

ADMINISTRATIVE PANEL DECISION

ARDSIP Pty. Ltd v. Joseph Deacon
Case No. D2024-1207

1. The Parties

The Complainant is ARDSIP Pty. Ltd, Australia, internally represented.

The Respondent is Joseph Deacon, United States of America (“United States”).

2. The Domain Name and Registrar

The disputed domain name <taxtrex.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 March 20, 2024. On March 21, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On March 21, 2024, 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 and contact information in the Complaint. The Center sent an email communication to the Complainant on March 22, 2024, 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 March 26, 2024.

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 April 3, 2024. In accordance with the Rules, paragraph 5, the due date for Response was April 23, 2024. The Response was filed with the Center on April 23, 2024.

The Center appointed Adam Taylor as the sole panelist in this matter on April 30, 2024. 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 Administrative Panel Procedural Order No. 1 ("PO1") on May 14, 2024. The details are set out in Section 6 below insofar as relevant.

4. Factual Background

Since July 2016, the Complainant has provided "R&D tax credit software" under the mark TAXTREX, originally via a website at "www.taxtrexsoftware.com" and later at "www.taxtrex.online". The software is designed to help users comply with tax laws.

The Complainant owns registered trade marks for TAXTREX in various countries including United States trade mark No. 5281660, filed on April 21, 2015, registered on September 5, 2017, in class 9.

The Respondent acquired the disputed domain name in a GoDaddy auction on or around September 5, 2016. The Complainant was an unsuccessful bidder in that auction.

On December 7, 2016, the Complainant emailed the Respondent (addressing the email to "Ping") enquiring if the Respondent would consider selling the disputed domain name. The Complainant said that it owned <taxtrexsoftware.com> but that the disputed domain name "would be much better". The Respondent replied, stating that the Respondent may consider selling the disputed domain name to the Complainant for USD 8,500.

On September 8, 2017, the Complainant emailed the Respondent stating that the Complainant wanted to buy the disputed domain name, but it could not go higher than USD 2,000, adding that the disputed domain name would be of limited value to anyone else given that the Complainant owned the United States trade mark for TAXTREX. The Complainant warned that if the Respondent rejected the offer, the Complainant would start search engine optimisation work for <taxtrexsoftware.com> and <taxtrex.net> and would be unlikely to buy the disputed domain name in future if the Respondent decided to sell.

The Complainant stated that "[o]ur potential customers don[']t search for the word "taxtrex" and never will. They search for R&D tax software." The Complainant added that it was a boutique tax consultancy "so even if we grow the brand, it will not meant that we can justify the price of [USD] 8,500 ..." The Complainant stated that it was "just that taxtrex.com is cleaner than what I have... but I can live with the outcome whatever it is..."

On September 8, 2017, the Respondent replied that USD 2,000 was too low but it could go down to USD 4,500.

The Complainant next emailed the Respondent on March 5, 2020, and April 2, 2020, asking if the Respondent would reconsider the Complainant's USD 2,000 offer, and stating that it could not afford more. The Respondent replied on April 2, 2020, stating that the Respondent would consider USD 3,800. The Complainant responded the same day, reiterating that USD 2,000 was the maximum it could pay.

On January 17, 2024, the Complainant emailed the Respondent saying that it had diarised to email the Respondent every four years and asking again if the Respondent would reconsider the Complainant's USD 2,000 offer, which remained its maximum. The Respondent responded on March 19, 2024, simply asking the Complainant to let the Respondent know if it had a better offer.

The Complainant has supplied screenshots from 2018, 2019 and 2021 showing the disputed domain name resolving to what appear to be pay-per-click ("PPC") parking pages but with no visible links. Each page is headed "Inquire about this domain". The Complainant has also provided a 2022 screenshot of a form to contact the owner of the disputed domain name, as well as PPC pages dated February 26, 2024, with links to "Riparazione Elettrodomestici" (appliance repair), "Offerta Frigo" (fridge offer) and "Ferro da Stiro Rowenata Offerta" (Rowenata Iron Offer), and another of March 20, 2024, with links to "Taxis", "Send Sms" and "Assistenza Elettrodomestici Rex" (Rex Appliance Assistance).

5. Parties' Contentions

A. Complainant

The Complainant contends that it has satisfied each of the elements required under the Policy for a transfer of the disputed domain name.

Notably, the Complainant contends that:

- the Complainant's screenshots are evidence that the Respondent has engaged in consistent and continuous cybersquatting since 2016 and that the Respondent had failed to demonstrate any bona fide offering of goods or services or other legitimate interest in acquiring the disputed domain name "other than the clear purpose of selling it"; and
- the Respondent registered the disputed domain name for sale to the Complainant in that the email communications between the parties demonstrate the Respondent's "intention to extort money from the Complainant in exchange for the disputed domain [name]".

B. Respondent

The Respondent contends that the Complainant has failed to satisfy all three of the elements required under the Policy for transfer of the disputed domain name.

Notably, the Respondent contends that:

- the Complainant's trade mark in the United States, where the Respondent is located, was registered after the Respondent acquired the disputed domain name;
- the disputed domain name comprises two common words, "tax" and "trex", and placing the word "trex" after another word is a common commercial convention;
- the Respondent registered the disputed domain name because it incorporated two common descriptive words and happened to be offered for sale at an expired domain name auction;
- the Respondent did not register the disputed domain name with the Complainant's trade mark in mind;
- the Respondent, resident in the United States, had no prior knowledge of the Complainant or its business, located in Australia, and the Complainant has provided no evidence to the contrary;
- the Respondent has used the disputed domain name in a manner that is legitimate and consistent with those common terms;
- the Respondent's use of a parking service is not indicative of a lack of rights or legitimate interests and that, on the contrary, parking the disputed domain name "in its descriptive sense" bolsters the Respondent's case that it is providing a bona fide service; and
- the Respondent's willingness to sell its descriptive domain name in response to the Complainant's enquiry is not evidence of bad faith as sale of common descriptive domain names is, of itself, an acceptable practice and, moreover, it was the Complainant who initiated the purchase communications with the Respondent.

6. Discussion and Findings

Under the Policy, the Complainant is required to prove on the balance of probabilities that:

- the disputed domain name is identical or confusingly similar to a trade mark in which the Complainant has rights;
- the Respondent has no rights or legitimate interests in respect of the disputed domain name; and
- the disputed domain name has been registered and is being used in bad faith.

A. Identical or Confusingly Similar

It is well accepted that the first element functions primarily as a standing requirement. The standing (or threshold) test for confusing similarity involves a reasoned but relatively straightforward comparison between the Complainant's trade mark 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 has shown rights in respect of a trade mark or service mark for the purposes of the Policy. [WIPO Overview 3.0](#), section 1.2.1.

The entirety of the mark is reproduced within the disputed domain name. Accordingly, the disputed domain name is identical to the mark for the purposes of the Policy. [WIPO Overview 3.0](#), section 1.7.

The Respondent observes that the Complainant's United States trade mark was registered after the Respondent acquired the disputed domain name. However, that trade mark filed in 2015, and therefore the priority date precedes the date of acquisition of the disputed domain name.

Furthermore, while the UDRP makes no specific reference to the date of acquisition of trade mark rights, panels have held that they must be in existence at the time the complaint is filed. The fact that a domain name may have been registered before a complainant has acquired trade mark rights does not by itself preclude a complainant's standing to file a UDRP case, nor a panel's finding of identity or confusing similarity under the first element. [WIPO Overview 3.0](#), section 1.1.3.

The Panel finds the first element of the Policy has been established.

B. Rights or Legitimate Interests

Paragraph 4(c) of the Policy provides a list of circumstances in which the Respondent may demonstrate rights or legitimate interests in a disputed domain name.

Although the overall burden of proof in UDRP proceedings is on the complainant, panels have recognised that proving a respondent lacks rights or legitimate interests in a domain name may result in the difficult task of "proving a negative", requiring information that is often primarily within the knowledge or control of the respondent. As such, where a complainant makes out a prima facie case that the respondent lacks rights or legitimate interests, the burden of production on this element shifts to the respondent to come forward with relevant evidence demonstrating rights or legitimate interests in the domain name (although the burden of proof always remains on the complainant). If the respondent fails to come forward with such relevant evidence, the complainant is deemed to have satisfied the second element. [WIPO Overview 3.0](#), section 2.1.

Having reviewed the available record, the Panel finds the Complainant has established a prima facie case that the Respondent lacks rights or legitimate interests in the disputed domain name. The Respondent has not rebutted the Complainant's prima facie showing and has not come forward with any relevant evidence demonstrating rights or legitimate interests in the disputed domain name such as those enumerated in the Policy or otherwise.

As to paragraph 4(c)(i) of the Policy, the disputed domain name has been used for a parking page with PPC links to goods/services. See Section 4 above. To the Panel, those PPC pages bear no obvious descriptive relationship to the disputed domain name. Accordingly, in PO1, the Panel invited the Respondent to provide evidence that supporting its assertion that it had used the disputed domain name "in a manner that is legitimate and consistent with the descriptive meaning of the common terms", whether by means of the PPC pages or otherwise. The Respondent did not reply.

In the Panel's view, the Respondent's use of the disputed domain name for the PPC links mentioned in Section 4 above does not confer rights or legitimate interests. See further regarding descriptiveness in Section 6C below.

Nor is there any evidence that paragraphs 4(c)(ii) or (iii) of the Policy are relevant in the circumstances of this case.

The Panel finds the second element of the Policy has been established.

C. Registered and Used in Bad Faith

The Respondent claims that it acquired the disputed domain name in an expired domain name auction because it comprised two common descriptive words, "tax" and "trex", and that placing the word "trex" after another word is a "common commercial convention".

However, while "tax" is of course a dictionary term, the Panel is not aware of any descriptive meaning of the word "trex" other than, perhaps, as an abbreviation of "T-rex" denoting "Tyrannosaurus rex". Even if so, the connection between this term and "tax" is far from obvious. Nor is the Panel familiar with the alleged convention of placing the word "trex" after another word. Accordingly, the Panel issued PO1 inviting the Respondent, amongst other things, to:

- “1. identify the descriptive meaning that the Respondent attributes to “trex” and provide supporting evidence;
2. explain the association, if any, between “tax” and “trex”;
3. explain, and provide evidence supporting the assertion that “[p]lacing the word ‘trex’ after another word is a common commercial convention”...”

The Respondent did not respond to PO1.

However, the Complainant's position is also unsatisfactory. It has provided no evidence indicating that the Respondent, which denies knowledge of the Complainant and is located in the United States, was likely to have been aware of the Complainant or its business, located in Australia, on acquisition of the disputed domain name. The Complainant, which had only begun trading some two months previously, has provided no evidence regarding the extent of its business/reputation as of the acquisition date.

Furthermore, in the course of its extensive communications with the Respondent over some eight years, the Complainant never suggested that the Respondent's registration and/or use of the disputed domain name was illicit. Not only that, but the Complainant told the Respondent in 2017 that its potential customers would “never” search for “taxtrex”, as opposed to “R&D tax software”. Accordingly, one year after the Respondent had acquired the disputed domain name, the Complainant sought to downplay the reputation of its TAXTREX mark.

The Complainant relies on the PPC screenshots referred to in Section 4 above as evidence that the Respondent “has engaged in consistent and continuous cybersquatting since 2016” and that the Respondent acquired the disputed domain name for the purpose of sale to the Complainant. However, in the Panel's view, the screenshots are by no means indicative of cybersquatting intent on the part of the Respondent. Neither of the 2024 screenshots, which in any case are of little relevance to the Respondent's motive in 2016, contain any links relating to the Complainant's field of activity. And none of the earlier screenshots include any links at all.

For reasons stated above, the Panel does not consider that the email communications between the parties, initiated by the Complainant, are evidence that the Respondent intended “to extort money from the Complainant” in exchange for the disputed domain name.

The Panel would add that it has disregarded the various court cases cited by the Complainant as, under the third element, the Panel is concerned with bad faith under the Policy rather than with intellectual property infringement more generally.

The Panel considers that this is a marginal case. On the one hand, the Complainant's mark is distinctive and the Respondent has made an unconvincing and unsupported assertion that it registered the disputed domain name as a combination of two common descriptive terms. On the other hand, the Complainant had barely commenced trading by the acquisition date and has downplayed the reputation of its mark. In the Panel's view it is not inconceivable that the Respondent happened upon the disputed domain name in a list of expiring domains and selected it based at least on its quasi-descriptive nature (i.e., stemming from the word "tax"), independently of the Complainant. Furthermore, there is no evidence of use of the disputed domain name by reference to the Complainant's industry during the eight years of its existence.

Overall, mindful that the burden of proof is on the Complainant, and notwithstanding the Respondent's overdefensive approach, the Panel considers that, on balance, the Complainant has marginally failed to prove that the Respondent registered the disputed domain name in bad faith by reference to the Complainant's mark.

The Panel finds the third element of the Policy has not been established.

7. Decision

For the foregoing reasons, the Complaint is denied.

/Adam Taylor/

Adam Taylor

Sole Panelist

Date: May 30, 2024