IL-DRP Panel

Israel Internet Association (ISOC-IL)

Y.M. DIRECT IMPORT LTD. v. GOLOMB SQUARE LTD.

Decision

A. The Parties

- The Petitioner, Y.M. DIRECT IMPORT LTD. (hereinafter: the "Petitioner"), is a company incorporated under the laws of Israel with the address at 15 Hashachar St., Mazor, Israel, represented by Asaf Lotan, Adv.
- 2. The Respondent, GOLOMB SQUARE LTD, is an Israeli Company, with the address at 6/8 Bracha Fold St. Tel Aviv 6425706 (hereinafter: the "Respondent"). The Respondent is represented by Tomer Sasson, Adv.

B. The Domain Name and Registrar

The disputed domain name <canna.co.il> (hereinafter: the "Disputed Domain Name") is registered with InterSpace Ltd.

C. Procedural History

- 4. The Petition was filed with ISOC-IL and transmitted to the Israeli Dispute Resolution Panel of ISOC-IL ("**IL-DRP**") under the IL-DRP Rules ("**Rules**").
- 5. On January 19th, 2021 the IL-DRP appointed Adv. Adi Barkan-Lev as the Sole Panelist.

- 6. In accordance with the Rules, on January 19th, 2021, the Panel transmitted to the Respondent by e-mail a copy of the Petition and attached materials, providing the Respondent 15 days to respond to the Petition.
- 7. The Respondent submitted its Response to the Petition on February 5th, 2021 after requesting and being granted a postponement.

D. Factual Background

- 8. According to annex 1 to the Petition, the Disputed Domain Name <canna.co.il> was assigned to the Respondent on September 15th, 2013 and its Administrative representative is Mr. Yair Raviv ("Mr. Raviv") with the Respondents' address.
- 9. The Petitioner claim that it has been operating since 2003 and it is the first and leading company in Israel in the field of household equipment for growing plants. This claim was not support by documents.
- 10. The Petitioner claim that as part of its activity, the Petitioner established the Canna brand, as one of the company's home brands and that it operates and owns the Canna website that is located at https://www.canna.co.il (hereinafter: "the Canna Website") which operates under the Disputed Domain Name, and the Canna commercial Facebook page located at https://www.facebook.com/canna.co.il/ (hereinafter: "the Canna Facebook page").
- 11. The Petitioner claim that in recent years, the Petitioner has invested hundreds of thousands of shekels in uploading content to the Canna website and that the brand "CANNA" has been a great commercial success. To support this claim, the Petitioner enclosed a letter signed by Mr. Omri Fastig, the Petitioner's owner (see Annex 2 to the Petition).
- 12. The Petitioner claim that it is the owner of Israeli Trademark Registration No. 285452 קאנה (hereinafter: "**the קאנה Mark**")¹ (Annex 4) and that the "Canna

¹ It should be noted that the word "קאנה" is the phonetic transcription of the word 'CANNA" in Hebrew letters.

- brand" is part of a group of brands owned by the Petitioner, including the "HYDROSHOP" and "PUFFIZ" brands.
- 13. The Petitioner claim that it operates the Canna Website that contains the particulars of the Petitioner and that the Petitioner has a complete control of the website (Clause 8 to the Petition). These claims were not supported with any documents.
- 14. The Petitioner further claim that lately, an acute commercial dispute has arisen between the Petitioner and the Respondent's owner, Mr. Raviv., regarding the extension of a franchise granted to Mr. Raviv in one of the Petitioner's chain of "hydroshop" stores and that following a monetary lawsuit and a motion for temporary remedies filed against Mr. Raviv, the court handed an order. These arguments were not supported with any documents.
- 15. The Petitioner claim that it "discovered that the Respondent registered the ownership in the Disputed Domain Name instead of registering it under the Petitioner's name" (see clause 10 to the Petition that does not indicate the timing of the discovery) and that the Petitioner's CEO authorization to the Canna Facebook page was revoked by the Respondent (it seems there is a proofreading error to clause 11 to the Petition in that regard), which prevents the Petitioner's access to update content in the Canna Facebook page. From this we learn that the Canna Facebook page is operated by the Respondent.
- 16. Due to these mishaps the Petitioner claim it have tried to contact the Respondent through a letter sent by the Petitioner to the Respondent's representative – Mr. Raviv, on October 25, 2020 that was not answered (Annex 5 to the Petition).
- 17. The Respondent claim that the קאנה Mark was used over a long period of time as the logo of a registered non-profit association named "Canna the Israeli Association for Responsible Cannabis" ("the Canna Association"). The Respondent enclosed to the Petition a Motion to Cancel/Change the קאנה Mark as filed in January 2021 with the Israeli Trademark Registrar ("the

Motion to Cancel")². Based on the documents attached to the Motion to Cancel as Annex B, it seems that the Canna Association (Israeli Corporations Authority registration number 580588341) was established in 2014 by seven (7) founders, including Mr. Raviv, Mr. Omri Fastig – who is the sole owner of the Petitioner ("**Mr. Fastig**") (Annex C to the Motion to Cancel) - and Mr. Peleg Fastig.

- 18. The Respondent claim that the Canna Association was established only after the Respondent purchased the Disputed Domain Name and incurred other expenses with relation to the building and maintenance of the Canna Website for the public good, with no intention to make a profit (Clause 4 to the Response).
- 19. The Respondent claim that a Criminal Complaint was filed with the Israeli Police against Mr. Fastig based on Fraud and Breach of Trust offenses (Clause 6 to the Response).

20. The Respondent claim that it purchased the rights to use the Disputed Domain Name in 2013, paid for the development and maintenance of the Canna Website in which the קאנה Mark already appeared in 2013. While referring to Annex 1 to the Petition, the Respondent claim that the contact person with regard to the Disputed Domain Name is Mr. Raviv and that to this day, the Respondent renews the right to use the Disputed Domain Name at its expense (see clause 12 to the Response).

² It should be noted that all documents attached to the Response were unmarked as annexes.

- 21. The Respondent claim that the קאנה Mark was filed for registration with the Israeli Trademark Registrar without the Canna Association's knowledge and consent (Clause 15 to the Response).
- 22. The Respondent further claim that on July 2016 an international organization approached both parties (then working together under the Canna Website and the Canna Association) regarding the use of the Disputed Domain Name. The Respondent claim that a Petition was filed in this matter with the IL-DRP resolution center regarding the ownership of the Disputed Domain Name (Clauses 17-18 to the Response).
- 23. Though both parties failed to address the result of the IL-DRP proceedings filed against them with regard to the Disputed Domain Name in 2016, this Panel notes that in a decision dated November 14th, 2016, handed by the sole Panelist, Adv. Jonathan Agmon, the Petition then was denied while stating, among other things, that "the Respondent (the same Respondent here) has rights or legitimate interests in respect of the disputed domain name" (page 7 to the aforementioned decision of November 14th, 2016 between Jemie B.V. II and Kikar Golomb Ltd., see: יישוב מחלוקות (isoc.org.il)).
- 24. This Panel also notes that upon reviewing the Canna Website that is being operated under the Disputed Domain Name, at the "About" page (see: https://www.cannna.co.il/%d7%90%d7%95%d7%93%d7%95%d7%aa/), it is being presented that the canna magazine and the activities under the קאנה Mark were established by Mr. Raviv one of the Canna Association's founders and the Respondent's owner here and Mr. Peleg Festig also one of the Canna Association's founders according to Annex B to the Motion to Cancel.

25. It should also be noted that upon reviewing the "About" page of the Canna Website under the American Flag language (i.e. English) the marks being used is either "CANA" or "KANA". There is no trace to the use of the Disputed Domain Name CANNA other than the Canna Website's domain name itself.

E. Parties' Contentions

I. Petitioner

- 26. The Petitioner claim that the it holds all intellectual property rights to the Canna brand, including the Canna Website.
- 27. The Petitioner claim that the registration of the Respondent as the owner of the Disputed Domain Name does not reflect the actual status of the Canna Website as stated in the Petition.
- 28. The Petitioner claim that the Respondent grossly violated its right to enjoy the fruits of its labor in the Canna brand and that it's causes serious harm to the Petitioner. The Petitioner claim that the Respondent makes an improper attempt to abuse the privileges granted to it by the Petitioner in the past (Clause 12 to the Petition).
- 29. The Petitioner claim that the Disputed Domain Name <canna.co.il> is an exact transliteration to English of the קאנה Mark.
- 30. The Petitioner claim that it achieved significant goodwill and reputation in the Canna brand and that the Respondent has no legitimate interest and has no rights in the Disputed Domain Name.
- 31. The Petitioner claim that the facts surrounding Respondent's registration of the Disputed Domain Name under its name instead of the Petitioner's, demonstrate the Respondent's bad faith according to paragraph 4(b) (ii) to the Rules, that state the following: "you have 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 you have engaged in a pattern of such conduct".

32. The Petitioner argue that by (a) registering the Disputed Domain Name; (b) refusing to transfer it to the Petitioner in spite of the Petitioner's letter (annex 5 to the Petition) and (c) attempting to prevent the Petitioner, the owner of the קאנה Mark, from reflecting in a corresponding domain name, the Respondent demonstrate bad faith (Clauses 20-21 to the Petition).

II. Respondent

- 33. The Respondent argue that the קאנה Mark was unlawfully registered by the Petitioner.
- 34. The Respondent argue that the Petitioner, acted to register the קאנה Mark with the intention to exploit the Canna Association's good-will for its personal use and profits.
- 35. The Respondent argue that upon registering the קאנה Mark the Petitioner harmed public interest and policy since the Canna Association was established as a non-profit organization and for the public good.
- 36. The Respondent further raise arguments that are based on the Motion to Cancel and Israeli Trademark Ordinance 1972.

F. Discussion and Findings

- 37. The IL-DRP is an alternative dispute resolution procedure intended to provide expedited resolution to disputes regarding the allocation of domain names under the .IL ccTLD in accordance with the Rules. The Respondent submitted to this process and Rules when it applied for and registered the Disputed Domain Name with InterSpace Ltd.'s registration agreement that oblige the applicant for the domain name to accept the ISOC-IL rules. Upon filing the Petition with the IL-DRP Resolution Center the Petitioner also agreed to be bind to this Panel's decision.
- 38. Upon reviewing the parties' claims and arguments as detailed above, it is obvious that this said case raises complex factual background (and its

apparent that not all relevant facts and documents were revealed by both parties) and various judicial questions relating, among other things, to domain names, intellectual property rights and contract law issues that go far beyond IL-DRP dispute resolution Rules' nature and purpose.

- 39. This Panel is under the impression that the IL-DRP resolution procedures that are, as explained above, intended to provide <u>expedited</u> resolution to disputes regarding the allocation of domain names, can hardly be regarded as the appropriate instance to rule the obviously complex current dispute.
- 40. The IL-DRP is not intended to create or replace judicial precedence or jurisprudence³. Rule 16 to the Rules determine that "... at any stage the Panelist/Panel may refrain from issuing a decision regarding a dispute if it determines that the case is not suitable for expedited resolution under this procedure". Such is the dispute before me. As indicated by the sole Panelist, Adv. Leehee Feldman, in her IL-DRP decision dated March 11, 2020 ⁴: "the IL-DRP proceedings are meant to be concise, specific, straight-forward cases, as an easily accessible alternative procedure. The IL-DRP sets forth clear guideline recommendations as to how the Procedure should be conducted, aimed at providing expedited resolution to Domain Name disputes, as described in the preamble to the Rules. The procedure is not intended to substitute court review in cases where there are contractual

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³ See: https://en.isoc.org.il/il-cctld/dispute_resolution/dispute-resolution-panels. See also: IL-DRP Decision dated November 20th, 2018 in the matter of RooFoods Ltd. v. Hadar Cohen (Chapter IV to the Decision, paragraph 2) at יישוב מחלוקות: deliveroo.co.il איגוד האינטרנט הישראלי (isoc.org.il); IL-DRP Decision dated June 19th, 2018 in the matter of Namaste Technologies v. Mr. Elad Peretz (Chapter IV to the Decision, paragraph 3 and Chapter V) at יישוב מחלוקות: vaporiza.co.il – איגוד האינטרנט הישראלי (isoc.org.il); UDRP Decision dated 18.9.2014 in the matter of The Spamhaus Project, Ltd. v. Damon Nelson, Ondova Company Case No. D2014-1121 (https://www.wipo.int/amc/en/domains/search/text.jsp?case=D2014-1121); UDRP dated Decision 26.11.2010 in the matter of Andrew Prince v. Registrant Sven Echternach / Moniker Privacy Services, Case No. D2010-1661 (https://www.wipo.int/amc/en/domains/search/text.jsp?case=D2010-1661). ⁴ LawPub v. Idan Ben-Or in the matter of the Domain name <LawPubShop.co.il> see chapter IV to the Decision, paragraph 2 at יישוב מחלוקות lawpubshop.co.il - איגוד האינטרנט הישראלי (isoc.org.il). See also

<u>disputes or complex business contentions between the parties, which will</u>
<u>require lengthy processes of evidence and cross examination."</u>

G. Decision

For all the foregoing reasons and without indicating any conclusions, this Panel will not move forward with further examining the grounds to decide on the Petition according to IL-DRP Rules and will not rule to the merit. The current dispute is not suitable for expedited resolution under the IL-DRP procedures.

Adi Barkan-Lev, Advocate

Adi Barkan - Lev

Sole Panelist

Date: February 28, 2021