

ADMINISTRATIVE PANEL DECISION

Tox Pressotechnik GmbH & Co. KG v. TFourth LLC
Case No. D2022-3270

1. The Parties

The Complainant is Tox Pressotechnik GmbH & Co. KG, Germany, represented by Otten, Roth, Dobler & Partner GmbH, Germany.

The Respondent is TFourth, LLC, United Kingdom (Cayman Islands), represented by Cylaw Solutions, India.

2. The Domain Name and Registrar

The disputed domain name <tox.com> (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 September 2, 2022. On September 2, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Name. On September 3, 2022, 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” 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 and 4, the Center formally notified the Respondent of the Complaint, and the proceedings commenced on September 5, 2022. In accordance with the Rules, paragraph 5, the due date for Response was October 3, 2022. The Response was filed with the Center on October 3, 2022.

The Center appointed W. Scott Blackmer, Stefan Abel, and Gerald M. Levine as panelists in this matter on November 9, 2022. 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

The Complainant is a German limited partnership headquartered in Weingarten, Germany. As related on the Complainant's website (available in different national versions through a portal at "www.tox-pressotechnik.com"), the Complainant was established in 1978 and continues as a family-owned business, producing press drive systems and other industrial tools for sheet metal joining. The Complainant's website states that the Complainant currently has 1400 employees worldwide, with production facilities in Germany, the United States of America (the "United States"), China, India, Brazil, and the Czech Republic.

The Complainant holds numerous TOX and TOX-formative trademark registrations, including the following:

MARK	JURISDICTION	REGISTRATION NUMBER	REGISTRATION DATE
TOX (word)	United States	1501926	August 30, 1988
TOX (word)	Canada	TMA381260	March 8, 1991
TOX (word)	European Union	000216150	October 7, 1998

The Registrar reports that the Disputed Domain Name was registered on February 14, 2001, and is registered in the name of TFourth, LLC of Grand Cayman, Cayman Islands, United Kingdom. That appears to be a typographical error for the name of the Respondent, as the Response identifies the registrant as TFourth LLC of Grand Cayman, hereafter referred to as "the Respondent". From the Response, it appears that the Respondent is a limited liability company established as a vehicle for investing in domain names and developing associated websites for some of them.

At the time of this Decision, the Domain Name does not resolve to an active website, and it appears to have been used sporadically in the past only for pay-per-click ("PPC") advertising links hosted by third parties.

In May 2021, the Complainant contacted the Respondent to inquire about purchasing the Domain Name. The Respondent's representative replied as follows:

"We represent the owner of the domain, who has had the name for over 20 years.

They recently advised us that they are now considering selling the domain. Their expectations are in the six digit range USD, consistent with current valuations for three letter ".com" domain names. Several recent sales for which public information is available are listed below."

The Respondent's message listed the sales prices for a dozen three-digit ".com" domain names since 2019, ranging from USD 140,000 to USD 1.5 million.

The Complainant's representative responded that the Complainant would not be willing to pay more than USD 24,000 for the Domain Name. The conversation between the parties apparently ended in early 2022, and this proceeding followed.

5. Parties' Contentions

A. Complainant

The Complainant asserts that the Domain Name is identical to its registered TOX trademark, which the Respondent has no permission to use and which does not correspond to the Respondent's name. The Respondent has not been using the Domain Name for a *bona fide* commercial offering or legitimate noncommercial fair use.

The Complainant infers bad faith on the part of the Respondent because it demanded a purchase price for the Domain Name in excess of out-of-pocket costs and because the Respondent registered the Domain Name with "actual knowledge" of the Complainant's marks, which are registered "all over the world".

B. Respondent

The Respondent does not dispute that the Complainant holds valid trademark registrations but contends that the Complainant does not have exclusive rights to the three-digit string “tox”, which is also a dictionary prefix and suffix denoting poison and serves as a common abbreviation for medical terms such as “toxic” and “toxicology” and is found in terms such as “tox screen”. The Respondent points out that an Internet search on the term “tox screen” alone (referring to medical diagnostic testing for toxic substances) produces more than six million results.

The Response is supported by the Declaration of May Greenberg, the Respondent’s Administrative Services Manager based in the United States, who personally handled domain registrations for the Respondent. Ms. Greenberg denies that the Respondent had knowledge of the Complainant before the Complainant contacted the Respondent about purchasing the Domain Name.

Ms. Greenberg states in her Declaration that the Respondent registered other three-digit domain names in 2001 for their potential investment or development value, including <bzc.com> (for potential use in the fields of botany, zoology, and chemistry), <jql.com> (for possible reference to the software Jira Query Language), <gxc.com>, <cuy.com>, and <wmk.com> (an abbreviation for “watermark”), as well as other short domain names or domain names based on dictionary terms.

Ms. Greenberg explains the Respondent’s business as follows:

“Our ultimate goal is to develop the domain names with highly customized web sites that provide users and visitors with information and options for related services and products. We, on occasions [sic], host underdeveloped domain names with domain name parking services which pay a share of the advertising revenue they generate, an industry-wide accepted practice. From on or about the date when We first registered the Domain Name in 2001, We have consistently used the Domain Name for general advertising, using a third party service provider which automatically generates the advertising displayed on a website associated with the Domain Name. ...

At no time to-date, have We ever set the advertisements to target the Complainant or its marks. At all times to-date, We have always set the Domain Name’s settings via the third party advertising platform, to display non-industry specific advertising links and links based upon the abbreviated term, “TOX”. That is why to-date for 21+ years, the advertising has always been of a very general nature or related to the meaning of “tox”, namely Toxicology, Toxic, Tox Screen and so on.”

The Response attaches examples of the PPC advertising associated with the Domain Name, with links to third parties relating to “tox screens”, “drug tests”, “toxicology jobs”, and toxicology training and education programs. The Panel notes that screenshots available from the Internet Archive’s Wayback Machine show a similar pattern, rather than displaying links associated in any way with the Complainant or its competitors in industrial machinery.

The Respondent argues that its actions are consistent with a legitimate business model and do not reflect bad faith in an attempt to exploit the Complainant’s trademark:

“Respondent registered the Disputed Domain because it was an inherently rare and valuable three-letter domain name which corresponded to a common dictionary word. It has multiple possible uses (including development possibilities) and has many potential meanings without targeting the Complainant and its trademark. See *VOI Technology v. Domain Department, Arcanite Media Ltd.*, WIPO Case No. [DSE2022-0002](#): ‘The Respondent’s acquisitions of other similar two- and three-letter domain names appears to be consistent with the Respondent’s described business model and explanation.’”

Citing *Match.com v. Bill Zag and NWLAWS.ORG*, WIPO Case No. [D2004-0230](#), the Respondent argues “The primary rule in relation to domain name registrations is ‘first come, first served’... It is not a *per se* breach of the UDRP to register the trademark of another as a domain name where the trademark is a generic word.”

The Respondent invokes the equitable doctrine of laches and suggests that even if it does not apply strictly to bar UDRP complaints, the Complainant's long delay in bringing this Complaint and its efforts to purchase the Domain Name suggest that it lacked confidence in its legal rights. The Respondent also notes that the Complainant does not assert common law rights in TOX as a word mark or establish a record of secondary meaning for TOX associated with the Complainant.

In support of its claim to a legitimate interest, the Respondent cites UDRP precedents to the effect that "a good faith belief that a domain name's value derives from its common/descriptive qualities rather than its specific trademark value serves to establish a legitimate interest" (*National Trust for Historic Preservation v. Barry Preston*, WIPO Case No. [D2005-0424](#); *Private Media Group, Inc., Cinecraft Ltd. v. DHL Virtual Networks Inc.*, WIPO Case No. [D2004-0843](#); and *Zero International Holding GmbH & Co. Kommanditgesellschaft v. Beyonet Services and Stephen Urich*, WIPO Case No. [D2000-0161](#)). Moreover, The Respondent specifically claims a legitimate interest in investing in three-digit domain names that have inherent value for their potential usefulness related to acronyms, abbreviations, or dictionary terms, citing *Trans Continental Records, Inc. v. Compana LLC*, WIPO Case No. [D2002-0105](#) (<lfo.com>); *Grupo Nacional Provincial S.A. v. Privaczdolink Customer 4270030 / Yancy Naughton*, WIPO Case No. [D2021-1136](#) (<gnp.com>); and *Kis v. Anything.com*, WIPO Case No. [D2000-0770](#) (<kis.com>).

The Respondent denies prior actual knowledge of the Complainant and emphasizes its legitimate reasons for registering and holding the Domain Name for its inherent value for a variety of non-trademark uses. Given this value, and in line with the demonstrable monetary value of other three-letter ".com" domain names, the Respondent refutes the Complainant's inference that the Respondent registered and maintained the Domain Name with the intent of selling it to a trademark holder for an excessive price.

Finally, the Respondent argues that the Complainant should have recognized that there is no evidence here that the Respondent targeted the Complainant's mark and, therefore, that the Complaint is fatally weak. The Respondent asks the Panel to enter a finding of attempted Reverse Domain Name Hijacking against the Complainant.

6. Discussion and Findings

Paragraph 4(a) of the Policy provides that in order to divest a respondent of a domain name, a complainant must demonstrate each of the following: (i) the domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; (ii) the respondent has no rights or legitimate interests in respect of the domain name; and (iii) the domain name has been registered and is being used in bad faith. Under paragraph 15(a) of the Rules, "[a] Panel shall decide a complaint on the basis of the statements and documents submitted and in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable".

A. Identical or Confusingly Similar

The first element of a UDRP complaint "functions primarily as a standing requirement" and entails "a reasoned but relatively straightforward comparison between the complainant's trademark and the disputed domain name". WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 1.7. The Domain Name incorporates the Complainant's registered TOX mark in its entirety. (As usual, the Top-Level Domain ("TLD") ".com" is disregarded as a standard registration requirement. See *id.* section 1.11.2.)

The Panel finds that the Domain Name is identical to the Complainant's registered TOX mark and concludes, therefore, that the Complainant has established the first element of the Complaint.

B. Rights or Legitimate Interests

Paragraph 4(c) of the Policy gives non-exclusive examples of instances in which a respondent may establish rights or legitimate interests in a domain name, by demonstrating any of the following:

(i) before any notice to it of the dispute, the respondent's use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a *bona fide* offering of goods or services; or

(ii) that the respondent has been commonly known by the domain name, even if it has acquired no trademark or service mark rights; or

(iii) the respondent is making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

Because a respondent in a UDRP proceeding is in the best position to assert rights or legitimate interests in a domain name, it is well established that after a complainant makes a *prima facie* case, the burden of production on this element shifts to the respondent to come forward with relevant evidence of its rights or legitimate interests in the domain name. See [WIPO Overview 3.0](#), section 2.1.

The Complainant has established trademark rights, a lack of permissive use, and the use of the Domain Name only for sporadic PPC advertising by the Respondent not known by a corresponding name. Thus, the Complainant has made a *prima facie* case, and the burden of production shifts to the Respondent.

The Respondent demonstrates that "tox" is a dictionary prefix and suffix used as an abbreviation or acronym for medical studies, tests, specialties, and procedures relating to poisons. The Respondent shows as well that there is an inherent value in three-character domain names for their potential use as acronyms and simply as memorable short domain names. As noted in the decisions cited by the Respondent and others found in the [WIPO Overview 3.0](#), section 2.10 ("Does a respondent have rights or legitimate interests in a domain name comprised of a dictionary word/phrase or acronym?"), panels seek to determine whether a respondent has selected such a domain name for its inherent or trademark value, looking at factors such as these:

- whether the Respondent has actually used the Domain Name, or made preparations to use it, for purposes not related to the trademark at issue (here, the Respondent has merely tested the waters with PPC advertising, but that has generated advertisements relating to the "toxic" and "toxicology" dictionary abbreviations associated with the Domain Name, not the Complainant's trademark);
- the "status and fame" of the Complainant's mark (not strongly established in this case, especially at the time of the Domain Name registration)
- whether the Respondent registered and used other domain names similarly containing dictionary words or phrases (there is evidence of this on the current record, including multiple registrations in the same year as the Domain Name registration).

The conclusion in [WIPO Overview 3.0](#), section 2.10.2, with respect to acronyms is instructive here:

"For a respondent to have rights or legitimate interests in a domain name comprising an acronym, the respondent's evidence supporting its explanation for its registration (and any use) of the domain name should indicate a credible and legitimate intent which does not capitalize on the reputation and goodwill inherent in the complainant's mark."

The Panel finds the Declaration of Ms. Greenberg plausible concerning the Respondent's business model and its practice of registering short domain names in 2001 based on dictionary terms or acronyms, including the Domain Name, for investment and potential website development. The Complainant has not offered evidence indicating the likelihood that the Respondent nevertheless would be aware of the Complainant or its mark for industrial machinery until the Complainant offered to purchase the Domain Name 20 years later. Thus, on balance, the Panel finds that the Respondent has established a legitimate interest in investing in a

short domain name, one that also corresponds to a common prefix and suffix and abbreviation found in English dictionaries and used in the medical field.

The Panel concludes, accordingly, that the Complainant has not established the second element of the Complaint.

C. Registered and Used in Bad Faith

The Complainant's failure to prevail on the second element is fatal to the Complaint. However, because the Respondent has asked for a finding of Reverse Domain Name Hijacking, it is also useful to examine the Complainant's case under the third element.

The Policy, paragraph 4(b), furnishes a non-exhaustive list of circumstances that "shall be evidence of the registration and use of a domain name in bad faith", including the following (in which "you" refers to the registrant of the domain name):

"(i) circumstances indicating that you have registered or you have acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name; or ...
(iv) by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your web site or other on-line location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of your web site or location or of a product or service on your web site or location."

The Complainant argues that the Respondent had "actual knowledge" of its trademark, which is registered "all over the world" and "clearly" registered the Domain Name to obtain "an unacceptable high amount of money" from the Complainant", pointing to the Complainant's unsuccessful efforts in 2021 and 2022 to purchase the Domain Name for USD 24,000.

There is no evidence of "actual knowledge" in this instance, which the Respondent denies. Moreover, panels typically have not inferred bad faith on the basis of constructive notice of trademark registrations without relying on supporting evidence of the strength and distinctiveness of the mark and/or some indication of the respondent's awareness of the mark – especially where "the complainant's mark is not inherently distinctive and it also corresponds to a dictionary term or is otherwise inherently attractive as a domain name (e.g., it is a short combination of letters)", which is precisely the case here. See [WIPO Overview 3.0](#), section 3.2.2.

The use of a disputed domain name for PPC advertising is often evidence of bad faith misdirection for commercial gain, consistent with the Policy, paragraph 4(b)(iv), but the circumstances here do not warrant such a finding. The record does not suggest that the Respondent was aware of the Complainant's mark and sought to exploit it, and the PPC links themselves are in this case relevant to the dictionary sense of the Domain Name not the Complainant's trademark.

The fact that the Respondent rejected a purchase offer from the Complainant – an offer initiated by the Complainant – is insufficient to establish bad faith. The record does not indicate that the Respondent likely targeted the Complainant's mark in 2001, and the amount of the Respondent's demand in 2021 does not prove otherwise. The record amply demonstrates the inherent value of three-letter ".com" domain names, particularly those, such as the Domain Name, based on dictionary terms. In any event, it strains credulity to imply that the Respondent obtained the Domain Name in 2001 "primarily" with the intent of attracting an offer from the Complainant and then patiently waited two decades for that offer.

Given that the Respondent has not itself developed a website associated with the Domain Name, the Complainant also briefly mentions the "passive holding" doctrine of *Nuclear Marshmallows*. The Complainant fails to demonstrate the relevance of this doctrine in the present circumstances, however, with reference to the relevant conditions as summarized in the [WIPO Overview 3.0](#), section 3.3:

“(i) the degree of distinctiveness or reputation of the complainant’s mark, (ii) the failure of the respondent to submit a response or to provide any evidence of actual or contemplated good-faith use, (iii) the respondent’s concealing its identity or use of false contact details (noted to be in breach of its registration agreement), and (iv) the implausibility of any good faith use to which the domain name may be put.”

Here, the Complainant’s mark also corresponds to a dictionary term; the Complainant has not established its widespread reputation in 2001; the Respondent was not concealed and has filed a full Response supported by a Declaration from a person with contemporaneous knowledge; and the Respondent offers plausible, good-faith uses for the Domain Name consistent with its business model for similar short domain names. In the “totality of the circumstances” (*id.*), this is not a good record for applying the passive holding doctrine of *Nuclear Marshmallows* and its progeny.

The Panel concludes, therefore, that the Complainant has failed to establish the third element of the Complaint, bad faith.

7. Decision

For the foregoing reasons, the Complaint is denied.

8. Reverse Domain Name Hijacking

Paragraph 15(e) of the UDRP Rules provides that, if “after considering the submissions the panel finds that the complaint was brought in bad faith, for example in an attempt at Reverse Domain Name Hijacking (‘RDNH’) or was brought primarily to harass the domain-name holder, the panel shall declare in its decision that the complaint was brought in bad faith and constitutes an abuse of the administrative proceeding”. The Respondent has requested such a finding here.

Reverse Domain Name Hijacking is defined under the UDRP Rules as “using the UDRP in bad faith to attempt to deprive a registered domain-name holder of a domain name”. Mere lack of success of a complaint is not sufficient to find Reverse Domain Name Hijacking. See [WIPO Overview 3.0](#), section 4.16. A finding of RDNH is warranted, for example, when a panel finds that the complainant (especially one represented by counsel) should have recognized that it could not succeed on one of the three elements of the complaint under any fair interpretation of the available facts or brings a complaint based “on only the barest of allegations without any supporting evidence” (*id.*).

This is such a case. The three-letter Domain Name corresponds to a dictionary term and was registered more than 21 years ago. The bare-bones Complaint does not establish that the Complainant’s mark had achieved widespread recognition by that time and was uniquely associated with the Complainant. It does not come close to establishing the probability that the Respondent “must have been” aware that the mark was associated with a manufacturer of sheet-metal joining tools and chose to invest in the three-letter Domain Name – and hold onto it for more than two decades – in the hope that the manufacturer would pay a large sum for the Domain Name.

The Complaint makes no serious effort to confront these obvious issues, and it throws in a reference to the passive holding doctrine without addressing the conditions laid down in *Nuclear Marshmallows* and following decisions for finding bad faith under that doctrine, such as establishing the fame of the mark, the lack of a Response, or the absence of plausible, legitimate reasons for selecting the disputed domain name. The Complainant focuses on the fact that the Respondent declined an offer for the Domain Name for USD 24,000, but this is unsurprising for a three-letter “.com” domain name.

The Complainant can rightly be faulted for subjecting the Respondent to the expense and burden of a UDRP proceeding on such thin premises.

The Panel finds that the Complainant brought the Complaint in bad faith, within the meaning of Rule 15(e), in an attempt at Reverse Domain Name Hijacking.

/W. Scott Blackmer/

W. Scott Blackmer

Presiding Panelist

/Stefan Abel/

Stefan Abel

Panelist

/Gerald M. Levine/

Gerald M. Levine

Panelist

Date: November 23, 2022