



NATIONAL ARBITRATION FORUM

DECISION

Fiskars Brands, Inc. v. Two Point Enterprise c/o Dennis Thompson
Claim Number: FA0601000624367

PARTIES

Complainant is **Fiskars Brands, Inc.** (“Complainant”), represented by **Richard J. McKenna**, of **Foley & Lardner L.L.P.**, 777 East Wisconsin Avenue, Milwaukee, WI 53202-5306. Respondent is **Two Point Enterprise c/o Dennis Thompson** (“Respondent”), 131 Ragan Lane, Haughton, LA 71037.

REGISTRAR AND DISPUTED DOMAIN NAME

The domain name at issue is <**gerber-tools.com**>, registered with **Register.com**.

PANEL

The undersigned certifies that they have acted independently and impartially and to the best of their knowledge have no known conflict in serving as Panelists in this proceeding.

John J. Upchurch, Peter L. Michaelson and Edward C. Chiasson as Panelists.

PROCEDURAL HISTORY

Complainant submitted a Complaint to the National Arbitration Forum electronically on January 10, 2006; the National Arbitration Forum received a hard copy of the Complaint on January 13, 2006.

On January 10, 2006, Register.com confirmed by e-mail to the National Arbitration Forum that the <**gerber-tools.com**> domain name is registered with Register.com and that the Respondent is the current registrant of the name. Register.com has verified that Respondent is bound by the Register.com registration agreement and has thereby agreed to resolve domain-name disputes brought by third parties in accordance with ICANN’s Uniform Domain Name Dispute Resolution Policy (the “Policy”).

On January 13, 2006, a Notification of Complaint and Commencement of Administrative Proceeding (the “Commencement Notification”), setting a deadline of February 2, 2006 by which Respondent could file a Response to the Complaint, was transmitted to Respondent via e-mail, post and fax, to all entities and persons listed on Respondent’s registration as technical, administrative and billing contacts, and to postmaster@gerber-tools.com by e-mail.

A timely Response was received and determined to be complete on February 22, 2006.

A timely Additional Submission was received from Complainant on February 27, 2006, and is considered to be in accordance with The Forum’s Supplemental Rule #7.

A timely Additional Submission was received from Respondent on March 3, 2006, and is considered to be in compliance with The Forum's Supplemental Rule #7.

On March 2, 2006, pursuant to Complainant's request to have the dispute decided by a three-member Panel, the National Arbitration Forum appointed John J. Upchurch, Peter L. Michaelson and Edward C. Chiasson as Panelists.

RELIEF SOUGHT

Complainant requests that the domain name be transferred from Respondent to Complainant.

PARTIES' CONTENTIONS

The Panel hereby sets forth a summary of the essential elements from the pleadings of those matters which bear on the principal issues.

A. Complaint

(i) Identical or Confusingly Similar

Complainant contends that the disputed domain name is confusingly similar to Complainant's **GERBER** Marks. (This issue is conceded in the Response.)

(ii) Rights or Legitimate Interests

Complainant alleges (a) Respondent is not authorized to use the **GERBER** Marks, (b) that Respondent uses the domain name to promote the sale of competing products, and (c) Respondent registered and used the domain name with the intent to confuse consumers.

(iii) Registered and Used in Bad Faith

Complainant alleges for several reasons that Respondent registered and used the subject domain name in bad faith.

Complainant initially states that Respondent registered the domain name while familiar with Gerber Products as a reseller thereof without authorization to incorporate Complainant's mark therein, and that act alone evidences bad faith use and registration.

Secondly, Complainant contends that Respondent intentionally attempted to attract Internet users to its website by creating a likelihood of confusion as to the source, sponsorship, affiliation or endorsement of the site.

Additionally, Complainant asserts Respondent's website contains material intended to confuse consumers into believing a closer relationship exists between Complainant and Respondent than actually does exist, thus unfairly placing Respondent in a preferred position with respect to other resellers.

Finally, Complainant asserts that Respondent's website demonstrates an attempt to divert business by encouraging consumers to bookmark the site, thus intentionally attempting to attract, for commercial gain, Internet users to Respondent's website and to disrupt Complainant's business by diverting customers looking for Complainant's products to Respondent's website.

B. Response

(i) Identical or Confusingly Similar

Respondent does not challenge a finding for Complainant as to this element under the UDRP.

(ii) Rights or Legitimate Interests

(a) Domain is Used for *Bona Fide* Offering of Goods

Respondent alleges the ICANN standard for a *bona fide* offering of goods through a domain is quite low. In the instant case, sales of Gerber merchandise took place over a period of years and amounted to over One Hundred Thousand (\$100,000) Dollars prior to any notice of dispute.

Further, Respondent points out that it exclusively sells Complainant's goods on its website, all pursuant to a Sales Agreement by and between the parties, clearly authorizing Respondent to sell Complainant's products.

Respondent argues that the use of the domain name **<gerber-tools.com>** is a nominative fair use of Complainant's Mark(s), and that such use is to clearly identify the goods as being those of Complainant, not Respondent.

Moreover, Respondent states that a reseller can have a legitimate interest in a domain name if it actually offers the subject goods, restricts use of the site to sale of the trademarked goods, discloses its reseller status with the trademark owner, and does not seek to corner the market in domain names pertaining to the trademark. Respondent argues that it fairly meets these criteria.

Finally, Respondent alleges that the owner of a trademark cannot generally object to the use of that mark in connection with the resale of goods that it itself has placed in the market, and that the mark may be used to advertise the goods in question, providing it is not used in a manner that is confusing or that will damage the reputation of the mark.

(b) Minor Links Not Considered to be Offering Different Products Under the UDRP.

Respondent concedes that a link on its website led to a similar website that offered a competitor's product on a website under a different domain name. Respondent asserts that this single reference is, in effect, *de minimus*, and doesn't detract from the overall impression that the site in question exclusively offers the trademarked goods for resale.

(iii) Registered and Used in Bad Faith

(a) Lack of Any Bad Faith Elements

Respondent acknowledges its ongoing awareness of Complainant's trademarks. Respondent is simply a reseller of Complainant's goods. There was no objection over a period of years, and the parties operated under a sales agreement which clearly stated the name of the business as "Gerber-Tools.com/a div. of Two Point Enterprise," its email address of sales@gerber-tools.com, and its company website of <gerber-tools.com>.

(b) Lack of Indicia of Bad Faith.

Respondent asserts there is no evidence that Respondent registered the domain name primarily for the purpose of selling it to Complainant, or that the domain name was registered in order to prevent the owner of the trademark from reflecting the mark in a corresponding domain name; pointing out that Complainant has at least three domain names incorporating the mark(s).

Further, Respondent states there is no evidence that the registration was primarily for the purpose of disrupting the business of a competitor. The parties are not competitors. Complainant sells to resellers. Respondent purchases Complainant's goods expressly for purposes of resale.

Moreover, Respondent denies any intention or attempt to attract users to its website by creating confusion with Complainant's mark as to the source, sponsorship, affiliation or endorsement of the website. Every page of the website contains Respondent's name, "Two Point Enterprise," together with its address and telephone number. Respondent was simply engaged in the *bona fide* sales of Complainant's goods, purchased for resale from Complainant.

REQUEST FOR FINDING OF ATTEMPTED REVERSE NAME HIJACKING

Respondent asserts "rampant evidence of bad faith" on the part of Complainant in this case.

The allegations are summarized as follows:

- (a) The license submitted by Complainant with a pair of demand letters purportedly conveys illusory rights with respect to Complainant's mark(s). The proffered license was patently without any value.
- (b) Complainant first made its objection to Respondent's registration of the domain name in its August 1, 2005 letter to Respondent. However, Complainant had been on notice of the site since at least March 19, 2004, and had been doing business with Respondent as a reseller since December 2003.
- (c) Complainant purposely sent the Complaint in this matter to an obsolete address, with the result that Respondent did not receive notice thereof until only ten days remained until the Response was due.
- (d) Complainant's Vice President misled Respondent by representing that the ICANN proceedings would be stayed pending settlement discussions. Later, Complainant's attorney advised Respondent they would not stay the proceedings, as had been previously promised.

C. Additional Submissions

Complainant's Additional Submission

(a) Complainant has never Authorized Respondent's Activities

Complainant has never authorized (actively or passively) Respondent's trademark use of the Gerber Marks. Given the size of Complainant's business, Respondent cannot reasonably argue that Complaint's failure to object to the use of the name listed on the credit application submitted to a remote credit processing facility amounts to approval of Respondent's registration and use of the domain name or Respondent's unauthorized use of the Gerber Marks.

(b) Respondent Registered and Uses the Domain Name in Bad Faith

Respondent intentionally chose the subject domain name and business name **<gerber-tools.com>** to put itself at a competitive advantage in relation to other parties selling GERBER brand products. The use of the mark confuses consumers to Respondent's benefit.

The other retailers listed on the Gerber Legendary Blades division website do not use "Gerber" as part of their business name, nor do their respective domain names contain the GERBER mark. Respondent chose the Domain Name with the intent to trade upon the good will of the Gerber Marks.

The domain name <gerbertools.com>, registered by a non-party Gerber reseller in 2001, and which Respondent makes reference to, was never authorized by Complainant, and upon discovery and challenge was transferred to Complainant. The mere existence of another reseller using a similar unauthorized version of the Gerber Mark does not authorize Respondent's activities.

(c) Respondent's Offering of Goods is Not *Bona Fide*

Respondent uses the Gerber Marks in a trademark sense to identify Respondent and Respondent's business, and failed to post a disclaimer or other clarifying language until after receiving notice from Complainant.

Additionally, Respondent posted active links to unrelated commercial web sites, an action by a reseller that has been consistently held to be inconsistent with a *bona fide* offering of goods.

Respondent's Additional Submission

(a) Complainant Implicitly Approved Use of the Domain Name by Respondent

Complainant's claims that its Portland, Oregon office did not receive any part of the Sales Agreement that indicated use of <**gerber-tools.com**>, was thus unaware of its use, and could not have impliedly approved.

Actually, each purchase of Complainant's goods by Respondent since March 2004 was ordered directly by email to the Portland, Oregon office through Respondent's email address, sales@Gerber-Tools.com.

(ii) Respondent Registered and Uses the Domain Name in Good Faith

Respondent has conducted substantial business selling goods of Complainant through the disputed domain, without any complaint from Complainant for almost two years. Only the genuine Gerber branded products were sold through the site.

Complaint and Complainant's Additional Submission are inconsistent. The Additional Submission complains of the use of the Gerber Mark to refer to Respondent and Respondent's business. In the Complaint, it is asserted that Respondent has not been known by the domain name. Both cannot be true.

The fact that Complainant took control of the domain <gerbertools.com> after the Complaint was filed, after tacitly approving the same for more than five years, is not explained. A Complainant's failure to take action over time against domain name holders indicates Complainant did not believe that the domain(s) caused any consumer confusion. If belief of no consumer confusion can be imputed to Complainant, it follows that Respondent could also possess a good faith belief

that its use of the domain name caused no consumer confusion as to the source of Complainant's products.

The truthful, nominative use of a trademark in connection with the sales of goods properly identified by the trademark does not constitute bad faith under the policy.

(iii) Respondent's Sale of Goods are *Bona Fide*

Respondent has sold *only* Gerber branded goods through its website, and the amount of business has been substantial. A simple link, located at the bottom of a large web page, does not transform Respondent into a non bona fide seller.

Since the website's inception, every web page has contained Respondent's name, "Two Point Enterprise," its address, and its phone number.

(iv) Complainant Does Not Dispute Respondent's Claim of Attempted Reverse Name Hijacking or of the Underlying Facts

Complainant proffered no response to Respondent's request for finding of Attempted Reverse Name Hijacking against Complainant.

Complainant attempted to prejudice Respondent's ability to respond to Complainant's Additional Submission. Respondent stated in its response that its proffered method of communication was by email. Instead, knowing that Respondent's counsel was out of the office for two weeks on a medical matter, Complainant sent its Additional Submission via facsimile, in violation of ICANN Rules.

DISCUSSION AND FINDINGS

Following careful consideration of all of the submissions, the Panel finds and determines as follows:

A. Identical and Confusingly Similar

Respondent has conceded that the <gerber-tools.com> domain name is confusingly similar to Complainant's GERBER mark, and the Panel so determines.

B. Rights or Legitimate Interests

In light of the Panel's findings as set forth immediately below, all issues of Rights or Legitimate Interests in the disputed domain name under paragraph 4(a)(ii) of the Policy are moot, and the Panel renders no finding with respect thereto.

C. Registration and Use in Bad Faith

This case distills down to a rather simple set of facts. Specifically, Respondent resells Complainant's goods and has done so for more than two years. During that time, Respondent has built its sales to over \$100,000 yearly. Complainant, after having directly supplied Complainant's goods to Respondent (and presumably still doing so) now, over two years after Respondent registered the domain name, files this Complaint and seeks transfer.

With that in mind, we are not satisfied that the Respondent's conduct constitutes bad faith registration or use of the name. Respondent was using the name prior to receiving notice of the dispute for over two years in the ordinary course of its ongoing business with Complainant. Legally reselling Complainant's goods constitutes *bona fide* use. We are not dealing with a counterfeiting situation or an illegal distribution. This is an open and transparent business relationship between consenting business partners in an apparently mutually beneficial relationship.

Being that Respondent is authorized to re-sell Complainant's goods, by virtue of Complainant knowingly selling its goods for that purpose to Respondent, Respondent may register a name that includes the mark. *See Koninklijke Phillips Elecs., N.V. v. Wang*, D2000-1778 (WIPO Mar. 15, 2001) (owner of a trademark cannot object to the resale of goods which it has placed on the market bearing the mark), and *Le Creuset SA v. Vineyards Direct Ltd*, D2004-0551 (WIPO Sept. 6, 2004) (mark may also be used to advertise the goods in question, providing it is not used in a manner, which causes confusion, or damage to the reputation of the mark); *see also Schering AG v. Metagen GmbH*, D2000-0728 (WIPO Sept. 11, 2000) (finding that a respondent did not register or use the domain name <metagen.com> in bad faith where the respondent registered the domain name in connection with a fair business interest and no likelihood of confusion was created); *see also DJF Assoc., Inc. v. AIB Commc'ns*, FA 95612 (Nat. Arb. Forum Nov. 1, 2000) (finding a respondent has shown that it has a legitimate interest in the domain name because the respondent selected the name in good faith for its website, and was offering services under the domain name prior to the initiation of the dispute).

When Respondent's site is viewed in its entirety, we view Complainant's allegations that Respondent's site contained a single link to a competitor's site as inconsequential and *de minimus* (particularly since Respondent removed that link). *See Dr. Ing, h.c. F. Porsche AG v. Laurent*, D2004-0481 (WIPO Aug. 20, 2004).

In response to Complainant's claims it is being injured by sales diverted by Respondent's web site, Respondent states, which Complainant has not rebutted, that Complainant sells only through resellers. Complainant and Respondent do not compete; they occupy different vertical positions in a supply chain; Complainant is a manufacturer, Respondent a re-seller. Consequently, we fail to see how Respondent's sales injure Complainant. Assuming Complainant

manufactures at capacity, if Respondent were not re-selling Complainant's goods, another one of Complainant's resellers would do so. No harm to Complainant would result. Alternatively, if Complainant were not manufacturing at capacity, all Respondent's sales of Complainant's goods provide incremental revenue to the Complainant – revenue that Complainant might not otherwise have. Again, we fail to see how Complainant is harmed.

We conclude that Complainant has not established that Respondent registered the disputed domain name in bad faith under paragraph 4(a)(iii) of the Policy.

D. Laches

In light of the Panel's finding with respect to no finding of bad faith under the Policy, the issue of laches is rendered moot.

E. Reverse Name Hijacking

It is apparent by an analysis of this record that Complainant has embarked upon a vigorous campaign, reversing its previously *laissez faire* approach, to defend its trademark from unauthorized use by its independent distributors, beginning with the filing of this Domain Name Dispute Complaint. It is our view that "the forum does not fit the fuss," and that, if Complainant were to want to pursue this avenue, a trademark infringement action before a judicial tribunal would be more appropriate.

The Policy provides specific and narrowly defined relief designed to remedy cybersquatting, a type of trademark infringement clearly absent in this case. The holder of a trademark does not have an unrestricted right to prohibit all third-party use of its mark. Analogously, the Policy is also limited, and the holder of a mark is limited to relief for its use only as prohibited by the Policy. The parties had carried on a consensual and open relationship for over two years to their apparent mutual benefit. At best, we have a relatively benign disagreement as to whether Respondent's employment of the mark in its domain name is the subject of an implied license, or represents a technical trademark infringement. This variety of alleged infringement does not lend itself to resolution under the policy.

Respondent's un rebutted allegations notwithstanding, we decline to find Complainant guilty of Reverse Domain Name Hijacking based upon the record before us. We do find Complainant's approach to be aggressive, especially coupled with the procedural irregularities complained of by Respondent. We suggest that the parties attempt to repair their relationship through informal negotiation or mediation before engaging in further escalation of this dispute.

DECISION

Having failed to establish all three elements required under the ICANN Policy, the Panel concludes that relief shall be **DENIED**.

John J. Upchurch, Chair
Peter L. Michaelson, Panelist
Edward C. Chiasson, Panelist

Dated: March 16, 2006