

ARBITRATION
AND
MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Rheem Manufacturing Company v. John Sperratore Case No. D2023-3057

1. The Parties

The Complainant is Rheem Manufacturing Company, United States of America ("United States"), represented by Eversheds Sutherland (US) LLP, United States.

The Respondent is John Sperratore, United States, self-represented.

2. The Domain Name and Registrar

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

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on July 17, 2023. On July 18, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On July 19, 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 (Domains by Proxy, LLC.) and contact information in the Complaint. The Center sent an email communication to the Complainant on July 19, 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 July 25, 2023.

The Center verified that the Complaint together with the 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 July 31, 2023. In accordance with the Rules, paragraph 5, the due date for Response was August 20, 2023. The Respondent did not submit a formal response. However, an email communication was received from the Respondent on August 9, 2023, claiming to be a direct distributor of Rheem products. The Center notified the commencement of the Panel Appointment Process on August 22, 2023.

The Center appointed W. Scott Blackmer as the sole panelist in this matter on August 31, 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.

The Panel issued Procedural Order Number 1 on September 28, 2023, giving the parties an opportunity to submit further evidence on the question of the Respondent's claimed relationship as a distributor of the Complainant's products. Both parties submitted replies to this Procedural Order. The Complainant objected to the Respondent's reply on the ground that it was submitted two days late. The Respondent, who is self-represented, furnished evidence of a personal emergency contributing to the delay. The Panel does not find substantial prejudice in the two-day delay and accepts the Respondent's reply for consideration in this proceeding.

4. Factual Background

The Complainant is a privately held corporation established in 1974 under the laws of the state of Delaware, United States, with a principal place of business in Atlanta, Georgia, United States. The Complainant is the successor to the Rheem Manufacturing Company founded by the Rheem brothers in 1925, using a RHEEM mark that has been applied to water heaters, boilers, and tanks since 1930, as well as to heating, ventilation, and air conditioning ("HVAC") equipment since 1956. The Complaint asserts that "Rheem's goods are among the most famous and well known water and air products in the United States and throughout the world", citing Forbes Advisor, Wikipedia, and U.S. News and World Report. The Complainant has some 12,000 employees in 22 manufacturing plants located on five continents, generating more than USD 6 billion in sales in fiscal year 2022 in more than 88 countries.

The Complainant has operated a website at "www.rheem.com" (the "Complainant's website") since 1995. As demonstrated on the Complainant's website, the Complainant promotes the RHEEM brand online and in broadcast and print media, as well as at trade shows and sponsored events. The Complainant offers promotions, financing, and training programs for contractors, builders, distributors, and consumers.

The Complainant holds multiple trademark registrations in the United States and other countries for RHEEM and RHEEM-formative trademarks. One of the earliest of these is United States trademark registration number 669287 for RHEEM, registered November 4, 1958, in International Class 11 for air conditioning units, oil and gas fired water heaters, and space heating equipment, including gas furnaces, evaporative coolers, and heating equipment and systems for domestic use.

The Registrar reports that the disputed domain name was registered on January 4, 2020, in the name of a domain privacy service. After receiving notice of the Complaint in this proceeding, the Registrar identified the underlying registrant as the Respondent John Sperratore, listing no organization and showing a postal address in the state of New Jersey, United States and a contact email address in the domain <teamace.com>. That domain name is associated with the website of Ace Plumbing, Heating & Electrical Supplies, Inc. ("Ace"), a company that sells and ships plumbing, heating, and electrical parts and supplies to contractors and homeowners from seven facilities in New Jersey.

The disputed domain name resolves to a website (the "Respondent's website") headed until recently "RheemHVACParts,com Powered by SuppliesDepot.com An Independent Parts Distributor". While this proceeding was underway, the header was amended to read, "Supplies Depot An Independent Parts Distributor". The Respondent's website advertises "Thousands of Rheem Parts in Stock and Ready to Ship!", displaying photos, descriptions, and prices for "genuine Rheem factory OEM" parts that are "brand new in the original factory packaging and are guaranteed to fit and function properly". "OEM" refers to an "original equipment manufacturer", defined in the Merriam-Webster online dictionary as a producer of "complex equipment from components usually bought from other manufacturers". Individual parts displayed on the Respondent's website include the text, "Not an aftermarket or generic part". The online catalog on the

Respondent's website shows the "manufacturer" as "Rheem" and gives both a "RheemHVACparts.com Part Number" and a different "Equivalent Part Number" for each item. The Respondent's website does not identify the website operator other than as "RheemHVACparts.com", and this name appears on the "About Us", "Contact Us", "Legal Terms", "Warranty and Return", and "Privacy" pages and in the copyright notice in the footer of each page, even though there appears to be no legal entity by that name. Further, the "Shipping Policy" page on the website refers to "Rheem factory directs", giving the impression that at least some orders made through the Respondent's website are shipped directly from the Complainant.

The Complainant filed an abuse report with the Registrar, which responded that it did not host the Respondent's website and advised the Complainant of its option to file a UDRP complaint. This proceeding followed.

5. Parties' Contentions

A. Complainant

The Complainant asserts that the disputed domain name is confusingly similar to the registered RHEEM trademark, incorporating the distinctive mark in its entirety and adding the generic terms" "HVAC" and "parts". The Complainant argues that these terms enhance the likelihood of confusion, because the Complainant also sells HVAC parts on the Complainant's website.

The Complainant contends that the Respondent does not have rights or legitimate interests in the disputed domain name. The Complainant denies authorizing the Respondent to use the RHEEM mark in the disputed domain name and states that it never licenses third parties to use the RHEEM mark in a trade name. The Complainant argues that the Respondent is not making a *bona fide* use of the disputed domain name but rather an infringing one, to misdirect Internet users to its website for commercial gain. The Complainant contends that the Respondent took steps to obscure its identity, both in registering the disputed domain name through a domain privacy service and in furnishing underlying registration details associated with another business, Ace, which is not mentioned on the Respondent's website. The Complainant argues that there is no evidence of a legal entity with a name similar to "Rheem HVAC Parts" and demonstrates that a search of the online database of the Better Business Bureau found no listings for a business with such a name. Moreover, the Complainant demonstrates that the telephone number listed on the Respondent's website is the same number given for several other parts businesses, including Supplies Depot, <nortizparts.com>, and
bradfordparts.com>. Thus, the Complainant concludes that the Respondent is not commonly known by a name corresponding to the disputed domain name and is not using the disputed domain name in connection with a *bona fide* offering of goods or services.

The Complainant points to the same facts to argue for a finding of bad faith in the registration and use of the disputed domain name. The Complainant observes that the Respondent was clearly aware of the Complainant and its well-established RHEEM mark, as the Respondent's website consists of many pages of photos and descriptions of the Complainant's RHEEM-branded products. The Complainant argues that the Respondent is using the RHEEM mark in the disputed domain name and on its website to mislead consumers as to the source of goods and falsely suggest an association with the Complainant, while "[t]he website at the Disputed Domain is actually selling unauthorized goods of unknown origin."

In its reply to the Panel's Procedural Order, the Complainant concedes that on further investigation it appears that the products offered and sold on the Respondent's website "are likely genuine Rheem products" and notes that since the Complaint was filed in this proceeding the Respondent's website has been edited to refer to the Respondent as an "independent distributor". The Complainant acknowledges that the Respondent legitimately may resell the Complainant's products and make nominative use of the Complainant's mark to denote RHEEM products, but the Respondent may not legitimately use the mark to compete against the Complainant with a disputed domain name and website name that falsely suggest affiliation with the Complainant. The Complainant argues that if the Respondent is allowed to avoid transfer

of the disputed domain name simply by editing its website in response to the Complaint, there is nothing to prevent it from abusing the mark again following this proceeding.

B. Respondent

The Respondent did not submit a formal Response with the certification of completeness and accuracy as required by the Rules, paragraph 5(c)(viii). The Panel must take that into account in weighing the credibility of the Respondent's informal email to the Center dated August 9, 2023, taken together with the Respondent's October 7, 2023, email reply to the Panel's Procedural Order.

In the August 9, 2023, email to the Center, the Respondent Mr. Sperratore said he "welcomed a conversation" but had "no intention of transferring" the disputed domain name because Ace is a "direct distributor of Rheem products", and the Respondent's website "is run by an independent distributor". Mr. Sperratore stated his belief that Ace as a distributor has the authority to use the Rheem name, which is also "not protected as it is a surname", as well as the Complainant's logo and copyrighted information reproduced on the Respondent's website, "in our quest to sell the Rheem Product".

The Respondent's August 9, 2023, email did not attach any documentation supporting the Respondent's claims concerning distributorship. The email included a link to a genealogical website to demonstrate that "Rheem" is a family name.

In the October 7, 2023, email reply to the Procedural Order, Mr. Sperratore says that "the website and web domain are the property of Ace Plumbing, Heating, and Electrical Supplies, a wholesale distributor based in Vineland, New Jersey, also a Rheem direct distributor. He also asserts that "[w]e are using the website to sell only OEM Rheem parts and state at the top of the site that the site is run by an independent distributor, so as not to confuse anyone". The reply does not attach any supporting documentation concerning the distributorship relationship but offers to provide invoices if requested to show that Ace purchases the parts sold on the website from 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; and (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 Complainant holds trademark registrations for RHEEM. The disputed domain name incorporates the mark in its entirety. The mark is readily recognizable in the disputed domain name, and the addition of the terms "hvac", and "parts" does not avoid a finding of confusing similarity (see *id.*, section 1.8). As usual, the addition of the Top-Level Domain ".com" may be disregarded as a standard registration requirement (see *id.*, section 1.11.1).

The Panel finds that the disputed domain name is confusingly similar to the Complainant's mark and concludes 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) 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 demonstrated trademark rights and observed that the Respondent does not appear to be known by a corresponding name and has used the disputed domain name for a website purporting to sell RHEEM parts but lacks permission to use the RHEEM trademark in the disputed domain name or on the Respondent's website. This establishes a *prima facie* case.

The Respondent's emails claim rights or legitimate interests in the disputed domain name as a distributor of RHEEM parts. It appears that there is no legal entity corresponding to the disputed domain name, which is also the name that appears on the website. To the contrary, the website prominently refers to "suppliesdepot.com" – a site where products from many manufacturers are sold. According to the emails from the Respondent Mr. Sperratore, the RHEEM parts sold on the website are purchased by Ace and resold though the Respondent's website. There is no evidence in the record that Ace or Mr. Sperratore have a distributorship agreement with the Complainant, and the Complainant denies such a relationship.

There are precedents for both authorized and unauthorized distributors and resellers making nominative fair use of a manufacturer's trademark in a domain name used for a website advertising the sales or servicing of the manufacturer's goods. See <u>WIPO Overview 3.0</u>, section 2.8. These decisions typically rely on the factors elaborated in *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. <u>D2001-0903</u>, commonly referred to as the "Oki Data test":

- (i) the respondent must actually be offering the goods or services at issue;
- (ii) the respondent must use the site to sell only the trademarked goods or services;
- (iii) the site must accurately and prominently disclose the registrant's relationship with the trademark holder; and
- (iv) the respondent must not try to "corner the market" in domain names that reflect the trademark.

The Respondent's website in this case does not meet the Oki Data test. The website claims that it offers only "genuine Rheem factory OEM" parts, and the Complainant's reply to the Procedural Order concedes that this appears to be the case. However, the Respondent's website has not identified the Respondent and its relationship with the trademark holder, before or after the filing of the UDRP Complaint. Until this proceeding, the website referred to "RheemHVACParts.com", which does not appear to be a legal entity or trade name, "powered by Supplies.com An Independent Parts Distributor". Now "Supplies Depot" appears at the top of each page, but "RheemHVACParts.com" is still the only name in text of the website pages. Ace is not mentioned, and it is not clear what role Supplies Depot has and what is its relationship, if any, with the Complainant. The Respondent's website also refers to "Rheem factory directs" in its Shipping Policy, suggesting a direct relationship with the Complainant, which the Complainant denies. This does not amount to proper identification of the website operator – as noted above, the site prominently displays a logo for "Supplies Depot" (and on the other hand uses the disputed domain name in some text to refer to itself),

much less "accurate and prominent disclosure" of the registrant's relationship with the trademark owner. Thus, the Respondent's website does not satisfy the Oki Data test by sufficiently disclosing the Respondent's relationship with the Complainant to avoid a false impression of source or affiliation.

The Panel also finds the Respondent's evocation of the fact that "Rheem" is a family name not to assist its case (and bordering on disingenuous); plainly, the disputed domain name is used by reference to the Complainant.

The Panel concludes, therefore, that the Respondent lacks rights or legitimate interests in the disputed domain name, and the Complainant prevails on the second element of the Complaint.

C. Registered and Used in Bad Faith

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:

"(iv) by using the domain name, you [respondent] have intentionally attempted to attract, for commercial gain, Internet users to your [respondent's] web site 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 [respondent's] website or location or of a product or service on your website or location."

The record shows that the Complainant's RHEEM marks are well known and long established. The fact that "Rheem" is also a family name does not preclude it becoming recognized as a trademark in one or many classes of goods or services; many trademarks are based on family names. The Respondent was clearly aware of the Complainant and its RHEEM marks, as the Respondent's website is engaged in selling parts "guaranteed to fit and function properly" with the Complainant's RHEEM-branded equipment. The Respondent's website displays photos and descriptions of RHEEM products but at the same time obfuscates the Respondent's identity, as described above, as well as the Respondent's relationship with the Complainant. This leads to potential confusion, for example, as to the source and quality of goods, shipping guarantees, and the availability of warranty service.

The Panel finds that these facts conform to the example of bad faith described in the Policy, paragraph 4(b), where the Respondent has used a confusingly similar domain name to intentionally attract Internet users to its website for commercial gain. The Respondent's furnishing of incomplete or inaccurate domain name registration information lends further support to an inference of bad faith in the registration and use of the disputed domain name.

The Panel finds bad faith on this record within the meaning of the Policy and concludes that the Complainant has established the third element of the Complaint.

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 <rheemhvacparts.com> be transferred to the Complainant.

/W. Scott Blackmer/
W. Scott Blackmer
Sole Panelist

Date: October 18, 2023