



## MEMORANDUM

To: Members of the Working Group on Fraudulent Business Filings

From: Chris Beall

Date: September 22, 2022

Re: Additional Background Information on Business Filings for "Gname" Corporations

This memo follows on and supplements the information that Member Herrick Lidstone summarized in his own memo dated September 21, 2022. (Herrick beat me to the punch with the work I had also been doing, but I thought the additional information conveyed here would be worthwhile for the Working Group's review.)

As demonstrated by Member Greg Wertsch's live demonstration during the Working Group's meeting on September 14, 2022, there were 150 corporations registered on the Colorado business registry between January 6, 2021, and July 25, 2022, which used the naming convention "Gname ### Inc." The attached spreadsheet (Attachment 1) compiles each of the registrations for all 150 entities. In chronological order, the corporations were registered on the following dates:

<u>2021 –</u>	
• Jan. 6, 2021:	10
• Aug. 12, 2021:	40
<u>2022 –</u>	
• July 14, 2022:	2
• July 15, 2022:	8
• July 16, 2022:	10
• July 17, 2022:	10
• July 18, 2022:	10
• July 19, 2022:	12
• July 20, 2022:	11
• July 21, 2022:	9
• July 23, 2022:	10
• July 24, 2022:	10
• July 25, 2022:	8
<b><u>Total:</u></b>	<b><u>150</u></b>

The first fifty of these corporations – the ones registered in 2021 – all have had annual renewals filed on their behalf, and therefore continue to be in good standing. Each of these first fifty entities was registered as having a discrete (and different) address in a Front Range community, ranging from Colorado Springs to Greeley. Each address listed resolves to a multi-office building with multiple business tenants. In other words, it does not appear that any of these 2021 entities was registered with what would seem to be a residential address.

For the 100 corporations registered in 2022, the address listed became uniform, with the same office location given for all 100 as 6547 N Academy Blvd #2266 in Colorado Springs, and a mailing address for all 100 as 18351 Colima Road Suite 2896, Rowland Heights, CA 91748. Both addresses appear to be commercial mailbox storefronts:



6547 N Academy Blvd, #2266  
Colorado Springs, CO



18351 Colima Road, Suite 2896  
Rowland Heights, CA

All 150 corporations were registered by the same individual, Yansheng Zhang. This person also was listed as the registered agent for all 100 corporations that were registered in 2022, but a Singapore entity was listed as the registered agent for the 50 corporations that were registered in 2021: Gname.com Pte. Ltd.

This Singapore entity is not registered on the Colorado Secretary of State's business database, and it does not appear to have filed a Statement of Foreign Entity Authority, which is otherwise required under C.R.S. § 7-90-801(1) so as to lawfully transact business in Colorado.

As Mark mentioned during the Working Group's meeting, the Singapore entity has been involved in disputes over domain names. The process for challenging someone holding a domain name that a company alleges should belong to the company is handled through an arbitration proceeding, and the Singapore entity Gname.com Pte. Ltd shows up as the respondent (defendant) in 19 arbitration cases handled by the World Intellectual Property Organization, an agency of the United Nations. In none of those arbitration cases did anyone from Gname Pte. Ltd. respond to the companies' demands for transfer of the domain names, and in each case, the petitioner (plaintiff) company prevailed under the domain name dispute

resolution standards that apply. Accompanying this memo is a set of copies of those domain name cases. (Attachment 2.)

The various domain name arbitration cases reveal that Gname Pte. Ltd. appears to be using the various “Gname ### Inc.” entities as holding companies that own domain names that are acquired and held either for purposes of sale or generation of advertising revenue. See, e.g., *AB Electrolux v. Sha Chen*, WIPO Case No. D2021-3160 (noting that the registrar of the challenged domain name “elertcolux.com” was Gname 009 Inc.) (at p. 57 of Attachment 2); *Laboratoires Théa v. hai qing cai*, WIPO Case No. D2022-0359, (noting that the registrar of the challenge domain name “ftadirect.com” was Gname 007 Inc.) (at p. 90 of Attachment 2).

A check of the federal court litigation database known as PACER did not show any hits for any litigation involving any of the “Gname” entities or the Singapore entity. Similarly, there is no indication of any state court litigation in Colorado involving any “Gname” entity.

In light of the foregoing details, the following conclusions appear to be reasonable:

- The addresses listed in the first 50 registrations in 2021 likely meet the standard under SB22-034 for a fraudulent business filing because it seems unlikely that the registered agent – Gname Pte. Ltd. – was actually residing at the 50 different business addresses listed in those 50 different registrations. Hence, once the fraudulent business registration complaint process established in SB22-034 comes into effect in February 2023, these corporations could be subject to the complaint and notice mechanism outlined in the new statute.
- Apart from the 40 corporations registered in a single day on August 12, 2021, all of the remaining registrations were accomplished in groups of approximately 10 entities per day. Because of the substantial volume of daily filings in the Secretary of State business registry each day, it is unlikely that the Office would be able to develop an algorithm that could identify this small a number of filings coming from the same IP address.
- The 50 corporations that were registered in 2021 listed as their registered agents a Singapore limited liability company that was not authorized to transact business in Colorado. While the Secretary of State’s Office does not currently maintain back-end software coding that would check to determine whether a registered agent is a business in good standing on the state’s business registry, such cross-check functionality is something that would be technologically feasible for the Office, albeit with some cost in software development time to build the functionality.
- While the Gname entities do appear to be involved in various domain name disputes with companies around the world, the arbitration decisions do not constitute evidence of a judicial findings of fraud. It would be unwarranted to conclude, without further evidence, that all 150 corporations, or indeed any one of the Gname corporations, have committed fraud.

- Instead, the most that can be said about these entities is that they appear to be used as holding companies for domain names which then sometimes have become targets of claims by other businesses that the domain names should be transferred from the Gname entity to the complaining business on the grounds that the challenged domain name is confusingly similar with the business' trademark. That process for domain name transfer is already part of every domain name registration, and there is a readily available remedy for such claims.

For reference, please review the following attachments:

**Attachment 1** – Spreadsheet with data on 150 Gname corporations

**Attachment 2** – Copy of WIPO domain name decisions involving Gname entities

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