

ADMINISTRATIVE PANEL DECISION

Akamai S.r.l. v. Rutherford Audio, Inc. and Robb Niemann, Silicon Cowboys Systems Inc.

Case No. D2023-3725

1. The Parties

The Complainant is Akamai S.r.l., Italy, represented internally.

The Respondent is Rutherford Audi, Inc., United States of America (“United States” or “USA”) and Robb Niemann, Silicon Cowboys Systems Inc., Canada.

2. The Domain Name and Registrar

The disputed domain name <goldnoteusa.com> is registered with eNom, LLC (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on September 6, 2023. On September 6, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On September 6, 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 (Rutherford Audio Inc.) and contact information in the Complaint. The Center sent an email communication to the Complainant on September 13, 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 September 18, 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 September 20, 2023. In accordance with the Rules, paragraph 5, the due date for Response was October 10, 2023. The Respondent sent email communications to the Center on September 19, October 18, and October 19, 2023. The Center informed the Parties of its commencement of panel appointment process on October 13, 2023.

The Center appointed Steven A. Maier as the sole panelist in this matter on October 19, 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. Identity of Respondent

The Respondent originally named in the Complaint was Rutherford Audio, Inc., a corporation located in the United States. However, the Registrar-disclosed Respondent is Silicon Cowboy Systems Inc., Canada. It appears to the Panel from the evidence provided that Rutherford Audio, Inc. is a former authorized distributor of the Complainant's products in the United States, and is also the named operator of the website to which the disputed domain name resolves. It further appears to the Panel that Robb Nieman, who is the personal contact named by the Registrar for Silicon Cowboy Systems Inc., is also a principal (or at least a responsible officer) of Rutherford Audio, Inc. The Panel infers in the circumstances that the beneficial holder of the disputed domain name is Rutherford Audio, Inc. and that it was most probably registered in the name of Silicon Cowboy Systems Inc. for convenience. In the circumstances, the Panel determines that both Rutherford Audio, Inc. and Silicon Cowboy Systems Inc. are proper respondents in the proceeding, and will be referred to together as the Respondent in the remainder of this Decision.

5. Factual Background

The Complainant is a manufacturer of high-end audio equipment under the brand name and trademark GOLD NOTE.

The Complainant is the owner of various registrations for the trademark GOLD NOTE, including for example:

- Italy trademark registration number 017797242, for a figurative mark comprising the words GOLD NOTE and a logo, registered on May 28, 2018; and
- United States trademark registration number 5816043, for a combined mark comprising the words GOLD NOTE and a logo, registered on July 30, 2019 with an application date of July 17, 2018.

The disputed domain name was registered on February 18, 2019.

The disputed domain name has resolved to a website offering the Complainant's products for sale.

6. Parties' Contentions

A. Complainant

The Complainant submits that it has sold over 50,000 GOLD NOTE branded products through a network of 30 distributors located in 38 countries, and that its GOLD NOTE trademark is closely associated by consumers with its high-end audio products.

The Complainant states that it entered into a "non-continuous commercial collaboration relationship" with the Respondent in the first half of 2019, under which the Respondent marketed its GOLD NOTE branded products in the United States. It states that it concluded an exclusive three-year agreement with another distributor in January 2023, and consequently terminated its relationship with the Respondent by notice dated April 3, 2023. It states that the Respondent objected to the termination, and began subsequently to discount the Complainant's products offered on its website by up to 25 percent, which it submits is damaging to the Complainant for the reasons alluded to below.

The Complainant submits that the disputed domain name is identical or confusingly similar to its GOLD NOTE trademark, and that the addition of the term "USA" does not affect the likelihood of confusion.

The Complainant submits that the Respondent has no rights or legitimate interests in respect of the disputed domain name. It states that it never authorized the Respondent to use its GOLD NOTE trademark or to register the disputed domain name. It states that during the period of its commercial relationship with the Respondent it "only tolerated – never authorized – the use of the website in question by Rutherford." It adds that, if the Respondent had erroneously interpreted its tolerance as some form of "implicit authorization", it should have considered this authorization revoked when the Complainant terminated the commercial relationship.

The Complainant submits that the disputed domain name has been registered and is being used in bad faith. It contends that Internet users will inevitably conclude from the disputed domain name that the Respondent's website is operated or authorized by the Complainant, which is not the case. It submits that the Complainant is thereby intercepting customers for its products in the United States. The Complainant concedes that a distributor may advertise the Complainant's goods and decide at what price to resell them, but submits that it may not do so by the use of a domain name which falsely suggests an affiliation with the brand owner.

The Complainant submits that the Respondent's "aggressive" discounting of its products on its website is damaging to the Complainant and in bad faith because it may suggest that the products are of a lower technical standard than is the case, and may therefore tarnish their image. It also submits that the discounting may suggest to Internet users that the Complainant and its authorized distributors are charging excessive prices for the products.

The Complainant further submits that the Respondent's website fails to make clear that it is not affiliated with the Complainant, that it improperly directs consumers to the Complainant's official warranty service provider, and that the Respondent also sells products from other audio manufacturers.

The Complainant requests the transfer of the disputed domain name.

B. Respondent

The Respondent did not file a formal Response in the proceeding. In its informal emails to the Center, referred to above, it states that it is doing nothing untoward, that it has not claimed to be the manufacturer of the products in question, and that its website has served as a lawful platform for the sale of the Complainant's goods, obtained via legitimate channels. It adds that it made numerous offers to the Complainant to repurchase the goods in question, which were declined.

7. Discussion and Findings

In order to succeed in the Complaint, the Complainant is required to show that all three of the elements set out under paragraph 4(a) of the Policy are present. Those elements are that:

- (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 Complainant has established that it is the owner of registered trademark rights in the mark GOLD NOTE. The disputed domain name fully incorporates that trademark, with the addition of the term “USA”, which does not prevent the Complainant’s trademark from being recognizable within the disputed domain name. The Panel therefore finds that the disputed domain name is confusingly similar to a trademark in which the Complainant has rights.

B. Rights or Legitimate Interests

In the light of the Panel’s findings in respect of the third element of the Policy, below, it is unnecessary to address the question of whether or not the Respondent has rights or legitimate interests in respect of the disputed domain name.

C. Registered and Used in Bad Faith

Paragraph 4(a)(iii) of the Policy sets out a conjunctive requirement, that the disputed domain name must both have been registered, and is being used, in bad faith. That requirement is strictly observed by panels under the UDRP, with the effect that a domain name that was not registered (or acquired) in bad faith cannot satisfy the requirements of paragraph 4(a)(iii) even if subsequently used in bad faith. In particular, jurisprudence under the UDRP has expressly rejected the concept of “retroactive bad faith”, whereby a registrant may be held subject to a continuing duty not to use the domain name for bad faith purposes.

One effect of the conjunctive requirement is that, where an authorized distributor of trademarked goods registers a domain name in good faith (which the Complainant disputes is the case here) in connection with an existing commercial relationship, the trademark owner may be unable to establish both registration and use in bad faith, even if the distributor uses the domain name in bad faith after the relationship has ended.

In this case, the Complainant accepts that it had a commercial relationship with the Respondent at the time the disputed domain name was registered, and that it tolerated (even if it did not expressly authorize) the Respondent’s registration and use (at that time) of the disputed domain name for a website offering the Complainant’s goods. The Panel finds in these circumstances that it is at least arguable that the Respondent registered the disputed domain name in good faith (or at least otherwise than in bad faith), with a view to its authorized sale of the Complainant’s goods in the United States.¹ The Complainant has not therefore established to the satisfaction of the Panel that the disputed domain name was registered in bad faith, and the Complaint must fail.

The Panel observes that, while the UDRP does not avail the Complainant in these circumstances, neither the fact of this proceeding, nor this Decision, prevents the Complainant from pursuing the matter in a court of competent jurisdiction if it considers that course of action appropriate.

8. Decision

For the foregoing reasons, the Complaint is denied.

/Steven A. Maier/

Steven A. Maier

Sole Panelist

Date: November 2, 2023

¹ See *e.g.*, the decision in *Adventure SAS v. Mike Robinson, BlackHawk Paramotors USA Inc.*, WIPO Case No. [D2019-2489](#), where the panel came to similar conclusion in comparable factual circumstances.