale is further evidence of Respondent's lack of legitimate interests or rights in the Domain"; and "Respondent is not related to GNC or Complainant in any way, nor is Respondent commonly known by any name related to GNC".
- Respondent registered and is using the Disputed Domain Name in bad faith because, *inter alia*, the GNC Trademark "is distinctive and has no meaning other than as an indicator of source"; "Respondent is leveraging the distinctiveness of, and goodwill associated with" the GNC Trademark "for Respondent's own benefit"; "when Complainant contacted Respondent to demand that Respondent cease use of the Domain and transfer it to GNC, Respondent incredibly claimed that it

was unaware of GNC at the time it registered the Domain,” but the GNC Trademark “has been so extensively used and advertised and been so well-known for so long that few Americans could credibly deny knowledge of it in 2013”; “Respondent is affiliated with more than 10,000 registered domains” and therefore is a “sophisticated domainer” who has “an enhanced responsibility to explore possible violations of trademark rights before registering domain names for use as pay-per-click landing pages”; “Respondent’s offer to sell the Domain, prominently displayed on the website to which the Domain resolves, provides further evidence of Respondent’s bad faith use and registration”; and “Respondent’s unlawful use of the Domain disrupts Complainant’s business by causing confusion to consumers when they discover that the website at the Domain is not actually affiliated with Complainant, even though the Domain wholly incorporates and is confusingly similar to” the GNC Trademark.

B. Respondent

On July 3, 2014, Respondent sent an e-mail to Complainant, copying the Center, stating: “While we categorically deny any and all allegations in your Complaint and find it without merit, we would prefer an amicably [sic] settlement of this dispute without further waste of time and resources. Please take any steps necessary with the guidance of the Center to immediately and unconditionally transfer the domain name GNC.ASIA to your client, including the temporary suspension of the proceedings to allow the registrar of record to change the registrant name to the Complainant.” Thereafter, Complainant and Respondent agreed to an extension for the due date for Response, as described above.

In its Response, Respondent contends, in relevant part, as follows:

- “Respondent registered the Domain Name exclusively because it was a short, common, three-letter acronym that was capable of non-infringing use by a multitude of parties all over the world” and “at no time did Respondent ever register the Domain Name to target Complainant, or to take advantage of Complainant, or to interfere with Complainant, or to sell to Complainant.” In support thereof, Respondent provides a list of 103 three-letter domain names in the “.asia” Top-Level Domain (TLD) that Respondent registered at the same time he registered the Disputed Domain Name – which Respondent contends is “strong evidence corroborating Respondent’s allegation that it registered the Domain Name in good faith due to its attractiveness and value solely as an generic [sic] acronym domain name, and not to target Complainant”. (Emphasis omitted.)
- The mark GNC “is certainly not unique to Complainant”. In support thereof, Respondent refers to several other domain names (including <gnc.net>, <gnc.org>, <gnc.biz>, <gnc.fr>, <gnc.it>, <gnc.hk>, <gnc.be> and <gnc.de>) registered by third parties, as well as numerous other third-party uses of the mark GNC worldwide, such as (among many others) U.S. Reg. No. 2,310,303, owned by Great Northern Corporation; “GNC Consulting Inc.” (a software company in Ukraine, China and the United States); “Graphic Novel Cafe” in New Zealand; “GNC Bioferm Inc.” (a manufacturer of enzyme products in Canada); and the “Good News Crusade” (evangelical ministry in the United Kingdom). As a result, “the acronym, ‘GNC’ is commonly used all over the world by a multitude of persons who are totally unassociated with Complainant”. (Emphasis omitted.)
- A declaration from Respondent’s “principal,” John Gates, states that he had never heard of Complainant or the GNC Trademark prior to notice of the dispute that led to this proceeding.
- “Respondent acknowledges that Complainant has several registered trademarks for GNC and therefore meets the first part of the three-part UDRP test.”
- Respondent has rights or legitimate interests in the Disputed Domain Name because, *inter alia*, “where a domain name is generic, the first person to register it in good faith is entitled to the domain name”; “registration of two, three, and four-letter domain names, even by domain name speculators, can constitute a ‘legitimate interest’” where the letters are “in common use by many parties to identify

many goods and services”; and “[s]peculating and investing in generic and descriptive domain names, is a legitimate and well-established business and that in and of itself, can confer a ‘legitimate interest’ in such a domain name”.

- Respondent did not register and use the Disputed Domain Name in bad faith because, *inter alia*, “[a]bsent direct proof that a generic domain name was registered solely for the purpose of profiting from Complainant’s trademark rights, there can be no finding of bad faith registration and use”; “[t]here is absolutely no evidence that Respondent registered the Domain Name to target Complainant”; “the pay-per-click ads [on Respondent’s website] did not infringe or relate to Complainant’s goods or services, so the reliance upon the mere existence of non-infringing PPC ads to prove ‘bad faith’, is totally misplaced”; “the automated and general ‘for sale tag line’ that Complainant complains of... is also not evidence of bad faith [because] Respondent did not target Complainant at all”.

6. Discussion and Findings

Pursuant to the Policy, Complainant is required to prove the presence of each of the following three elements to obtain the relief it has requested: (i) the Disputed Domain Name is identical or confusingly similar to a trademark or service mark in which Complainant has rights; (ii) Respondent has no rights or legitimate interests in respect of the Disputed Domain Name; and (iii) the Disputed Domain Name has been registered and is being used in bad faith. Policy, paragraph 4(a).

Where a complainant does not prove one or more of these elements, the panel is compelled to issue a decision denying the complaint, regardless of the complainant’s ability to prove the other element(s) required by the Policy. Accordingly, under such circumstances, any discussion by the panel with respect to such other element(s) would be unnecessary in reaching a decision to deny the complaint. See, e.g., *Admerex Limited v. Metyor Inc.*, WIPO Case No. D2005-1246 (“[s]ince the Complainant must prove all three elements of the Policy, and since the Complainant fails under the third element,... it is not necessary to make a finding under the second element of the Policy”); *Micro Electronics, Inc. v. MicroCenter*, WIPO Case No. D2005-1289 (where the complainant failed to prove the second element of the Policy, “there is no need for the Panel to address the third element of the Policy”). Therefore, given that the Panel in the instant case finds, as discussed below, that the Complainant has failed to prove the third element of the Policy – that is, paragraph 4(a)(iii) – the Panel makes no findings with respect to the second element of the Policy.

A. Identical or Confusingly Similar

Based upon the trademark registrations and usage cited by Complainant, it is apparent that Complainant has rights in and to the GNC Trademark.

As to whether the Disputed Domain Name is identical or confusingly similar to the GNC Trademark, the relevant comparison to be made is with the second-level portion of the Domain Name only (*i.e.*, “gnc”), as it is well-established that the TLD “.asia” may be disregarded for this purpose. See WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Second Edition, paragraph 1.2 (“WIPO Overview 2.0”) (“The applicable top-level suffix in the domain name (*e.g.*, ‘.com’) would usually be disregarded under the confusing similarity test (as it is a technical requirement of registration), except in certain cases where the applicable top-level suffix may itself form part of the relevant trademark”).

Given that the second-level portion of the Disputed Domain Name is identical to the GNC Trademark, the Panel finds that Complainant has proven the first element of the Policy.

B. Rights or Legitimate Interests

Given that, for the reasons set forth above and below, it is unnecessary for the Panel to make a finding with respect to the second element of the Policy, paragraph 4(a)(ii), the Panel refrains from doing so.

C. Registered and Used in Bad Faith

Although it is apparent to the Panel that the GNC Trademark has a long history of use and is well-known in numerous countries, it is also apparent to the Panel that the acronym “GNC” also is used by numerous unrelated third parties for goods and services seemingly different than those offered by Complainant. Therefore, the Panel finds that mere registration and use of the Disputed Domain Name, without more, does not constitute bad faith under the circumstances of the facts in this proceeding.

Indeed, the Panel agrees with the decision cited by Respondent, *TMG Technologie Management Gruppe Unternehmensberatung für Markt und Innovation GmbH v. Whois Privacy Protection Service, Inc.*, WIPO Case No. D2005-0161 (denying transfer of the domain name <tmg.com>). In that case, the panel wrote:

“Complainant seems to infer bad faith by assuming that Respondent had knowledge of Complainant and its trademarks prior to the Domain Name registration, and that the Respondent hoped to benefit in one way or another from the fame of Complainant and its trademarks. In weighing that assumption, the Panel notes first that Complainant is of course not the only entity in the world entitled to use those three letters in connection with an offering of goods or services, on the contrary, it is more than likely that many entities around the world could be entitled to use a three-letter abbreviation such as TMG. It is entirely feasible for the Respondent to make a *bona fide* offering under the disputed domain name <tmg.com>. The Complainant has not given any evidence of to what extent the TMG mark is known, and has not presented any evidence to support his assertion that the Respondent knew of the mark when registering the Domain Name.

The Panel also notes that the Complainant has not filed any evidence in support of his claim that the disputed domain name is likely to mislead or deceive the Complainant’s customers. Further more [sic], the Complainants has not provided evidence that suggests that it uses the word TGM alone in its advertising, marketing, or sale of its services or its business. Nor has the Complainant provided evidence that it, or its services, are known by the letters TGM alone.”

See also, *e.g.*, *Fundación Santa María-Ediciones SM v. M.A. Stenzel*, WIPO Case No. D2013-0818 (denying transfer of a disputed domain name that contains “a common acronym used by many entities independent of the Complainant”).

Here, not only is the GNC acronym used by many others, but Respondent denies having knowledge of the GNC Trademark prior to this dispute, Respondent offers a plausible reason for its registration of the Disputed Domain Name, and the monetized parking page associated with the Disputed Domain Name is not used in any way that would create confusion with Complainant. As the Presiding Panelist here wrote in a previous decision, “In some cases, particularly where the links on such a page are not competitive with or disruptive to a relevant trademark owner, or confusing to visitors, such activity may not violate the Policy”. *Wal-Mart Stores, Inc. v. Whois Privacy inc*, WIPO Case No. D2005-0850. See also, *e.g.*, *Asian World of Martial Arts Inc. v. Texas International Property Associates*, WIPO Case No. D2007-1415 (“[a]lthough PPC landing pages appear to provide little societal benefit... that does not mean that they automatically violate the Policy”).

Finally, with respect to Complainant’s argument that bad faith exists as a result of Respondent’s offer to sell the Disputed Domain Name, the Panel agrees with the decision cited by Respondent, *Havanna S.A. v. Brendhan Hight, Mdnh Inc*, WIPO Case No. D2010-1652, in which the respondent there argued that “absent any specific intent derived from exploitation of the goodwill associated with an incidental trademark, the general offer to sell commercially valuable ‘dictionary word’ names is a legitimate business practice”. While the GNC acronym is not a “dictionary word,” it is nevertheless in widespread use worldwide, and the Panel therefore applies the same reasoning.

As a result, the Panel finds that Complainant has failed to prove the third element of the Policy.

7. Decision

For the foregoing reasons, the Complaint is denied.

Douglas M. Isenberg

Presiding Panelist

Diane Cabell

Panelist

Hon. Carolyn Marks Johnson

Panelist

Date: September 8, 2014