

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

SM Contact v. Ehren Schaiberger Case No. D2024-4075

1. The Parties

The Complainant is SM Contact, France, represented by Gevers & Ores, France.

The Respondent is Ehren Schaiberger, United States of America ("United States").

2. The Domain Name and Registrar

The disputed domain name <smcontact.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 October 3, 2024. On the following day, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On October 5, 2024, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the disputed domain name that differed from the named Respondent (Redacted for Privacy, Super Privacy Service LTD c/o Dynadot) and contact information in the Complaint. The Center sent an email communication to the Complainant on October 7, 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 October 11, 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 October 16, 2024. In accordance with the Rules, paragraph 5, the due date for Response was November 5, 2024. The Response was filed with the Center on October 31, 2024.

The Center appointed Matthew Kennedy, Gerald M. Levine, and Michel Vivant, as panelists in this matter on November 22, 2024. The Panel finds that it was properly constituted. Each member of 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 is a French company specializing in the design and manufacturing of machines for the assembly and connection of electronic and mechanical components. It was registered with the company name "SM Contact" on May 21, 1986. It holds the domain names <smcontact.fr> and <smcontact.eu>, registered on November 9, 2003 and April 7, 2006; respectively. On July 5, 2024, the Complainant filed French trademark application number 5067650 for a figurative SM CONTACT mark, for use in connection with goods and services in classes 7, 9, and 42. That application was published on July 26, 2024 and registered with modification on November 22, 2024.1

The Respondent is an individual residing in the United States who is in the business of buying, holding, and selling domain names. He trades as MegaDomains. His portfolio includes several domain names consisting of the letters "SM" followed by a keyword, notably <smaccountancy.com>, <smaudit.com>, <smconsultores.com>, <smprojects.com>, and <smtransports.com>. At least three of these domain names were registered before the disputed domain name.

The disputed domain name was registered on May 1, 2019. On September 28, 2022, the Complainant sent a cease-and-desist letter addressed to the Registrar in which it alleged that the disputed domain name was being associated with pornographic content. The only evidence of such content on the record of this proceeding dates from prior to 2019.² The disputed domain name now resolves to a landing page. The landing page formerly displayed the words "This domain is available for sale!" with a contact form to enable Internet users to request a price for the disputed domain name from a broker. On or before February 11, 2024, the Complainant completed the contact form. It received multiple email replies over the following ten days, including an email dated February 13, 2024, from a broker acting on behalf of a private seller who had set the list price. The broker advised that the disputed domain name was valued at USD 15,000. The Complainant received follow-up emails from the broker on March 20, May 19, and August 17, 2024. At the time of this Decision, the landing page displays the disputed domain name above the words "is for sale" and the price of USD 15,000 to "buy now" or USD 1,250 per month to "lease to own".

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.

¹The Panel notes its general powers articulated inter alia in paragraphs 10 and 12 of the Rules and has searched the trademark database of the French National Industrial Property Institute ("www.inpi.fr/base-marques"), which is a matter of public record, to evaluate statements made by the Parties regarding the status of the Complainant's trademark application. The Panel considers this limited research useful in assessing the case merits and reaching a decision. See WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 4.8.

²According to the evidence, a prior holder of the disputed domain name used it in connection with a website for adult entertainment hostesses that linked to sadomasochism sites.

Notably, the Complainant contends that the disputed domain name is confusingly identical or at least confusingly similar to its trademark, company name, and domain names. Prior uses of the SM CONTACT sign as a company name and a domain name are likely to establish intellectual property rights concerning the SM CONTACT name in the relevant sector. The SM CONTACT sign enjoys strong distinctiveness and recognition in the field of connection technology and electronics. The Complainant has operated under this name for more than 35 years, establishing an international presence with subsidiaries in France, China, Russian Federation, Germany, Spain, and Estonia. Since its creation in 1986, the company has gained a reputation for quality and expertise in designing and manufacturing assembly machines for electronic and mechanical components, particularly in providing solutions for electrical connections. This long-standing and intensive use of the SM CONTACT sign, coupled with significant investments in advertising, trade shows, and other promotional efforts, has allowed the Complainant to build strong recognition of the brand, not only in France but also internationally. In addition, the Complainant holds several intellectual property rights in the SM CONTACT sign, including domain name registrations and a French trademark registration. The continuous use of the Complainant's domain names since their registrations in 2003 and 2006, along with the French trademark registration in 2024, further strengthens the Complainant's position as the legitimate and established holder of rights to the SM CONTACT sign. Given these factors, as demonstrated below, the SM CONTACT sign has acquired sufficient distinctiveness and recognition to be widely known.

The Respondent has no rights or legitimate interests in respect of the disputed domain name. The Respondent registered the disputed domain name solely for the purpose of creating confusion among Internet users by impersonating the Complainant. The Complainant completed the dedicated form associated with the disputed domain name to inquire about the sale price and has since received multiple unsolicited communications from a person brokering the disputed domain name for a private seller who has set the price at USD 15,000. These repeated solicitations to purchase the disputed domain name at such a high price further demonstrate the Respondent's bad faith and confirm that he has no intention of using the disputed domain name for any legitimate purpose. Furthermore, after being contacted by the Complainant in September 2022, the hosting provider was unable to forward a letter to the Respondent.

The disputed domain name has been registered and is being used in bad faith. The fact that the Complainant's domain names were registered several years before the disputed domain name suggests that the Respondent registered the disputed domain name with full knowledge of the Complainant's prior rights. The disputed domain name has been listed for sale at an exorbitant price and has generated multiple unsolicited purchase offers. The Respondent has remained silent in response to the Complainant's cease and desist letter. The Respondent appears to have a history of speculative behavior with domain names and has been the subject of numerous UDRP complaints, including *The Hype Company, S.L. v. Ehren Schaiberger,* WIPO Case No. D2021-1850, Photomaton v. Domains By Proxy, LLC / Ehren Schaiberger, WIPO Case No. D2022-0593, AKAPOL S.A. v. Ehren Schaiberger, WIPO Case No. D2023-2284, and Alpha Bank S.A. v. Ehren Schaiberger, WIPO Case No. D2024-0818. The nature of the disputed domain name, with the element "SM" potentially evoking the term "sadomasochistic", further raises the Complainant's concern that the disputed domain name could be used in ways that harm its reputation.

B. Respondent

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

Notably, the Respondent challenges the assertion that the Complainant has any trademarks. The Complainant has no registered trademarks. It repeatedly misrepresents that it has a registered trademark but it actually has none, as its trademark application had not been granted as of the date of filing of the Response. The Complainant makes various claims but provides little actual evidence to show that it has accrued rights. The only evidence provided is a French company name registration and two domain names. Upon research, the Complainant is not even the only "SM Contact" in France itself; there is a completely different SM Contact active in the food industry.

The Respondent has rights and legitimate interests in respect of the disputed domain name. Over the course of more than 12 years, the Respondent has built a domain name portfolio of tens of thousands of domain names and sold well into the thousands of domain names at retail. Prior UDRP panels cited by the Complainant found that the Respondent had a legitimate interest in the domain names at issue. The Respondent is in the business of curating and supplying domain names to new business entities. The disputed domain name was registered for a wide scope of possible uses.

The disputed domain name has not been registered and is not being used in bad faith. The Respondent declares that he was unaware of the Complainant when he registered the disputed domain name. It was not until the initiation of the Complaint in October 2024 that the Respondent was made aware of the Complainant, over five years later. The Respondent never received a cease-and-desist letter; the email address that the Complainant used for the Registrar is invalid. The disputed domain name expired and dropped on May 1, 2019. The Respondent identified it as a good generic, descriptive keyword, and brandable domain name to add to his stock-in-trade to offer to a new entrant. Neither the United States Patent and Trademark Office database or the "www.tmdn.org" database shows any "sm contact". The Respondent looks for domain names that contain established naming conventions, such as [2L (letter letter) + strong keyword]. Two-letter prefixes serve as empty vessels that can represent a variety of possibilities, such as "smart", "social media", "sales & marketing", "Smith & Miller", "Santa Monica" or any other combination of keywords. The previous registrant used the disputed domain name in connection with "sadomasochism". An offer to sell a domain name that a party otherwise has rights to, is not bad faith. The Respondent did not send unsolicited offers to the Complainant as alleged; the Respondent's broker responded to an entirely unsolicited price request initiated by the Complainant and later sent standard automated emails to get engagement from an inquirer who had not responded. It is well-established that in general, a finding of bad faith registration cannot be made with respect to a trademark that did not exist at the time of registration of the disputed domain name.

6. Discussion and Findings

Paragraph 4(a) of the Policy provides that a complainant must prove each of the following elements with respect to each disputed domain name:

- (i) the disputed 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 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 first element of paragraph 4(a) of the Policy requires the Complainant to demonstrate that it has rights in a "trademark or service mark". The Complainant relies primarily on its company name and domain names but mere registration of these types of names does not afford trademark rights. The Complainant asserts that it has made long-standing and intensive use of the SM CONTACT sign (as its company or trade name) since 1986, such that the sign enjoys strong distinctiveness and recognition in the field of connection technology and electronics. However, the Complaint is devoid of evidence of reputation. The Complainant provides no evidence of use of its company name since its establishment in France, no information as to when it expanded its business internationally, no evidence of its advertising and promotional efforts, and no evidence of public recognition. Nor is there evidence on the record of use of the SM CONTACT sign in the Complainant's domain names since their respective registrations in 2003 and 2006. The Panel has no basis on which to find that SM CONTACT has been used in commerce by the Complainant as a designation of source. Further, while the alleged mark is not at first glance an intuitive phrase, it comprises two letters ("SM") that can serve as the initials of many pairs of words, followed by a common dictionary word ("contact"). Accordingly, based on the evidence of the Complainant's company name and domain names,

the Panel is unable to find that the Complainant has shown rights in a trademark or a service mark for the purposes of the first element of the Policy. See WIPO Overview 3.0, section 1.3.

The Complainant recently filed a trademark application for a figurative SM CONTACT mark. While the Policy makes no specific reference to the date on which the holder of a trademark or service mark acquired its rights, such rights must be in existence at the time when the complaint is filed. See WIPO Overview 3.0, section 1.1.3. In the present case, the trademark application had been published but was still pending when the Complaint was filed. A pending trademark application does not by itself establish trademark rights within the meaning of the first element of paragraph 4(a) of the Policy. See WIPO Overview 3.0, section 1.1.4. There is no evidence on the record of any use of the figurative SM CONTACT mark. Indeed, the Complainant submits that it registered this trademark to reinforce and enhance its "acquired rights" to the SM CONTACT name.

The Panel takes note that the Complainant obtained a registration of the figurative SM CONTACT mark on November 22, 2024. As that date was after the commencement of this proceeding, this registration occurred too late to provide standing to bring the Complaint. Nevertheless, in view of the record regarding bad faith, the Panel will assume *arguendo* that the Complainant acquired its trademark rights in the figurative SM CONTACT mark on the date when it was published, prior to the filing of the Complaint.

The disputed domain name incorporates the textual element of the figurative SM CONTACT mark. As the figurative elements of the mark cannot be reflected in a domain name, the Panel will not take them into account in the assessment of identity or confusing similarity. The only additional element in the disputed domain name is a generic Top-Level Domain ("gTLD") extension (".com") which, as a standard requirement of domain name registration, may be disregarded in the assessment of identity or confusing similarity as well. Accordingly, the disputed domain name is confusingly similar to the figurative SM CONTACT mark. See WIPO Overview 3.0, sections 1.7, 1.10, and 1.11.1.

Therefore, the Panel accepts arguendo that the first element of the Policy has been established.

B. Rights or Legitimate Interests

Given the Panel's findings under the other elements of paragraph 4(a) of the Policy, it is unnecessary to consider the second element.

C. Registered and Used in Bad Faith

The Panel notes that the third element of paragraph 4(a) of the Policy contains two requirements that apply conjunctively. A complainant must show both that the disputed domain name has been registered in bad faith and also that it is being used in bad faith.

In the present case, the disputed domain name was registered in 2019, over five years before the Complainant acquired its trademark rights in the figurative SM CONTACT mark. The Panel recalls that where a respondent registers a domain name before a complainant's trademark rights accrue, panels will not normally find bad faith on the part of the respondent. See <u>WIPO Overview 3.0</u>, section 3.8.1.

The Panel has considered the possibility that there may be certain exceptional circumstances establishing that the Respondent's intent in registering the domain name was to unfairly capitalize on the Complainant's nascent (typically as yet unregistered) trademark rights. See <u>WIPO Overview 3.0</u>, section 3.8.2. However, in the present case the disputed domain name was registered five years before the Complainant even filed its trademark application. There is no evidence of any use of the figurative SM CONTACT mark prior to that time (or since that time), nor of any prior plans to make use of that mark. Although the operational element of the disputed domain name is identical to the textual element of the figurative SM CONTACT mark, this element comprises two letters followed by a common dictionary word.

The Respondent declares that he was unaware of the Complainant when he registered the disputed domain name and provides a plausible alternative explanation for his choice of the disputed domain name. He submits that he considered it to be an attractive domain name based on several qualities, including its conformity to a naming pattern. Indeed, the evidence shows that the disputed domain name is one of several domain names in the Respondent's portfolio that consist of the letters "SM" followed by a keyword, plus the gTLD extension ".com". Further, the Respondent did not make an unsolicited offer to sell the disputed domain name to the Complainant; rather, through his broker he made an offer in response to a price request submitted by the Complainant in 2024, that the broker subsequently followed up.

Based on the record, the Panel sees no exceptional circumstances indicating that the Respondent registered the disputed domain name in anticipation of the Complainant's nascent trademark rights.

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

7. Decision

For the foregoing reasons, the Complaint is denied.

/Matthew Kennedy/ Matthew Kennedy Presiding Panelist

/Michel Vivant/
Michel Vivant
Panelist

/Gerald M. Levine/ Gerald M. Levine Panelist

Date: December 2, 2024