

ARBITRATION AND MEDIATION CENTER

# ADMINISTRATIVE PANEL DECISION SAP SE v. Reed Galen, Domain Administrator Case No. D2024-1461

# 1. The Parties

The Complainant is SAP SE, Germany, represented by K&G Law LLC, United States of America ("United States").

The Respondent is Reed Galen, Domain Administrator, Hong Kong, China.

#### 2. The Domain Name and Registrar

The disputed domain name <sapjoule.com> is registered with Dynadot Inc (the "Registrar").

#### 3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on April 11, 2024. On April 12, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On April 13, 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 (Super Privacy Service LTD c/o Dynadot) and contact information in the Complaint. The Center sent an email communication to the Complainant on April 15, 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 April 17, 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 18, 2024. In accordance with the Rules, paragraph 5, the due date for Response was May 8, 2024. The Response was filed with the Center on May 8, 2024.

The Center appointed Christopher J. Pibus as the sole panelist in this matter on May 29, 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.

# 4. Factual Background

The Complainant began operations in 1972 and is a market leader in end-to-end enterprise software applications, analytics, intelligent technologies, and experience management, and training relating to all of these offerings. Approximately 99 of the world's 100 largest companies are SAP customers. In addition, the Complainant is a successful cloud company with over 280 million users. The business is headquartered in Germany and employs over 107,000 people worldwide, representing 156 nationalities.

The SAP trademark is a well-known international brand, most recently ranked number 20 among the world's trademarks, according to Interbrand's Best Global Brands of 2023. The Complainant owns hundreds of trademark registrations for its SAP mark, and other SAP-formatives, throughout the world, for its software as well as its training and educational services and other items. A select list of SAP's registrations in the United States and the European Union., as well as its International Registrations, has been provided which includes the following registrations for the SAP word mark:

- United States registration no. 2538716, registered on February 19, 2002, in classes 9, 41 and 42;
- Canadian registration no. TMA560389, registered on April 18, 2002, in classes 9, 16, 41 and 42;
- European Union registration no. 013107818, registered on December 16, 2014, in classes 9,16,35,38,41 and 42.

On September 8, 2023, the Complainant filed applications to register the trademarks SAP JOULE and JOULE in connection with its new artificial intelligence products and services.

The disputed domain name was registered by the Respondent on September 8, 2023, the same day the Complainant filed the SAP JOULE trademark applications, described above. The disputed domain name reverts to an inactive website.

# 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 its SAP trademark is well-known around the world due to the widespread adoption of its products and services. The Complainant relies on the well-established recognition of its trademark as a famous mark, resulting from hundreds of millions of dollars in sales over the past many years. In particular, the Complainant points to the timing of the Respondent's registration of the disputed domain name as compelling evidence of bad faith: on the same day that the Complainant filed trademark applications for SAP JOULE and JOULE, in anticipation of its launch of its new generative artificial intelligence services under those brands, the Respondent initiated its purchase of the SAP-formative disputed domain name. In the circumstances, the Complainant urges the Panel to find deliberate targeting of the famous SAP mark for improper purposes.

# **B. Respondent**

The Respondent contends that the Complainant has not satisfied all three of the elements required under the Policy for a transfer of the disputed domain name.

The Respondent submits that the Complaint must fail because the Complainant's SAPJOULE mark remained unregistered as of the date the disputed domain name was acquired, and no common law rights have been proven.

# 6. Discussion and Findings

According to paragraph 4(a) of the Policy, in order to succeed, the Complainant must establish each of the following elements:

- (i) The disputed domain name is identical or confusingly similar to the trademark or service mark in which the Complainant has rights;
- (ii) The Respondent has no rights or legitimate interest 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

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 trademark and the disputed domain name. WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition, ("<u>WIPO Overview 3.0</u>"), section 1.7.

The Complainant has shown rights in respect of a trademark or service mark, namely SAP, for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.2.1.

The Panel finds the mark SAP is recognizable within the disputed domain name. Accordingly, the disputed domain name is confusingly similar to the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.7.

Although the addition of another term here, the word "joule", may bear on assessment of the second and third elements, the Panel finds the addition of such term does not prevent a finding of confusing similarity between the disputed domain name and the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.8.

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

# **B. Rights or Legitimate Interests**

Although the overall burden of proof in UDRP proceedings is on the complainant, panels have recognized 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. <u>WIPO Overview 3.0</u>, section 2.1.

The Complainant has established a plausible prima facie case by bringing forward evidence and submissions on the following points: (1) the Respondent has never been licensed or otherwise authorized by the Complainant to use the SAP mark; (2) the disputed domain name prominently features and reproduces the distinctive SAP mark and the addition of the word JOULE only serves to increase the risk of implied affiliation, as it relates to the Complainant's new name for its artificial intelligence products and services;(3) the registration of a domain name incorporating another's famous mark does not confer or create any rights or legitimate interests in the disputed domain name (see *PRL USA Holdings, Inc, v. Vivienne Westwood/Contact Privacy Inc. Customer 016347680*, WIPO Case No. <u>D2011-1292</u>); (4) the Respondent's passive holding of the disputed domain name which reverts to an inactive website does not evidence rights or legitimate interests in that disputed domain name.

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. Although the Respondent has filed a response, he has not rebutted the Complainant's prima facie showing; he 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. Instead, he has simply made declaratory statements to the effect that the "Respondent argues that it has a legitimate right and/or interest on the domain name" without furnishing probative proof of those rights or interests, or explaining how he could possibly own such rights in a SAP-formative name. It is noteworthy that the Respondent, in his formal Response, makes no denial of his awareness of the famous SAP mark, including the new SAPJOULE trademark filing.

The Panel finds the second element has been established.

# C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy sets out a list of non-exhaustive circumstances that may indicate that a domain name was registered and used in bad faith, but other circumstances may be relevant in assessing whether a respondent's registration and use of a domain name is in bad faith. <u>WIPO Overview 3.0</u>, section 3.2.1.

In the present case, the Panel notes that the Respondent must have been fully aware of the Complainant's trademark rights when he registered the disputed domain name. Deliberate targeting by the Respondent is established by: (i) the Respondent's replication of the elements SAP and JOULE in the exact combination developed by the Complainant; and (ii) the timing of the purchase of the disputed domain name on the exact same day the Complainant filed its new trademark applications.

Panels have found that the non-use of a domain name (including an inactive or blank page) would not prevent a finding of bad faith under the doctrine of passive holding. Having reviewed the available record, the Panel finds the non-use of the disputed domain name does not prevent a finding of bad faith in the circumstances of this proceeding. Although panelists will look at the totality of the circumstances in each case, factors that have been considered relevant in applying the passive holding doctrine include: (i) the degree of distinctiveness or reputation of the complainant's mark, (ii) the composition of the disputed domain name, and (iii) the failure of the respondent to provide any evidence of actual or contemplated good-faith use. WIPO Overview 3.0, section 3.3. Having reviewed the available record, the Panel acknowledges: (i) the distinctiveness and long-standing reputation of the Complainant's SAP-formative trademarks; (ii) the composition of the disputed domain name (which prominently features the famous SAP mark and which replicates the Complainant's combination of SAP and JOULE); and (iii) the complete absence of any actual or contemplated good faith use. Accordingly, the Panel finds that in the circumstances of this case the passive holding of the disputed domain name does not prevent a finding of bad faith under the Policy. To no avail, the Respondent attempts to justify its conduct by focusing on the status of the SAP JOULE combination mark as a pending application, and to ignore long-standing registered rights in the word mark SAP. In the Panel's view, the opportunistic registration of a confusingly similar domain name to take advantage of a recent trademark filing can hardly be regarded as actual or contemplated good faith use.

#### page 5

The Panel finds that the Complainant has established the third element 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 <sapjoule.com> be transferred to the Complainant.

/Christopher J. Pibus / Christopher J. Pibus Sole Panelist Date: June 19, 2024