

## **ADMINISTRATIVE PANEL DECISION**

### **Blue Cross and Blue Shield Association v. Karl Schnurch, EdenMedia Case No. D2023-1724**

#### **1. The Parties**

The Complainant is Blue Cross and Blue Shield Association, United States of America (“United States”), represented by Neal, Gerber & Eisenberg, United States.

The Respondent is Karl Schnurch, EdenMedia, Seychelles.

#### **2. The Domain Name and Registrar**

The disputed domain name <bcbsde.com> is registered with Key-Systems GmbH (the “Registrar”).

#### **3. Procedural History**

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on April 21, 2023. On April 24, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On April 25, 2023, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the disputed domain name which differed from the named Respondent (REDACTED FOR PRIVACY) and contact information in the Complaint. The Center sent an email communication to the Complainant on April 27, 2023, providing the registrant and contact information disclosed by the Registrar, and inviting the Complainant to submit an amendment to the Complaint. The Complainant filed an amended Complaint on May 4, 2023.

The Center verified that the Complaint amended 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 May 8, 2023. In accordance with the Rules, paragraph 5, the due date for Response was May 28, 2023. The Respondent did not submit any response. Accordingly, the Center notified the Respondent’s default on June 7, 2023.

The Center appointed Andrew D. S. Lothian as the sole panelist in this matter on June 14, 2023. The Panel finds that it was properly constituted. 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 an association of 34 independently operated, local Blue Cross and Blue Shield Member Plans, licensed by the Complainant to provide health and life insurance, health-care delivery services, and related goods and services. The Complainant has operated for over 80 years via its predecessors in interest and its licensees. The Complainant claims considerable worldwide recognition in its trademarks and also asserts that it spends considerable sums on advertising said marks. The Complainant provides a list of some fourteen of its members showing that it is typical for these to use the Complainant's BCBS mark, coupled with a two character United States state identifier in the member's domain name.

The Complainant is the owner of a variety of registered trademarks for the word marks BLUE CROSS, BLUE SHIELD, or the acronym BCBS. For example, the Complainant is the owner of United States Registered Trademark No. 4212904 in respect of the word mark BCBS, registered on September 25, 2012 in Classes 36 and 44.

The disputed domain name was registered on December 27, 1995. Little is known of the Respondent, which has not participated in the administrative proceeding, other than the fact that it has been involved in five previous cases under the Policy, in each of which it was found to have registered and used the corresponding domain names in bad faith.

According to historic Whois records provided by the Complainant, between about April 15, 2011 and about October 9, 2016, the disputed domain name was registered to one of the Complainant's plan holders named Highmark Blue Cross Blue Shield Delaware. Thereafter, it has changed registrants several times, including privacy services. The Registrar's verification notes that the Respondent is based in the Seychelles. The first registrant with a Seychelles connection is noted on the historic Whois record of June 21, 2018 and is a Seychelles-based privacy service.

The disputed domain name points to a website displaying pay-per-click ("PPC") advertising links relating to medical and healthcare matters. The Complainant notes that on December 12, 2022, it became aware that the disputed domain name was redirecting visitors to pages containing computer viruses, and the Complainant provides evidence in the form of a screenshot of one of the offending pages, which states that trojan spyware has been detected.

On January 5, 2023, the Complainant wrote to the Respondent informing it of the Complainant's trademark rights. On January 23, 2023, the Complainant issued a follow up notice. No response has been received to these communications.

#### **5. Parties' Contentions**

##### **A. Complainant**

In summary, the Complainant contends as follows:

Identical or confusingly similar

The disputed domain name is virtually identical to the Complainant's BCBS mark, coupled with the letters "de". This is a common geographic indicator for the State of Delaware in the United States or for the nation of Germany. Both of those jurisdictions are encompassed by the Complainant's trademark rights. The mere addition of a geographical term or an abbreviation of such term is insufficient to distinguish the disputed domain name from the Complainant's said mark. The Top-Level Domain does not distinguish the disputed domain name from the Complainant's mark.

### Rights or legitimate interests

The Respondent cannot claim any rights or legitimate interests in the disputed domain name via mere registration, and has no relationship with the Complainant. The Complainant has not consented to the registration of the disputed domain name. The Respondent is not making a legitimate noncommercial use or fair use of the disputed domain name and, given the disputed domain name is “parked” to redirect to other sites, there is no showing of a *bona fide* offering of goods or services. The Respondent would not have chosen the disputed domain name unless it was seeking to intentionally trade on the Complainant’s marks, given the renown of the same. The Respondent would not choose such a name unless it was seeking to create an impression of association with the Complainant.

### Registered and used in bad faith

Given the renown of the Complainant’s trademarks, it is not plausible that the Respondent innocently registered the disputed domain name without intent to exploit its similarity to the Complainant’s marks. The Respondent has constructive knowledge of the Complainant’s trademarks by virtue of its United States trademark registrations. Since registration, the Respondent has redirected the disputed domain name, or has allowed a third party to redirect it, to malicious pages that subject users to malware and viruses. The Respondent has a history of bad faith registrations of domain names as demonstrated by five previous cases under the Policy. While each case must be taken on its own merits, this would seem to be the sixth time the Respondent has registered and is using a domain name in bad faith.

## **B. Respondent**

The Respondent did not reply to the Complainant’s contentions.

## **6. Discussion and Findings**

To succeed, the Complainant must demonstrate that all of the elements listed in paragraph 4(a) of the Policy have been satisfied:

- (i) the disputed 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 disputed domain name; and
- (iii) the disputed domain name has been registered and is being used in bad faith.

### **A. Identical or Confusingly Similar**

The first element analysis under the Policy is usually conducted in two stages. In the first stage, the Complainant must demonstrate that it possesses UDRP-relevant rights in a trademark, whether registered or unregistered. In the second stage, the Panel compares the domain name concerned with any such trademark, usually on a straightforward side-by-side basis, in which the Top-Level Domain (“TLD”) of said domain name (in the disputed domain name, “.com”) is typically disregarded as being merely of technical significance. Confusing similarity may be found if the Complainant’s trademark is recognizable in the disputed domain name, whether or not accompanied by other terms. Identity may be found if the trademark is identical to the disputed domain name (with the exception of the TLD), having disregarded any special characters, punctuation or spaces.

In the present case, the Complainant relies upon its BCBS registered trademark, as described in the factual background section above. The Panel finds that the Complainant has UDRP-relevant rights in such trademark. Turning to the comparison exercise, the Panel notes that the said mark is repeated in its entirety in the disputed domain name, coupled with the letters “de”. The Complainant’s mark remains fully

recognizable notwithstanding the presence of these two letters. Where the relevant trademark is recognizable within the disputed domain name, the addition of other terms (whether descriptive, geographical, pejorative, meaningless, or otherwise) would not prevent a finding of confusing similarity under the first element (see section 1.8 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("[WIPO Overview 3.0](#)")).

In these circumstances, the Panel finds that the disputed domain name is confusingly similar to a trademark in which the Complainant has rights and therefore that the Complainant has carried its burden in respect of paragraph 4(a)(i) of the Policy.

## **B. Rights or Legitimate Interests**

Paragraph 4(c) of the Policy lists several ways in which the Respondent may demonstrate rights or legitimate interests in the disputed domain name:

"Any of the following circumstances, in particular but without limitation, if found by the Panel to be proved based on its evaluation of all evidence presented, shall demonstrate your rights or legitimate interests to the domain name for purposes of paragraph 4(a)(ii):

(i) before any notice to you of the dispute, your 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) you (as an individual, business, or other organization) have been commonly known by the domain name, even if you have acquired no trademark or service mark rights; or

(iii) you are 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."

The consensus of previous decisions under the Policy is that a complainant may establish this element by making out a *prima facie* case, not rebutted by the respondent, that the respondent has no rights or legitimate interests in a domain name. In the present case, the Panel finds that the Complainant has established the requisite *prima facie* case based on its submissions that the Respondent cannot claim rights or legitimate interests by registration of the disputed domain name alone, that the Complainant has given no consent to such registration, that the Respondent is not making either a *bona fide* offering of goods or services or a legitimate noncommercial or fair use of the disputed domain name, and that the disputed domain name is used to propagate malware.

The burden of production accordingly shifts to the Respondent to bring forward evidence of any rights or legitimate interests which it might claim in the disputed domain name. The Respondent has not engaged with the administrative proceeding and has filed no Response seeking to answer the Complainant's submissions and evidence. There is no material on the present record that would suggest that the Respondent might have been able to point to any element of paragraph 4(c) of the Policy or indeed any other legitimate reason why the Respondent has registered and used the disputed domain name in the current manner, which appears to target the Complainant's rights by use of PPC relating to the Complainant's line of business and indeed distributes malware. Such use cannot confer any rights or legitimate interests upon the Respondent in this case.

In all of these circumstances, the Panel finds that the Respondent has failed to rebut the Complainant's *prima facie* case that the Respondent has no rights or legitimate interests in the disputed domain name, and therefore that the Complainant has carried its burden in terms of paragraph 4(a)(ii) of the Policy.

### C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy provides four, non-exclusive, circumstances that, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith:

“(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

(ii) you have registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that you have engaged in a pattern of such conduct; or

(iii) you have registered the domain name primarily for the purpose of disrupting the business of a competitor; or

(iv) by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your website or other online location, by creating a likelihood of confusion with the complainant’s mark as to the source, sponsorship, affiliation, or endorsement of your website or location or of a product or service on your website or location.”

In the first instance on this topic, it should be noted that the disputed domain name predates the earliest of the Complainant’s registered rights in the mark BCBS by a very considerable margin, albeit that the Complainant notes that it has been in business for around 80 years. This is not entirely surprising, however, given that the evidence shows that the previous registrant from at least 2011 to 2016 was one of the Complainant’s plan members operating in the State of Delaware, United States. Indeed, while it does not matter to the outcome of the present case, there is no reason to believe that the said member was not the original registrant of the disputed domain name in 1995.

The disputed domain name’s Whois history shows that the first registrant with a Seychelles connection appears on a record dated June 21, 2018. Given that the Respondent itself uses an address in the Seychelles, the Panel considers it more probable than not, in the absence of any contribution from the Respondent, that the Respondent acquired the disputed domain name on or about that date. In any event, the evidence demonstrates that the Respondent must have acquired the disputed domain name at some point in 2016 or later, after the disputed domain name had been held by the Complainant’s plan member. In these circumstances, the Panel finds that the Respondent acquired the disputed domain name some considerable time after the Complainant’s rights in its BCBS mark came into existence and at a point when these were well-established.

It appears on the basis of the present record that since the Respondent acquired the disputed domain name, the disputed domain name has been used in connection with PPC referencing healthcare, being the Complainant’s line of business. The Respondent has not engaged with the administrative proceeding, nor has it attempted to answer the Complainant’s correspondence regarding its use of the disputed domain name. In the Panel’s opinion, the present record raises a case for the Respondent to answer, although it has chosen to provide no such answer.

In the absence of any plausible alternative explanation from the Respondent, the Panel considers it reasonable to infer that the disputed domain name was acquired by the Respondent in the full knowledge of the Complainant’s rights and with intent to target these. Given the typical use of the Complainant’s mark together with two character United States state identifiers by the Complainant’s plan members for their websites, the Respondent presumably hoped to capture traffic from Internet users expecting that the disputed domain name was operated by one of the Complainant’s plan members in the State of Delaware, United States. When such users arrived at the related website, they were met with healthcare related PPC and, on occasion, with malware. This is paradigmatic bad faith within the meaning of the Policy. While, as

the Complainant notes, each case must be taken on its own merits, the Panel is fortified in its view by the fact that no less than five previous cases under the Policy show the Respondent to have engaged in a range of cybersquatting activities.

The Panel notes from the report prepared for the Complainant that the disputed domain name is also being offered for sale, which may suggest that the Respondent primarily registered the disputed domain name with intent to sell it to the Complainant or to a competitor thereof for an amount exceeding the Respondent's out of pocket costs, in terms of paragraph 4(b)(i) of the Policy. Furthermore, on the basis of the evidence on the present record, the Panel finds that by using the disputed domain name, the Respondent has intentionally attempted to attract, for commercial gain, Internet users to its website by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of such website.

Accordingly, the Panel finds that the disputed domain name has been registered and is being used in bad faith, and therefore that the Complainant has carried its burden in terms of paragraph 4(a)(iii) of the Policy.

## **7. Decision**

For the foregoing reasons, in accordance with paragraphs 4(i) of the Policy and 15 of the Rules, the Panel orders that the disputed domain name, <bcbsde.com>, be transferred to the Complainant.

*/Andrew D. S. Lothian/*

**Andrew D. S. Lothian**

Sole Panelist

Date: June 28, 2023