

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Xtermite, Inc. / XT 2000, Inc. v. Barry O'Gorman, O'Gorman Financial Case No. D2024-2314

1. The Parties

The Complainants are Xtermite, Inc., United States of America ("United States") and XT 2000, Inc., United States, represented by ARC IP Law, P.C, United States.

The Respondents are Barry O'Gorman, O'Gorman Financial, United States, represented by Dinsmore & Shohl, LLP, United States.

2. The Domain Names and Registrar

The disputed domain names <xtermite.co>, <xtermite.net>, <xt2000.co>, <xt2000.net>, <xt2000orangeoil.com>, and <xt2000orangeoil.net> are registered with GoDaddy.com, LLC (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on June 6, 2024. On the same day, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain names. Also on June 6, 2024, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the disputed domain names which differed from the named Respondent (Barry Brandon O'Gorman (Individual) and Eliminite Termite Services, Inc.) and contact information in the Complaint.

The Center sent an email communication to the Complainant on June 10, 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 amendment to the Complaint on June 11, 2024, and also requested the domain names <xt2000.co> and <xt2000.net> to be added to the proceedings.

On June 12, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with domain names <xt2000.co> and <xt2000.net>. On the same day, the Registrar transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant for those domain names, confirming the same contact details.

On June 15, 2024, the Complainant requested the domain name <xt2000orangeoil.net> to be added to the proceedings. On June 21, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with said domain name. On the same day, the Registrar transmitted by email to the

Center its verification response confirming that the Respondent is listed as the registrant for that domain name, confirming the same contact details.

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 June 26, 2024. In accordance with the Rules, paragraph 5, the due date for Response was July 16, 2024. The Response was filed with the Center on July 15, 2024.

The Center appointed W. Scott Blackmer as the sole panelist in this matter on July 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 Complainants subsequently informed the Center that on July 30, 2024, the Complainants filed a civil complaint against the Respondents and unnamed parties in a federal court in the United States, *Xtermite, Inc. et al. v. Barry Brandon O'Gorman et al.*, Case 3:24-cv-01347-LL-DDL (USDC S.D. Cal.), seeking damages and injunctive relief for trademark infringement, unfair competition, and false advertising. The complaint in the civil action includes a demand that the Respondents cease using the disputed domain names but does not seek transfer of the disputed domain names.

The Parties to this UDRP proceeding have not requested suspension or termination of the UDRP proceeding, which remains at the discretion of the Panel in the event of a concurrent judicial proceeding. A decision of the Panel is not binding on the court, but a UDRP decision in favor of the Complainants would have the sole effect of instructing the Registrar to transfer registration of the disputed domain names to one of the Complainants, a prompt remedy not requested in the civil action. Accordingly, the Panel finds it appropriate to continue to decision in this proceeding.

4. Factual Background

The Complainant Xtermite, Inc. ("Xtermite") is a pest control company established under the laws of the State of California, United States and headquartered in Santee, California. The Complainant XT 2000, Inc. ("XT 2000") is a pesticide manufacturer established under the laws of California and headquartered in Santee, California. Although the two Complainants are separate corporations, they share common owners, headquarters, corporate leadership, and counsel and "work closely with one another", according to their complaint filed in the federal court action mentioned above. Each holds one of the trademarks relevant to the current proceeding, which are used in their business operations. The Complainants state that they are the original developers of "Orange Oil", a naturally occurring pesticide derived from orange peels, which the Complainants use in their business. Xtermite advertises its services online at "www.extermite.com" (the "Complainants' website").

It is undisputed that the Respondent Mr. O'Gorman was formerly employed by the Complainants and discussed purchasing their businesses. Mr. O'Gorman ultimately separated from the Complainants and established his own, competing pest control company, Eliminite Termite Services, Inc. ("Eliminite") in the same region of Southern California, also using a pesticide based on orange oil.

The Complainant Xtermite holds United States Trademark Registration Number 7302834 (registered on February 13, 2024) for the word mark XTERMITE in International Class 37 for pest extermination services and in International Class 42 for home inspection services. The Complainant XT-2000 holds United States Trademark Number 7015397 (registered on April 4, 2023) for the word mark XT-2000 in International Class 5 for pesticides.

The Registrar reports that the disputed domain names <xt2000.co> and <xt2000.net> were created on April 9, 2012, the disputed domain names <xtermite.co> and <xtermite.net> were created on July 16, 2012, and the disputed domain names <xt2000orangeoil.com> and <xt2000orangeoil.net> were created on February 24, 2014. The Registrar reports that the disputed domain names were all registered by the Respondent Barry O'Gorman on behalf of the organization O'Gorman Financial, with a postal address in Lakeside, California, United States.

The Complainants furnish evidence from Redirect Detective (borne out by screenshots from the Internet Archive's Wayback Machine dating back to 2018) demonstrating that the disputed domain names were redirected to the Eliminite website at "www.eliminitetermite.com" (the "Respondent's website"), marketing the Respondent's pest control services in Southern California in competition with the Complainants. The Complainants discovered this redirection from two of the disputed domain names in late April 2024 and sent a cease-and desist letter to the Respondents on May 29, 2024, later discovering the other disputed domain names with similar redirection. Since then, the disputed domain names have resolved to landing pages hosted by the Registrar with third-party, pay-per-click ("PPC") advertising links.

5. Parties' Contentions

A. Complainants

The Complainants contend that it they have satisfied each of the elements required under the Policy for a transfer of the disputed domain names.

Notably, the Complainants contend that the disputed domain names are identical or confusingly similar to the Complainants' registered XTERMITE and XT-2000 marks, which the Respondent is not licensed to use. The Complainants contend that the Respondent Mr. O'Gorman and his company Eliminite have never had permission to use the Complainants' marks in domain names. The Complainants argue that the Respondent has attempted in bad faith to misdirect consumers to a competing site for commercial gain, using confusingly similar domain names redirecting to a website with competing services and displaying similar images of houses and oranges. The recent redeployment of the disputed domain names for PPC advertising still represents exploitation of the Complainants' marks for commercial gain.

B. Respondents

The Respondent states that Mr. O'Gorman registered the disputed domain names years ago, following discussions with the Complainants about purchasing both Complainant companies, and since then "had largely forgotten that he retained ownership" of the disputed domain names until contacted by the Complainants' counsel "earlier this year" regarding two of the disputed domain names. The Respondent says that it then tried to cancel those disputed domain names that were not already set to expire shortly, but the Registrar placed all of them on hold during the pendency of this proceeding.

The Respondent questions whether this proceeding can be sustained under these circumstances (it can) and "does not concede that it has violated the Policy in any way". The Respondent also states that "it has no further interest" in the disputed domain names" and wishes to "cede" ownership of them. However, as the Parties have not executed and deposited a form of settlement, the Panel will take these statements into consideration and proceed to a decision on the merits.

6a. Preliminary Matter: Consolidation and Parties

As the two Complainants share common interests and the six disputed domain names were registered by the same Respondent and used in the same manner, the Panel finds that consolidation of their complaints in a single proceeding is appropriate and efficient and is not prejudicial to the Parties. See WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 4.11.1.

The Complainants named Eliminite Termite Services, Inc. ("Eliminite") as an additional Respondent, given that that this is the company associated with the Respondent Mr. O'Gorman that operated the websites to which the disputed domain names formerly redirected. However, Eliminite did not register the disputed domain names or declare an interest in the disputed domain names, so there is no need to include that entity as a party to this proceeding. O'Gorman Financial is listed in the registration details as Mr. O'Gorman's organization, but the Response does not mention that entity, and the record does not furnish information concerning that entity's interest in the disputed domain names. Mr. O'Gorman and O'Gorman Financial will be referred to hereafter collectively as "the Respondent".

6b. Discussion and Findings

Paragraph 4(a) of the Policy provides that 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;
- (ii) and the respondent has no rights or legitimate interests in respect of the domain name;
- (iii) and 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

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, ("WIPO Overview 3.0"), section 1.7.

The Complainants have shown rights in respect of a trademark or service mark (here, the registered XTERMITE and XT-2000 marks) for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.2.1. (The fact that these trademark registrations post-date the registration of the disputed domain names is not relevant to standing under the first Policy element but is discussed further below in connection with the third element, bad faith.)

The Panel finds the marks are incorporated or recognizable within the disputed domain names. The XTERMITE mark is incorporated in its entirety in the disputed domain names <xtermite.co> and <xtermite.net>. The XT-2000 mark, lacking only the hyphen, is closely emulated in the disputed domain names <xt2000.co> and <xt2000.net>, with the additional terms "orange oil" in the disputed domain names <xt2000orangeoil.com>, and <xt2000orangeoil.net>, which do not avoid a finding of confusing similarity. Accordingly, the Panel fines that all of the disputed domain names are either identical or confusingly similar to one or the other of the Complainants' marks for the purposes of the Policy. See WIPO Overview 3.0, section 1.7 (identity or confusing similarity), 1.8 (addition of descriptive terms), 1.9 (typosquatting).

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 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. 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 names. 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 names such as those enumerated in the Policy or otherwise. It is undisputed that the Respondent Mr. O'Gorman was employed for a time by the Complainants, but the Complainants deny that the Respondent was authorized to use the then-unregistered XTERMITE or XT-2000 marks on the Respondent's behalf, and the Respondent does not make such a claim in the Response.

The Respondent moreover actually denies any current interest in the disputed domain names.

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

C. Registered and Used in Bad Faith

The Panel notes that, for the purposes of paragraph 4(a)(iii) of the Policy, paragraph 4(b) of the Policy establishes circumstances, in particular, but without limitation, that, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith. One of these is paragraph 4(b)(iv), intentionally attempting to attract Internet users for commercial gain by creating a likelihood of confusion with the complainant's mark. WIPO Overview 3.0, section 3.2.1. This could readily be applied here, both to the former redirection of the identical or confusingly similar disputed domain names to the Respondent's directly competing Eliminite website and also to their more recent redirection to PPC landing pages.

The deficiency in the Complaint as drafted is that it refers only to the two trademark registrations, and those registrations were obtained respectively in 2024 (for XTERMITE) and 2023 (for XT-2000), while the disputed domain names were registered a decade earlier, in 2012 and 2014. But those marks were clearly in use by that time, and there is evidence that they were protectible under common law as unregistered marks. The online database of the United States Patent and Trademark Office ("USPTO") shows that the Complainant Xtermite claimed first use in commerce dating from November 1998 for the mark XTERMITE, while the Complainant XT-2000 claimed first use in commerce dating from November 2003 for the mark XT-2000. The online database of the California Secretary of State shows that the Complainant Xtermite, Inc. was incorporated on July 22, 1998, and the Whols record for the domain name used for the Complainant's website, "www.xtermite.com", shows that it was created shortly after, on August 3, 1998. The Internet Archive's Wayback Machine has archived screenshots of the Complainant's website as early as 2000 with the name XTERMITE used as a logo with a stylized letter "X". Screenshots show that the Xtermite website described "XT-2000 Orange Oil treatment" on the home page (and elsewhere) from at least May 2008 onward. Thus, there is evidence that the Complainants used XTERMITE and XT-2000 as marks and that the Respondent O'Gorman, who worked for the Complainants and then established a competing business, registered and used the confusingly similar disputed domain names in full awareness of the rights of the Complaints. While the Respondent does not "concede" violations of the Policy, the Respondent also does not offer an alternative explanation for the registration and use of the disputed domain names.

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 names <xtermite.co>, <xtermite.net>, <xt2000.co>, <xt2000.net>, <xt2000orangeoil.com>, and <xt2000orangeoil.net> be transferred to the Complainant.

/W. Scott Blackmer/
W. Scott Blackmer
Sole Panelist
Date: August 13, 2024