

AMERICAN ARBITRATION ASSOCIATION
Arbitration Tribunal

In the Matter of the Arbitration between

Re: 49 413 00001 06
Fry's Electronics
and
Prophet Partners

Domain Name in Dispute: frys.us

AWARD OF ARBITRATOR

I, THE UNDERSIGNED ARBITRATOR, having been designated in accordance with the American Arbitration Association's Supplemental Procedures for Domain Name Disputes, and having been duly sworn, find and award, as follows:

1. The Parties

The Complainant is Fry's Electronics, Inc., a California corporation, represented by Foley, McIntosh Frey & Claytor, of Lafayette, California.

The Respondent is Prophet Partners, Inc., a New York corporation, represented pro se.

2. The Domain Name and Registrar

The disputed domain name is **frys.us.**, which is registered with Godaddy.com.

3. Procedural History

The Complaint was brought pursuant to the usTLD Dispute Resolution Policy (the "Policy"), and in accordance with the Rules for usTLD Dispute Resolution Policy (the "Rules"), and by the American Arbitration Association (AAA) Supplemental Rules for Domain Name Disputes (the "Supplemental Rules").

Pursuant to paragraph 4(d) of the Policy, the Complainant selected the AAA as the DOC approved administrative dispute resolution service provider to administer this proceeding. Through the Complaint, the Complainant requested a single member panel. The Respondent timely filed its Response with the AAA. At the request of Complainant, the Panel authorized supplemental briefing, and shortly thereafter, both the Complainant and Respondent filed

supplemental briefs and additional exhibits.

Pursuant to the Rules and Supplemental Rules, the AAA contacted the undersigned, Mr. Steven M. Bauer, and invited him to serve as a Sole Panelist for this dispute. Mr. Bauer accepted the invitation and returned a completed and signed Notice of Appointment to the AAA, along with a disclosure by the panelist. The AAA informed the parties of his appointment and the disclosure and subsequently, in the absence of any objection by either party to the disclosure, confirmed that appointment to the parties.

Based on the supplemental briefing and extensions related thereto, a decision was to be issued by the Panel to the AAA on or before February 16, 2007.

4. Factual Background

The Respondent registered the disputed domain name on June 5, 2006.

A. Complainant's "Fry's" Marks

Complainant is, and at all times mentioned herein, has been engaged in a retail business which sells computers, electronic components, and related items through an expanding chain of stores in the United States, and by mail order and over the Internet, to customers nationwide and abroad. Complainant has used the Fry's mark since 1985, and has continuously used it since that date. Complainant has registered certain of its trademarks and service marks in the United States Patent and Trademark Office (e.g., Fry's Electronics, U.S. Registration No. 2,031,351, and Fry's, Registration No. 2,102,637). Complainant has also registered several domain names, including Frys.com and Fryselectronics.com.

C. The Respondent's Activities

Respondent is an internet-based marketing company that has been in business since October, 2002. It does not maintain any stores and the only physical location is its office. Respondent is the legal registrant of over five thousand generic domain names that represent many diverse classifications including, but not limited to acronyms, automotive, clothing, education, electronics, financial, food, first names and surnames, and travel. These generic domain names are primarily used to generate revenue by marketing to online consumers throughout the world. Respondent is an independent contractor and markets products through direct affiliate relationships and pay-per-click domain monetization services that are commonly referred to as domain parking. Other than its inventory of generic domain names, Respondent does not maintain any inventor of goods.

5. Relief Sought

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

Respondent asks that the Panel reject the request and require Complainant to issue a formal and written apology to Respondent for wrongly accusing it of being a cybersquatter.

6. Parties' Contentions

A. The Complaint

(i) Identical or Confusingly Similar

The Complainant contends that the disputed domain name is confusingly similar. The similarity arises due to the inclusion of the term "FRYS" in the disputed domain name. The Complainant opines that Internet users are likely to be confused, mistaken or deceived into erroneously believing that the Respondent's website is authorized, licensed, sponsored or endorsed by or otherwise associated with Complainant, when in fact it is not.

Hence, the Complainant implicitly concludes that because its name is "Frys," and the disputed domain name uses the term "Frys," it has satisfied the confusing similarity or identity requirement in paragraph 4(a)(i) of the Policy.

(ii) Rights or Legitimate Interests

The Complainant states even if Respondent is using the mark, that the Respondent has no rights or legitimate interests in the name. Complainant's argument focuses on "initial interest confusion," suggesting that anyone who is looking for Complainant's site will be misdirected to Respondent's site.

The Complainant implicitly concludes that the Respondent is unable to show that it has any rights or legitimate interests in the disputed domain name pursuant to paragraph 4(a)(ii) of the Policy.

(iii) Registered and Used in Bad Faith

The Complainant contends that, because the Respondent has registered thousands of names and because its website states "browse available domain names for sale or lease by category," it has improperly registered Complainant's name primarily for the purpose of selling, renting, or otherwise transferring the domain name to the rightful owners of the same.

Therefore, the Complainant concludes that the Respondent's conduct constitutes bad faith registration under paragraph 4(a)(iii) of the Policy.

B. The Response

(i) Identical or Confusingly Similar

The Respondent contends that “Frys” is a common generic word that is also a common surname. Respondent points out that there are numerous other companies besides Complainant that use the possessive form of the surname “Fry’s” to identify their business, including The Kroger Co., a publicly traded company, which uses the word to identify its supermarkets and department stores. Fry’s is also a three letter word found on lists of words.

(ii) Rights or Legitimate Interests

Respondent contends that it has a legitimate business using (and sometimes, selling) generic domain names. In addition to using, selling and leasing generic and descriptive domain names, Respondent generates revenue from its generic and descriptive domain portfolio by working with third party aggregators of advertisements. Respondent earns money when Internet visitors conduct searches for products and services and then click on advertiser links. Prior to Complainant’s complaint, Respondent did have an active page using the Frys.us domain.

(iii) Registered and Used in Bad Faith

The Respondent contends that it did not register or use the disputed domain name in bad faith. The Respondent states that it has never had any negotiations or offered to sell, rent, or otherwise transfer the domain name registration to the Complainant or to a competitor of the Complainant for valuable consideration. Respondent asserts it was unaware of Complainant at the time it registered its “frys.us” mark.

C. Additional Submissions

The record before the Panel consists of various submissions, including the Complaint, Response, Supplemental Brief, and the Respondent's response to the latter. The Panel has considered each of these submissions, and all the attachments made thereto.

7. Discussion and Findings

A. Preliminary issues

Request to strike.

The Respondent has requested, in its Reply Brief, that the Panel strike Fry’s Supplemental Brief, as untimely filed and not responsive to the Panel’s order. The Panel believes that it is appropriate to give each party a full and fair opportunity to present its case, and Respondent has not asked for an opportunity to further rebut and has not argued prejudice, instead arguing solely on the procedural aspects of the timing of the submissions. The Panel has considered all the additional submissions, and the request to strike is denied.

B. Policy Elements

Paragraph 15(a) of the Rules instructs this Panel to "decide a complaint on the basis of the statements and documents submitted in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable."

Paragraph 4(a) of the Policy requires that the Complainant must prove each of the following three elements to obtain an order that a domain name should be cancelled or transferred:

(a) the domain name registered by the Respondent is identical or confusingly similar to a trademark or service mark in which the Complainant has rights;

(b) the Respondent has no rights or legitimate interests in respect of the domain name;
and

(c) the domain name has been registered or is being used in bad faith.

1. Identical or Confusingly Similar

The Panel finds that Complainant has not demonstrated that confusion is likely to arise as a result of the Respondent's use of the disputed domain name.

Complainant's name is "Fry Electronics." Although the Complainant often shortens the name to Fry's, the Panel views the term "Fry's" as a three letter word and common surname, used by many companies and registered by others with the trademark office. Fry's Electronics has not shown that there is any higher likelihood of confusion from Respondent's use of the mark, than if the mark was used by any other of the many other "brick and mortar" entities which could make good commercial use of the domain. Complainant has not shown that there is any special fame or notoriety of its mark which would suggest that a non-minimal number of persons who enter the name into his(her) browser with the intent to access a website connected with the Complainant, would be confused by one additional website using the name "Fry's" in the midst of dozens of other "Fry's" related search results..

2. Rights or Legitimate Interests

Respondent has rights and legitimate interests in the disputed domain name, because the sale of generic domain names constitutes a bona fide offering of goods and services where Respondent is not aware of a party's rights in a mark. See *Fifty Plus Media Corp. v. Digital Income, Inc.* FA 94924 (Nat. Arb. Forum, July 17, 2000); *Gen. Mach. Prod. Co. v. Prime Domains*, FA 92531 (Nat. Arb. Forum Mar. 16, 2000) and other cases cited by Respondent.

Complainant has offered no evidence to suggest that Respondent has registered anything other than generic domains. When Complainant adopted a mark which is a generic word and common surname, it faced the risk of others using the same word for other, unrelated purposes. In addition, Complainant has offered no evidence to suggest it has any more right to the Fry's mark, than anyone else with a similar surname or commercial use of the word.

3. Registered or Used in Bad Faith

There is no evidence that Respondent was aware of Complainant at the time it registered the domain name. Indeed, the evidence suggests that Respondent was registering a large number of generic and surname words, with no particular interest in targeting a registered trademark of Complainant. There is no evidence that Respondent has offered to sell the mark in bad faith.

C. Reverse Domain Name Hijacking

Though the Respondent has implicitly requested the Panel find that the Complainant has engaged in reverse domain name hijacking, the Panel declines to do so. In addition, Respondent has asked for a letter of apology. The Panel is without authority to issue an order for such relief, but if the Panel had the authority, it would nevertheless decline to do so.

8. Decision

Under Paragraphs 4(i) of the Policy and 15 of the Rules, the Panel DENIES Complainant's request that the domain be transferred to it.

This Award is in full settlement of all claims submitted to this Arbitration. All claims not expressly granted herein are hereby, denied.

February 15, 2007

Date



Steven M. Bauer, Esq.