

ARBITRATION AND MEDIATION CENTER

# **ADMINISTRATIVE PANEL DECISION**

Verkada, Inc. v. Evan Fleak Case No. D2022-0280

#### 1. The Parties

Complainant is Verkada, Inc., United States of America ("United States"), represented by Osborne Clarke LLP, United Kingdom.

Respondent is Evan Fleak, United States.

## 2. The Domain Name and Registrar

The disputed domain name <commandverkada.com> (the "Domain Name") is registered with Hosting Concepts B.V. d/b/a Registrar.eu. (the "Registrar").

# 3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on January 27, 2022. On January 27, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Name. On January 28, 2022, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the Domain Name, which differed from the named Respondent and contact information in the Complaint. The Center sent an email communication to Complainant on January 28, 2022, providing the registrant and contact information disclosed by the Registrar, and inviting Complainant to submit an amendment to the Complaint. Complainant filed an amendment to the Complaint on February 2, 2022.

The Center verified that the Complaint together with the amendment to the Complaint satisfied the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the "Policy" or "UDRP"), 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 and 4, the Center formally notified Respondent of the Complaint, and the proceedings commenced on February 10, 2022. In accordance with the Rules, paragraph 5, the due date for Response was March 2, 2022. Respondent did not submit any response. Accordingly, the Center notified Respondent's default on March 7, 2022.

The Center appointed John C. McElwaine as the sole panelist in this matter on March 17, 2022. The Panel finds that it was properly constituted. The Panel has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the Center to ensure compliance with the Rules, paragraph 7.

On March 21, 2022, Complainant requested to suspend the proceeding for settlement discussions with Respondent, which had been brought to the Panel's attention. Upon receipt of the Panel's instructions, on March 23, 2022, the Center notified the Parties and Registrar that the proceedings were suspended until April 13, 2022. In the absence of any communication from either Party, the proceedings were reinstituted on April 27, 2022.

# 4. Factual Background

Complainant is a high-end hardware and software manufacturer of security equipment and a global market leader in cloud-based enterprise building security. Complainant provides security systems, including video cameras and accessories for video cameras; camera hardware systems for video surveillance; downloadable mobile application for video surveillance, video analytics, as well as related technical support and consultancy services under its VERKADA brand name.

Complainant is the owner of the following trademark registrations, among others, alleged to be relevant to this matter containing the VERKADA trademark (collectively, the "VERKADA Mark"):

Trademark	Jurisdictions	Reg. No.	Reg. Date	Classes Covered
VERKADA	United States	5848597	September 3, 2019	9, 37, 42 and 45
VERKADA	European Union	018081438	January 11, 2020	9, 37, 42 and 45
VERKADA	United Kingdom	UK00003406164	August 30, 2019	9, 37, 42 and 45
VERKADA	United Kingdom	UK00918081438	January 11, 2020	9, 37, 42 and 45
VERKADA	Australia	2058982	September 8, 2020	9, 37, 42 and 45

On June 16, 2021, Respondent registered the Domain Name with the Registrar. The Domain Name does not resolve to an active website.

#### 5. Parties' Contentions

## A. Complainant

As background, Complainant alleges that it launched its business in 2016, offering security systems, including video cameras and accessories for video cameras; camera hardware systems for video surveillance; downloadable mobile application for video surveillance, video analytics, as well as related technical support and consultancy services under the VERKADA Mark. Complainant further contends that, since its launch in 2016, Complainant has accrued substantial reputation and goodwill in the brand through its use of the VERKADA Mark, which is evidenced by the fact that the company was valued at USD 1.6 billion in 2020.

Complainant further points out that it is the owner of the <verkada.com> domain name as well as the <command.verkada.com> subdomain. Complainant registered the <verkada.com> domain name on February 21, 2015 and it is used by Complainant to resolve to Complainant's corporate website. Complainant's domain name attracts an average of over 13,000 page views per day and has had over 400,000 in the past 30 days, as of the filing of the Complaint.

With respect to the first element of the Policy, Complainant argues that the Domain Name is confusingly similar to Complainant's VERKADA Mark and that the inclusion of the additional wording, namely, "command", is not sufficient to eliminate the confusing similarity between the Domain Name and the VERKADA Mark. Complainant further argues that the confusing similarity is in fact increased by the fact that Complainant utilizes the subdomain <command.verkada.com> to render Complainant's services to its customers and the Domain Name is virtually identical to the subdomain. The <command.verkada.com> is utilized by Complainant to operate a web-based platform that is linked to the account of each customer of Complainant, which can be accessed via a secure login. Once logged in, each user is able to access cameras linked to its accounts.

With respect to the second element of the Policy, Complainant argues that Respondent has no rights nor legitimate interests in the Domain Name because (i) Respondent does not have any prior existing trademark rights in VERKADA or COMMAND VERKADA, (ii) Complainant has not granted Respondent with a license to use the VERKADA Mark, (iii) Respondent is not commonly known by the name Verkada, Command Verkada, or any other colorful imitation thereof, (iv) prior to the dispute, Respondent's use, or demonstrable preparations to use, the Domain Name was/is not in connection with a *bona fide* offering of goods or services, and (v) Respondent is not making a legitimate noncommercial or fair use of the Domain Name.

With respect to the third element of the Policy, Complainant argues that Respondent's bad faith registration and use of the Domain Name is evidenced by the combination of the following factors: (i) Complainant's VERKADA Mark has established a substantial amount of goodwill and reputation that predates Respondent's registration of the Domain Name, (ii) Respondent knew of, or should have known of, Complainant's prior existing exclusive rights in the VERKADA Mark, (iii) Respondent intentionally targeted Complainant and Complainant's VERKADA Mark with the intention of attracting, for commercial gain, Internet users to the Domain Name by creating a likelihood of confusion with the VERKADA Mark, and (iv) Respondent received and failed to respond to Complainant's pre-Complaint cease and desist letter.

#### **B.** Respondent

Respondent did not reply to Complainant's contentions.

## 6. Discussion and Findings

Even though Respondent did not reply to the Complaint, paragraph 4(a) of the Policy requires that, in order to succeed in this UDRP proceeding, Complainant must still prove its assertions with evidence demonstrating:

- (i) the Domain Name is identical or confusingly similar to a trademark or service mark in which Complainant has rights;
- (ii) Respondent has no rights or legitimate interests in respect of the Domain Name; and
- (iii) the Domain Name has been registered and is being used in bad faith.

Because of the absence of a Response, the Panel may accept as true the reasonable factual allegations stated within the Complaint and may draw appropriate inferences therefrom. See St. Tropez Acquisition Co. Limited v. AnonymousSpeech LLC and Global House Inc., WIPO Case No. D2009-1779; Bjorn Kassoe Andersen v. Direction International, WIPO Case No. D2007-0605; see also paragraph 5(f) of the Rules ("If a Respondent does not submit a response, in the absence of exceptional circumstances, the Panel shall decide the dispute based upon the complaint"). Having considered the Complaint, the Policy, the Rules, the Supplemental Rules and applicable principles of law, the Panel's findings on each of the above cited elements are as follows.

#### A. Identical or Confusingly Similar

Paragraph 4(a)(i) of the Policy requires Complainant show that the Domain Name is identical or confusingly similar to a trademark or service mark in which Complainant has rights. Ownership of a trademark registration is generally sufficient evidence that a complainant has the requisite rights in a mark for purposes of paragraph 4(a)(i) of the Policy. WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 1.2. On this point, Complainant has provided evidence that it is the owner of several trademark registrations for the VERKADA Mark.

While each case is judged on its own merits, in cases where a domain name incorporates the entirety of a trademark, or where at least a dominant feature of the relevant mark is recognizable in the domain name, the domain name will normally be considered confusingly similar to that mark for purposes of UDRP standing. See WIPO Overview 3.0, section 1.7. Here, the VERKADA Mark is clearly identifiable in the Domain Name. Furthermore, where the relevant trademark is recognizable within the disputed domain name, the addition of other terms (whether descriptive, geographical, pejorative, meaningless, or otherwise) would not prevent a finding of confusing similarity under the first element. See WIPO Overview 3.0, section 1.8. The addition of the word "command" does not prevent a finding of confusing similarity under the first element.

For all of the reasons set forth above, the Panel finds that the Domain Name is confusingly similar to Complainant's VERKADA Mark in which Complainant has valid trademark rights. Complainant has satisfied paragraph 4(a)(i) of the Policy.

## B. Rights or Legitimate Interests

Under the Policy, paragraph 4(a)(ii), Complainant has the burden of establishing that Respondent has no rights or legitimate interests in the Domain Name. Complainant need only make a *prima facie* showing on this element, at which point the burden shifts to Respondent to present evidence that it has some rights or legitimate interests in the Domain Name. If Respondent has failed to do so, then Complainant is deemed to have satisfied its burden under paragraph 4(a)(ii) of the Policy. See *Vicar Operating, Inc. v. Domains by Proxy, Inc. / Eklin Bot Systems, Inc.*, WIPO Case No. <u>D2010-1141</u>; see also *Nicole Kidman v. John Zuccarini, d/b/a Cupcake Party*, WIPO Case No. <u>D2000-1415</u>; *Inter-Continental Hotels Corporation v. Khaled Ali Soussi*, WIPO Case No. <u>D2000-0252</u>.

Complainant asserts that (i) Respondent is not commonly known by the name Verkada or Command Verkada, (ii) that Respondent is not a licensee of the VERKADA Mark, nor has Complainant consented to Respondent's use of the VERKADA Mark, (iii) Respondent is not using (and has not made demonstrable preparations to use) the Domain Name in connection with a *bona fide* offering of goods or services, and (iv) Respondent is not making a legitimate noncommercial or fair use of the Domain Name.

Although properly notified by the Center, Respondent failed to submit any response on these points. The silence of a respondent may support a finding that it has no rights or legitimate interests in respect of the domain name. See *Alcoholics Anonymous World Services, Inc., v. Lauren Raymond*, WIPO Case No. D2000-0007; *Ronson Plc v. Unimetal Sanayi ve Tic. A.S.,* WIPO Case No. D2000-0011. Additionally, previous UDRP panels have found that when respondents have not availed themselves of their rights to respond to complainant's assertions, it can be assumed in appropriate circumstances that respondents have no rights or legitimate interests in the disputed domain name. See *AREVA v. St. James Robyn*, WIPO Case No. D2010-1017; *Nordstrom, Inc. and NIHC, Inc. v. Inkyu Kim,* WIPO Case No. D2003-0269. Accordingly, as discussed in detail below, the Panel finds that Complainant has met its burden and Respondent will not be able to show rights or legitimate interests under any of the three conditions under paragraph 4(c) of the Policy.

Respondent cannot satisfy paragraph 4(c)(ii) of the Policy. There is no evidence in the record that Respondent is commonly known by the name "Verkada" or "Command Verkada" or any other similar term that could potentially establish a right or legitimate interest in the Domain Name. In fact, to the contrary, the Whols information indicates that Respondent's name is Evan Fleak. See *Moncler S.p.A. v. Bestinfo*, WIPO

Case No. <u>D2004-1049</u> ("the Panel notes that the respondent's name is 'Bestinfo' and that it can therefore not be 'commonly known by the Domain Name.").

Furthermore, the Panel finds that Respondent is currently not making any use, let alone *bona fide* use, of the Domain Name under paragraph 4(c) of the Policy, as the Domain Name resolves to an inactive webpage. It is well established that inaction or passive holding can, in certain circumstances, constitute bad faith use. See CBSBroadcasting Inc. v. Edward Enterprises, WIPO Case No. D2000-0242. Here, with no explanation from Respondent concerning his intent, his passive holding of the Domain Name incorporating the unique VERKADA Mark, does not amount to a *bona fide* use. Moreover, in the absence of any explanation to the contrary from Respondent, the Panel concludes that Respondent's registration of the Domain Name, which is virtually identical to a subdomain utilized by Complainant's customers to login and access Complainant's services, is evidence of Respondent's intention to specifically target Complainant and the goodwill and reputation associated with the VERKADA Mark for purposes that would not amount to a *bona fide* use and demonstrates Respondent's bad faith.

Accordingly, for the reasons detailed above, Complainant has established a *prima facie* case that Respondent lacks rights or legitimate interests in the Domain Name. Respondent had the opportunity to put forth evidence of his rights or legitimate interests yet provided no response as to why his conduct amounts to a right or legitimate interest in the Domain Name under the Policy. In the absence of such a response and combined with the factors as detailed above, the Panel finds that Respondent has no rights or legitimate interests in respect of the Domain Name under paragraph 4(a)(ii) of the Policy.

## C. Registered and Used in Bad Faith

According to paragraph 4(a)(iii) of the Policy, Complainant must show that Respondent registered and is using the Domain Name in bad faith. A non-exhaustive list of factors constituting bad faith registration and use is set out in paragraph 4(b) of the Policy.

Bad faith registration can be found where a respondent "knew or should have known" of a complainant's trademark rights and nevertheless registered a domain name in which it had no right or legitimate interest. See Accor v. Kristen Hoerl, WIPO Case No. D2007-1722. As detailed above, Respondent registered the Domain Name which is confusingly similar to Complainant's VERKADA Mark and is virtually identical to a subdomain that Complainant utilizes to render its services to its customers. Based on these facts, which Respondent has not contested, the Panel infers that Respondent knew of and specifically targeted Complainant and Complainant's distinctive VERKADA Mark and thus registered the Domain Name in bad faith.

Bad faith registration can be found where a respondent "knew or should have known" of a complainant's trademark rights and nevertheless registered a domain name in which it had no right or legitimate interest. See Accor v. Kristen Hoerl, WIPO Case No. D2007-1722. Complainant contends that Respondent's registration and use of the Domain Name was in bad faith and is evidenced by (i) the fact that Complainant's VERKADA Mark is well known and exclusively connected to Complaint; and (ii) the Domain Name is confusingly similar with Complainant's VERKADA Mark and is virtually identical to a subdomain - <command.verkada.com> - that Complainant utilizes to render its services to its customers. Based on Complainant's submissions, which were not rebutted by Respondent, the Panel agrees that Respondent must have known of Complainant's distinctive VERKADA Mark when Respondent registered the Domain Name. Accordingly, on the record there is no explanation or legitimate interest to justify Respondent's choice to register the Domain Name. With no response from Respondent, this claim is undisputed, and the Panel can infer bad faith particularly in light of the other elements of bad faith that are present.

Furthermore, the fact that the Domain Name does not currently resolve to a website and is being passively held does not obviate a finding of bad faith. When a domain name is being passively held, the question of bad faith use does not squarely fall under one of the aforementioned non-exhaustive factors set out in paragraph 4(b) of the Policy. The three-member panel, in *Magazine Publishers Inc. and Les Publications Conde Nast S.A. v. ChinaVogue.com*, WIPO Case No. <u>D2005-0615</u>, made the following observations in its

determination that the respondent was acting in bad faith:

- (i) the complainant's trademark has a strong reputation and is widely known, as evidenced by its substantial use in the United States and in other countries:
- (ii) the respondent has provided no evidence whatsoever of any actual or contemplated good faith use by it of the domain name;
- (iii) the respondent registered the domain name in 1999, and seems not to have been using the domain name;
- (iv) the respondent did not reply to the complainant's communications before the proceedings; and
- (v) the respondent did not reply to the complainant's contentions.

Likewise, Section 3.3 of the <u>WIPO Overview 3.0</u>, instructs that panels should examine the totality of the circumstances in each case and that the following factors that have been considered relevant in applying the passive holding doctrine: "(i) the degree of distinctiveness or reputation of the complainant's mark, (ii) the failure of the respondent to submit a response or to provide any evidence of actual or contemplated goodfaith use, (iii) the respondent's concealing its identity or use of false contact details (noted to be in breach of its registration agreement), and (iv) the implausibility of any good faith use to which the domain name may be put." *Id*.

In this matter, Complainant submitted evidence that the VERKADA Mark has been used for nearly six years on an international basis. Respondent has not offered any evidence to rebut this conclusion. Furthermore, by virtue of its failure to respond to the Complaint, as well as Complainant's pre-proceedings cease and desist letter, Respondent has provided no evidence of his intended use of the Domain Name. Lastly, given the fact that the Domain Name is virtually identical to a subdomain that Complainant utilizes and the Domain Name is confusingly similar to the VERKADA Mark, the Panel finds it implausible, based on the record, that Respondent could have had any good faith for registering the Domain Name or that there was any good faith use to which Respondent could have made of the Domain Name. In light of these factors, the Panel finds that Respondent's passive holding of the Domain Name satisfies the requirement of paragraph 4(a)(iii) of the Policy that the Domain Name was registered and is being used in bad faith by Respondent.

For the reasons set forth above, the Panel finds that Complainant has met its burden of showing that Respondent registered and is using the Domain Name in bad faith under paragraph 4(a)(iii) of the Policy.

#### 7. Decision

For the foregoing reasons, in accordance with paragraphs 4(i) of the Policy and 15 of the Rules, the Panel orders that the Domain Name <commandverkada.com> be transferred to Complainant.

/John C. McElwaine/ John C. McElwaine Sole Panelist Date: May 5, 2022