



WIPO Arbitration and Mediation Center

ADMINISTRATIVE PANEL DECISION

Rudy Rojas v. Gary Davis

Case No. D2004-1081

1. The Parties

The Complainant is Rudy Rojas, c/o Native Threads, Inc., Vista, California, United States of America, represented by Ellen Weiler Stiefler, San Diego, California, United States of America.

The Respondent is Gary Davis, c/o Native Styles, Inc., Seattle, Washington, United States of America, represented by Christensen O'Connor Johnson Kindness PLLC, Seattle, Washington, United States of America.

2. The Domain Names and Registrar

The disputed domain names <nativestyles.net> and <nativestyles.org> are registered with Network Solutions, LLC (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on December 21, 2004. On December 22, 2004, the Center transmitted by email to the Registrar a request for registrar verification in connection with the domain names at issue, and the Registrar transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details for the administrative, billing, and technical contact for both disputed domain names.

The Center verified that the Complaint satisfied the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the "Policy"), 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(a) and 4(a), the Center formally notified the Respondent of the filing of the Complaint, and that the proceedings commenced January 3, 2005. In accordance with the Rules, paragraph 5(a), the due date for Response was January 23, 2005. The Response was filed with the Center on that date.

Complainant had requested a single-member panel. Exercising its right under paragraph 5(b)(iv) of the Rules, Respondent requested a three-member panel. On February 22, 2005, the Center appointed Richard G. Lyon, Jordan S. Weinstein, and Peter L. Michaelson as panelists. Each member of the Panel has submitted the Statement of Acceptance and Declaration of Impartiality and Independence required by the Center to ensure compliance with the Rules, paragraph 7.

The Panel finds that it was properly constituted and has jurisdiction over this dispute.

4. Factual Background

The parties do not seriously dispute the factual matters set out in this section of the Panel's decision. Contested factual matters are included in Section 5, Parties' Contentions. For the reasons stated in Section 6, Procedural Matter, the Panel takes no account of the materials offered by the parties in their respective supplemental filings.

Both parties sell clothing, accessories, and other items with a Native American motif. To some extent both have used the phrase native styles as an identifier of their respective goods. Complainant first used this phrase in his 1999 catalogue, and alleges that he has used it in subsequent catalogues and other media since. Complainant's principal product identifier, however, is Native Threads. That is the name of Complainant's company, as indicated by his contact information in the Complaint and in the whois database. A visitor to Complainant's website at "www.nativestyles.com" finds a "coming soon" page with a prominent use of the Native Threads trademark and a link to "www.nativethreads.com".

Respondent has sold his wares under the native styles designation continuously since 2002. According to his sworn statements, since 2002 he has spent over 800,000 United States dollars developing this business. He incorporated Native Styles, Inc. in the State of Washington in 2004.¹

Both parties actively market to the Native American community. Both regularly attend gatherings of Native American tribes as a means of promoting their respective products. Each party acknowledges that he is aware of the other's products and business.

In addition to "www.nativethreads.com", an active website, Complainant owns registrations for <nativestyles.com> (acquired from a third party in 2004), and "www.nativestyles.ca" (registration date unknown). From "www.nativestyles.com" a viewer sees a "coming soon" page with a link to "www.nativethreads.com"; at "www.nativethreads.ca" a viewer sees a page noting that "This domain name is parked".

Respondent registered the disputed domain names in March 2004. Both are active websites at which Respondent sells his Native Styles product line. He registered <nativestyles.us> in October 2004. The Panel has been unable to access this domain name.

¹ Public records in Washington indicate that this corporation is "inactive."

Neither party has a registered mark incorporating the phrase “nativestyles”. The record reveals the following parties’ pending trademark applications for the phrase “native styles” in the United States Patent and Trademark Office (“PTO”):

Applicant	Filing date	Alleged first use
Complainant	April 30, 2004	October 1999
Complainant	April 30, 2004	Intent to use
Respondent	March 8, 2004	August 2002
Respondent	March 8, 2004	Intent to use
Respondent	March 8, 2004	Intent to use

Complainant sent Respondent cease and desist letters on July 21 and October 27, 2004.

5. Parties’ Contentions

A. Complainant

Complainant contends as follows:

Identical to a mark in which Complainant has rights. The disputed domain names are identical, but for the gTLD suffixes, to “native styles”, a mark under which Complainant has sold his products continuously since 1999. To support his claim of common law rights, Complainant submits a page from his 1999 catalogue that includes this designator and to his application for trademark registration in which he asserts under oath that he first used the mark in commerce in 1999. Complainant alleges, without evidence beyond the statements in the Complaint, continuous use of the mark since 1999.

No rights or legitimate interests. Respondent has known of Complainant’s use of the “native styles” mark since this first took place in 1999. Complainant and Respondent both sell products with a Native American theme. Both attend Native American gatherings such as tribal pow wows and yearly convocations as part of their respective businesses. As Respondent did not, by his own statement, begin using the “native styles” brand until 2002, he did so with full knowledge of Complainant’s brand and Complainant’s superior rights. A competitor’s use of another’s mark with full knowledge of the competitor’s rights in that mark, can never be bona fide and cannot confer any right or legitimate interest.

Bad Faith. The following demonstrate Respondent’s bad faith:

- Intentional use of a competitor’s mark.
- Registering the <nativestyles.us> domain name one week after receiving Complainant’s cease and desist letter.
- “Flagrant infringement” of Complainant’s trademark.
- False and derogatory statements about Complainant’s products at the Native American gatherings.
- Threatening Complainant’s distributors.
- Dissemination of false information at tribal gatherings.

The last three of these allegations are supported only by Complainant’s attestation of the Complaint and are made without specificity.

Respondent undertook these actions intentionally to disrupt the business of Complainant, his competitor, as intentional attempts to attract for commercial gain, internet users to his own website, by creating the likelihood of confusion with Complainant's mark, in violation of paragraphs 4(b)(iii) and (iv) of the Policy.

B. Respondent

Respondent contends as follows:

Identical to a mark in which Complainant has rights.

Respondent admits that the disputed domain names incorporate, without embellishment, the phrase "native styles". Complainant, however, has no rights in that mark for two reasons. First, Complainant's evidence of use in commerce is inadequate as a matter of trademark law to endow him with common law rights in the mark. There is no evidence that the Complainant's 1999 catalogue was distributed, let alone that the mark was commonly associated with trademarked goods such as use of any trademark legend on products, tags, labels, packaging, or the like. Second, even if Complainant obtained rights by virtue of his 1999 catalogue, he has since abandoned those rights by concentrating on the Native Threads mark, and (for example) by not using "native styles" in subsequent catalogues.

Rights or legitimate interests.

Respondent has rights and a legitimate interest in the disputed domain names. Since 2002 Respondent has actively sold products branded as "native styles". Respondent has sold these goods on the Internet, and promoted them at pow wows and convocations with Complainant's full knowledge since 2002. According to Respondent's sworn statement, Complainant once offered to manufacture Respondent's line with the "native styles" designation. This constitutes Complainant's acknowledgment of Respondent's superior rights. Respondent submits affidavits of two persons who are active in Native American affairs, neither of whom is affiliated with Respondent and both of whom attended many of the tribal gatherings referred to by both parties. Both declare that they recognize Respondent as seller of goods under the name Native Styles, and the Complainant as the seller of goods under the name Native Threads.

Bad Faith.

Contrary to Complainant's unsupported assertions, Respondent never denigrated Complainant or his products; the third party affiants attest to this. Respondent's use of the Native Styles mark, including use of the disputed domain names, has been completely bona fide and without complaint by Complainant until the cease and desist letters in 2004 and the commencement of this proceeding. During the period since his first use, well known to Complainant, Respondent has spent over 800,000 United States dollars developing the good will of the marks, including 40,000 United States dollars in the disputed domain names.

Reverse Domain Name Hijacking.

Respondent asks the Panel to make a finding of reverse domain name hijacking, based upon Complainant's lack of evidence, Complainant's failure to make out even one necessary element of the Policy, Respondent's good faith, and the Complainant's "sweeping allegations against the Respondent".

6. Procedural Matter - The Parties' Supplemental Filings

Complainant and Respondent have each lodged supplemental filings with the Center.

Complainant's supplemental filing includes additional evidence of his asserted use of the mark "native styles" in commerce continuously since 1999; evidence of the circumstances under which he purchased the <nativestyles.com> domain name from its initial registrant in March 2004 (a matter asserted in the Response); legal argument contesting several of the arguments made in the Response; considerable invective against the business and personal ethics and integrity of Respondent, and considerable re-argument of contentions made in the initial Complaint.

Respondent submitted additional legal argument in an email to the Center on February 15, 2005, then submitted additional evidentiary material on March 12, 2005. In his email Respondent first urges the Panel to deny leave to Complainant to make a supplemental filing but requests an opportunity to reply if the Panel permitted the Complainant's filing. The legal argument and additional evidentiary materials, including a second affidavit from Respondent, challenge the trustworthiness, business ethics, and veracity of Complainant and the original owner of the <nativestyles.com> domain name, re-assert many contentions made in the Response, and hurl invective at Complainant.

On March 18, 2005, the Center notified the parties that Panel would be asked to determine whether or not to accept any of the supplemental material in their consideration of this dispute.

The Policy and the Rules allow each party a single filing only, a procedure reflecting their underlying rationale of speedy and efficient resolution of a limited class of disputes. Most panelists permit or request additional pleadings infrequently. Supplemental filings should be considered only (a) upon the panel's request, for a discrete purpose or to address a specific factual matter,² or (b) upon request of a complainant, and with the panel's approval, to reply to a matter that is both (i) raised initially in the response and (ii) could not reasonably have been anticipated by the complainant.³ A panel should not by means of a supplemental filing provide either party a second chance to correct an omission, even a fatal omission, that the party should have included in his one permitted pleading.

Complainant's supplemental filing in this proceeding contains nothing that he could not (indeed should not) reasonably have anticipated when he filed his Complaint. On the contrary, the two substantive issues he addresses are matters entirely within his own knowledge, and both bear directly on essential elements under paragraph (4)(a)(i) of the Policy. For this reason alone, the Panel would deny any supplemental filing.

The parties' unnecessary re-argument of points asserted in their original pleadings (an all too common occurrence in proposed supplemental filings) and inclusion of extraneous matter, much of it irrelevant and much of it intemperate condemnation of

² E.g., *Pancil, LLC v. Newman*, WIPO Case No. D2003-1048 (proof that printout of a webpage was from respondent's site); *Randan Corp. v. Rappazzini Winery*, WIPO Case No. D2003-0353 (evidence of complainant's consent to respondent's use of disputed domain name); *Wyndham International, Inc. and Wyndham Hotels and Resorts v. Kangdong-Gu Net*, WIPO Case No. D2002-0458 (proof of trademark ownership);

³ E.g., *Delikat Betriebsverpflegung Gesellschaft m.b.H. v. Alexander Lehner*, WIPO Case No. D2001-1447.

the other party, constitute separate and independent grounds for denying both parties' requests.

Leave to submit the supplemental filings is denied. The Panel will not consider anything other than the Complaint, the Response, and each party's evidence as originally submitted.

7. Discussion and Findings

Complainant bears the burden of proof in a Policy proceeding. All elements set out in paragraph 4(a) of the Policy must be proven. Since the record plainly establishes that for purposes of the Policy "before any notice to [Respondent] of the dispute, [Respondent's] use of ... the domain name . . . in connection with a bona fide offering of goods or services" and that respondent, as a business, "[has] been commonly known by the domain name,"⁴ the Panel need not address (and elects not to address) any issues under paragraphs 4(a)(i) and 4(a)(iii) of the Policy.

The undisputed evidence demonstrates that since 2002 Respondent has openly and continuously used the Native Styles phrase specifically to identify the goods that he sells. Respondent has submitted evidence supporting his sworn statement that his investment in this brand since 2002 has exceeded 800,000 United States dollars. Complainant was aware of Respondent's marketing activities, and took no action until his first cease and desist letter in July 2004. Respondent's evidentiary showing exceeds that which in other proceedings under the Policy would have been sufficient to establish legitimate interests under paragraph 4(c). See especially *Lockheed Martin Corporation v. The Skunkworx Custom Cycle*, WIPO Case No. D2004-0824, in which the Panel found rights or legitimate interests based upon similar conduct, including the complainant's inaction during the period of time that respondent developed its business, notwithstanding complainant's registered trademark. The logic of that case applies with even greater force where, as here, Complainant asserts only common law rights and Respondent has offered evidence that raises real doubt about the strength of Complainant's common law rights in his mark.

Complainant advances only his legal theory that because his first use in commerce predates Respondent's and Respondent was well aware of Complainant's rights, his rights are "superior" and subsequent use by competitor can never be *bona fide*. Any support for this position in decisions under the Policy arises in very different factual settings. In cases where a competitor's intentional use of the complainant's mark was condemned, the offending respondent was unquestionably aware not only of the mark but also the owner's unquestioned rights in the mark and his use as a competitive mark.⁵ Most of these cases also involved a registered mark.⁶

The same result does not follow when, as in this proceeding, Complainant's evidence of its common law rights in the mark is scanty and countered with hard evidence that Complainant was well aware of Respondent's competing use of the mark for more than two years before taking any action to defend the mark that he claims as exclusively his

⁴ Policy, paragraphs 4(c)(i), (ii).

⁵ See, e.g., *Paule Ka v. Paula Korenek*, WIPO Case No. D2003-0453.

⁶ E.g., *Julie & Jason, Inc. d/b/a The Mah Jongg Maven v. Faye Scher d/b/a Where the Winds Blow*, WIPO Case No. D2005-0073; *Paule Ka v. Paula Korenek*, *supra*; *Teresa Christie, d/b/a The Mackinac Island Florist v. James Porcaro, d/b/a Weber's Mackinac Island Florist*, WIPO Case No. D2001-0653; *Belo Corp. v. George Latimer*, WIPO Case No: D2002-0329. These panels' reluctance or inability to invalidate a duly registered mark weighed heavily in these decisions.

own. Complainant was aware in 2002 of Respondent's marketing activities but took no action until his first cease and desist letter in July 2004.⁷ Without deciding whether such a delay make out a defense of laches or estoppel under United States trademark law,⁸ the Panel finds that continuous use in these circumstances entitles Respondent to the safe harbors of subparagraphs (i) and (ii) of paragraph 4(c) of the Policy.

There is a second reason why the Complaint must be denied. In their submissions in this proceeding both parties ask the Panel to consider evidence relating to and make determinations more appropriate for a court of law or the PTO. The Policy was implemented to resolve a very limited class of disputes; namely, domain name disputes that result from cybersquatting.⁹ While such disputes routinely and oftentimes of necessity require ICANN panels to consider broad ancillary legal principles and issues that lie outside the sharp confines of the Policy but which nevertheless guide a panel in its resolution of any of the three elements delineated under paragraph 4(a) of the Policy, panels have absolutely no jurisdiction to resolve any matter, such as questions of trademark infringement, outside the Policy. Two examples of the latter are Complainant's request that the Panel determine that he has rights in the NATIVE STYLE mark superior to those of Respondent, and Respondent's request that Panel determine that Complainant has "abandoned" any rights Complainant ever had in that mark. Each party also asks the Panel to discredit the other party's factual assertions and general credibility. Both parties are using Policy proceeding to gain a tactical or psychological advantage in a broader business dispute between them. All these matters lie outside the Panel's core jurisdiction and competence under the Policy and are best resolved through an appropriate judicial forum. The Panel therefore declines to consider them any further.

8. Reverse Domain Name Hijacking

Paragraph 1 of the Rules defines reverse domain name hijacking as "using the Policy in bad faith to attempt to deprive a registered domain-name holder of a domain name". Panels have generally held that Respondent bears a heavy evidentiary burden to justify such a finding. For example, in *GoldLine International Inc v. Gold Line*, WIPO Case No. D2000-1151, the panel stated: "The Panel must consider both 'malicious intent and recklessness or knowing disregard that the Respondent possessed legitimate interests'."

In this proceeding Complainant's conduct, as demonstrated by the evidence before the Panel, approaches the bad faith necessary for a finding of reverse domain name hijacking. He has used the Policy to air a dispute much broader than mere entitlement to the disputed domain names. Represented by counsel, he nonetheless has advanced a legal theory that can most charitably be described as questionable under trademark law and inappropriate under the Policy. By omitting any reference to his principal brand Native Threads he has presented a misleading picture of the case.

⁷ To be sure, Respondent only registered the disputed domain names in March 2004, and Complainant took action under the Policy within a short time thereafter. But Respondent's rights had plainly attached well before commencement of this proceeding.

⁸ For the reasons stated in the following paragraph, the Panel lacks jurisdiction to make any such finding.

⁹ ICANN Second Staff Report on Implementation Documents for the Uniform Dispute Resolution Policy, paragraph 4.1.c (October 24, 1999). See also discussion in footnote 3 of *Lockheed Martin Corporation v. Lynn Dixon*, WIPO Case No. D2005-0045.

But Respondent's conduct is scarcely better, if at all. Some of his evidence, such as references to his company name (in fact "inactive" and not registered until 2004), is misleading. Like Complainant, he indulges in needless name-calling and diatribe that have no place in any proceedings. In these circumstances no finding of reverse domain name hijacking is justified, if only to prevent Respondent's citing to such a finding in any subsequent court or administrative proceedings. The Panel instead chooses the approach of "a plague o' both your houses"¹⁰ in order to leave the parties as it found them.

9. Decision

For the foregoing reasons, the relief requested in the Complaint and Respondent's request for a finding of reverse domain name hijacking are denied.

Richard G. Lyon
Presiding Panelist

Jordan S. Weinstein
Panelist

Peter L. Michaelson
Panelist

Dated: April 18, 2005

¹⁰ W. Shakespeare, *Romeo and Juliet*, Act III, scene 1.