

ADMINISTRATIVE PANEL DECISION

Microsoft Corporation v. Gavin Basuel, 1G Media / Moneer Marouf, Obsidian Studio Corporation
Case No. DIO2022-0031

1. The Parties

Complainant is Microsoft Corporation, United States of America (“United States”), represented Sparrow IP PLLC, United States.

Respondent is Gavin Basuel, 1G Media, United States / Moneer Marouf, Obsidian Studio Corporation, United States.

2. The Domain Name and Registrar

The disputed domain name <obsidianstudio.io> (the “Domain Name”) 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 July 18, 2022. On July 19, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Name. On July 20, 2022, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the Domain Name, which differed from the named Respondent and contact information in the Complaint. The Center sent an email to Complainant on July 25, 2022 providing the registrant and contact information disclosed by the Registrar, and inviting Complainant to submit an amendment to the Complaint. Complainant filed an amended Complaint on July 28, 2022.

The Center verified that the Complaint together with the amended Complaint satisfied the formal requirements of the .IO Domain Name Dispute Resolution Policy (the “Policy”), the Rules for .IO Domain Name Dispute Resolution Policy (the “Rules”), and the WIPO Supplemental Rules for .IO Domain Name Dispute Resolution Policy (the “Supplemental Rules”).

In accordance with the Rules, paragraphs 2 and 4, the Center formally notified Respondent of the Complaint, and the proceedings commenced on August 1, 2022. In accordance with the Rules, paragraph 5, the due date for Response was August 21, 2022. On August 20, 2022, Respondent submitted an informal Response and requested an extension of the Response due date. The Center sent the Notification of Automatic four calendar day extension for response to the Parties, and the new Response due date was

August 25, 2022. On August 24, 2022, Complainant submitted Supplemental Filings regarding Respondent's informal Response. On August 25, 2022, Respondent submitted a further Response.

The Center appointed Robert A. Badgley as the sole panelist in this matter on September 4, 2022. 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

Complainant owns Obsidian Entertainment, Inc., a producer of online video games for nearly 20 years. The Complainant relies on Russian Federation Reg. No. 797591 for OBSIDIAN (registered March 2, 2016 with a November 11, 2014 priority date), and United States Patent and Trademark Office Reg. No. 3,270,714 for OBSIDIAN ENTERTAINMENT (registered July 31, 2007 in connection with "computer services, namely design and development of non-downloadable, interactive computer games and entertainment software for computers, consoles, video games, and portable devices in Class 42," with a May 29, 2004 date of first use in commerce).

Complainant operates a website at the domain name <obsidian.net> to market its goods and services. Complainant's social media presence is extensive, as it has hundreds of thousands of subscribers across the leading social media platforms. Complainant's OBSIDIAN ENTERTAINMENT games have won numerous awards, and, based on this record, appear to be rather well known.

The Domain Name was registered on December 1, 2021. The Domain Name currently resolves to an error page, but before the Complaint in this proceeding was filed, the Domain Name resolved to a website with the banner: "OBSIDIAN STUDIO – Developing Technology & Innovating the Game Space." The site featured several examples of video games. According to Complainant, these games are in competition with Complainant's OBSIDIAN games.

Respondent Gavin Basuel ("Basuel"), who did not respond to the Complaint, is alleged to be a website developer who seeks to enhance his clients' web traffic by various means. It is alleged that one of Basuel's clients is Moneer Marouf ("Marouf"), who did send two brief emails to the Center by way of an informal Response. Marouf states that he owns a company called Obsidian Studio Corporation, which is duly registered in the State of Washington. Because the undisputed record indicates that Basuel was acting solely as Marouf's agent when registering the Domain Name, the Panel will treat Basuel and Marouf as having an identity of interest vis-à-vis the Domain Name.

According to Marouf, he operates a legitimate business and has spent considerable time and money to pursue the business. Marouf is listed as the principal of Obsidian Studio Corporation, an entity formed in the State of Washington on December 10, 2021 (nine days after the Domain Name was registered). He states that, upon learning of the Complaint in this proceeding, he promptly took all the content off his website, which act, he states, has cost him money. Marouf does not deny knowledge of Complainant's trademarks, but asserts that, because Complainant has the trademark OBSIDIAN ENTERTAINMENT, Marouf is free to use domain name that is different from that mark, namely, the Domain Name at issue, <obsidianstudio.io>.

After the Complaint was filed, Respondent told Complainant that he was willing to sell the Domain Name for an unspecified amount, though an amount that would compensate him for his time and trouble operating a website via the Domain Name. Complainant responded with an offer to reimburse Respondent solely for his costs of registering the Domain Name, an offer which Respondent stated was tantamount to bullying by a big corporation.

5. Parties' Contentions

A. Complainant

Complainant contends that it has established all three elements required under the Policy for a transfer of the Domain Name.

B. Respondent

The crux of Respondent's position in this case is reflected above in the "Factual Background" section.

6. Discussion and Findings

Paragraph 4(a) of the Policy lists the three elements which Complainant must satisfy with respect to the Domain Name:

- (i) the Domain Name is identical or confusingly similar to a trademark or service mark in which Complainant has rights; and
- (ii) Respondent has no rights or legitimate interests in respect of the Domain Name; and
- (iii) the Domain Name has been registered or is being used in bad faith.

A. Identical or Confusingly Similar

The Panel concludes that Complainant has rights in the trademarks OBSIDIAN and OBSIDIAN ENTERTAINMENT through registration and use demonstrated in the record.

The Panel also concludes that the Domain Name is confusingly similar to these marks. The Domain Name entirely incorporates the OBSIDIAN trademark and the dominant element of OBSIDIAN ENTERTAINMENT. As such, those marks are clearly recognizable within the Domain Name, notwithstanding the additional word "studio."

Complainant has established Policy paragraph 4(a)(i).

B. Rights or Legitimate Interests

Pursuant to paragraph 4(c) of the Policy, Respondent may establish its rights or legitimate interests in the Domain Name, among other circumstances, by showing any of the following elements:

- (i) before any notice to you [Respondent] of the dispute, your use of, or demonstrable preparations to use, the Domain Name or a name corresponding to the Domain Name in connection with a *bona fide* offering of goods or services; or
- (ii) you [Respondent] (as an individual, business, or other organization) have been commonly known by the Domain Name, even if you have acquired no trademark or service mark rights; or
- (iii) you [Respondent] are making a legitimate noncommercial or fair use of the Domain Name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

The Panel concludes that Respondent lacks rights or legitimate interests in respect of the Domain Name. The Panel finds it more likely than not that Respondent was well aware of Complainant's OBSIDIAN and OBSIDIAN ENTERTAINMENT trademarks when registering the Domain Name. Not only are those marks well known, but Respondent is located less than 30 miles from Complainant's headquarters, and Respondent is in the same business as Complainant – developing and selling video games. Moreover, Respondent has not denied knowledge of Complainant's marks. The use of the Domain Name to set up a

website offering goods and services in competition with those offered by Complainant under a well-known and established trademark cannot be considered a *bone fide* offering of goods or services. Respondent's formation of a corporation, nine days after registering the Domain Name and many years after Complainant's trademarks were registered and widely used, is of no moment in this case, since the Panel has already found it likely that Respondent was aware of Complainant's marks when registering the Domain Name.

Complainant has established Policy paragraph 4(a)(ii).

C. Registered or Used in Bad Faith

Paragraph 4(b) of the Policy provides that the following circumstances, "in particular but without limitation," are evidence of the registration or use of the Domain Name in "bad faith":

- (i) circumstances indicating that Respondent has registered or has acquired the Domain Name primarily for the purpose of selling, renting, or otherwise transferring the Domain Name registration to Complainant who is the owner of the trademark or service mark or to a competitor of that Complainant, for valuable consideration in excess of its documented out of pocket costs directly related to the Domain Name; or
- (ii) that Respondent has registered the Domain Name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that Respondent has engaged in a pattern of such conduct; or
- (iii) that Respondent has registered the Domain Name primarily for the purpose of disrupting the business of a competitor; or
- (iv) that by using the Domain Name, Respondent has intentionally attempted to attract, for commercial gain, Internet users to Respondent's website or other online location, by creating a likelihood of confusion with Complainant's mark as to the source, sponsorship, affiliation, or endorsement of Respondent's website or location or of a product or service on Respondent's website or location.

The Panel concludes that Respondent has registered or used the Domain Name in bad faith. The Panel incorporates its discussion above in the "Legitimate interests" section. On this record, the Panel finds that Respondent more likely than not targeted Complainant and its trademarks, with a view toward attracting Internet users who mistakenly believed that the Domain Name and corresponding website were sponsored by or affiliated with Complainant, for commercial gain. This conduct runs afoul of the above-quoted Policy paragraph 4(b)(iv).

Complainant has established Policy paragraph 4(a)(iii).

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 Domain Name <obsidianstudio.io> be transferred to Complainant.

/Robert A. Badgley/

Robert A. Badgley

Sole Panelist

Date: September 18, 2022