

ARBITRATION AND MEDIATION CENTER

# **ADMINISTRATIVE PANEL DECISION** One Source to Market, LLC v. L H

Case No. D2022-2566

# 1. The Parties

Complainant is One Source to Market, LLC, United States of America ("United States" or "U.S."), represented by Dunning Rievman & MacDonald LLP, United States.

Respondent is L H, United States.

# 2. The Domain Name and Registrar

The disputed domain name <hexclad-us.top> (the "Domain Name") is registered with Dynadot, LLC (the "Registrar").

### 3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on July 13, 2022. On July 14, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Name. On July 18, 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 July 21, 2022, providing the registrant and contact information disclosed by the Registrar, and inviting Complainant to submit an amendment to the Complaint. Complainant filed an amended Complaint on July 21, 2022.

The Center verified that the Complaint together with the amended 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 August 1, 2022. In accordance with the Rules, paragraph 5, the due date for Response was August 21, 2022. Respondent did not submit any response. Accordingly, the Center notified Respondent's default on August 23, 2022.

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The Center appointed John C. McElwaine as the sole panelist in this matter on August 29, 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.

# 4. Factual Background

Complainant is a cookware manufacturer.

Complainant owns multiple trademark registration for the mark HEXCLAD throughout the world. Among others, Complainant owns the following trademark registrations relevant to this proceeding:

- HEXCLAD – U.S. Reg. No. 5111350, registered on December 27, 2016, in International Class 21, for cookware, namely pots and pans;

- HEXCLAD – U.S. Reg. No. 6699277, registered on April 12, 2022, in International Class 35, for retail and online retail store services featuring cookware and kitchen tools, retail and online store services featuring pots, pans, and lids.

Collectively these trademark registrations are referred to herein as the HEXCLAD Mark.

On November 14, 2021, Respondent registered the Domain Name with the Registrar. At the time of the filing of the Complaint, the Domain Name resolved to a copycat website selling Complainant's products at discount and using Complainant's HEXCLAD Mark.

# 5. Parties' Contentions

### A. Complainant

As background, Complainant contends that it has the exclusive patent license to distribute cookware in the United States and Canada. Complainant asserts that it has been using the HEXCLAD Mark in connection with these goods in the United States for more than five years and that the HEXCLAD Mark is well known. Complainant also alleges that it uses and maintains an online store at the domain name <hexclad.com>.

With respect to the first element of the Policy, Complainant alleges that the Domain Name incorporates Complainant's HEXCLAD Mark entirely and merely adds the geographically descriptive term, "US", with a hyphen in between. Thus, Complainant contends that the Domain Name is confusingly similar to the HEXCLAD Mark.

With respect to the second element of the Policy, Complainant points out that Respondent has not received any permission to use the HEXCLAD Mark or to sell HEXCLAD patented products. Moreover, Complainant contends it is highly likely that Respondent is offering counterfeit goods. Complainant points out several *indicia* that it claims supports that conclusion: (i) products are sold at prices significantly lower than those of Complainant's original product; (ii) Respondent misappropriated copyrighted images from Complainant's website; and (iii) Respondent has hidden its identity behind a privacy/proxy domain name registration. Complainant concludes that Respondent has no rights or legitimate interests in the Domain Name. Complainant argues that even if the products sold on the disputed domain name are genuine, the website at the disputed domain name does not disclose its relationship, and lack thereof, to the Complainant, and thus does not qualify as a *bona fide* offering.

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With respect to the third element of the Policy, Complainant alleges that bad faith registration and use of the Domain Name is evidence because Respondent clearly knew of Complainant's HEXCLAD mark when it created a website to which the Domain Name resolves that features Complainant's mark, logo and product images copied from Complainant's and sells counterfeit or unauthorized HEXCLAD branded cookware by impersonating or misrepresenting itself as affiliated with Complainant. Complainant further alleges that Respondent's use of a proxy service and provision of incomplete or false contact information underlying such proxy service is consistent with a further inference of bad faith. Complainant points out inconsistencies in Respondent's contact information provided by the Registrar are a clear indication that Respondent was trying to mask its identity, in order to pursue its unlawful objectives and obstruct the UDRP system. Lastly, Complainant contends that it sent a cease and desist letter to Respondent to which it never received a response.

# **B. Respondent**

Respondent did not reply to Complainant's contentions.

# 6. Discussion and Findings

Even though Respondent did not formally reply to the Complaint, paragraph 4 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 Complainants have 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 formal 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. <u>D2009-1779</u>; *Bjorn Kassoe Andersen v. Direction International*, WIPO Case No. <u>D2007-0605</u>; 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 ("<u>WIPO Overview 3.0</u>"), section 1.2. Here, Complainant presented evidence that it is the owner of multiple trademark registrations for the HEXCLAD Mark. Thus, Complainant has valid trademarks rights and, accordingly, standing to bring this proceeding.

It is well established, and the Panel agrees, that the addition of a term to a trademark in a domain name does not avoid a finding of confusing similarity. See <u>WIPO Overview 3.0</u>, section 1.8; *Mastercard International Incorporated v. Dolancer Outsourcing Inc.*, WIPO Case No. <u>D2012-0619</u>; *Air France v. Kitchkulture*, WIPO Case No. <u>D2002-0158</u>; *DHL Operations B.V. and DHL International GmbH v. Diversified Home Loans*, WIPO Case No. <u>D2010-0097</u>. The Domain Name contains Complainant's HEXCLAD Mark in its entirety and the addition of "-us" does not serve to prevent confusing similarity between the Domain Name

from the HEXCLAD Mark.

Accordingly, the Panel finds that the Domain Name is confusingly similar to Complainant's HEXCLAD Mark in which Complainant has valid trademark rights. Therefore, 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 proof 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 of production shifts to Respondent to present evidence that it has rights or legitimate interests in the Domain Name. If Respondent has failed to do so, 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>.

In this matter, Complainant contends Respondent developed a website at the Domain Name using Complainant's trademarks and copyrighted images of Complainants products to allegedly sell counterfeit products. Section 2.13.2 of the <u>WIPO Overview 3.0</u> provides the following guidance concerning such allegations, even when the respondent is in default:

"Evidence that the goods are offered disproportionately below market value, that the goods are only sold under license or through a prescription (especially with pharmaceutical products), that the images of the goods *prima facie* suggest (*e.g.*, where the relevant logo is distorted) that they are not genuine, that the respondent has misappropriated copyrighted images from the complainant's website, that the goods are extremely rare, that the goods have prompted consumer complaints, or that a respondent has improperly masked its identity to avoid being contactable, have each been found relevant [to proving a lack of legitimate interest based upon illegal activity]."

As evidence of unlawful behavior, Complainant submitted evidence and arguments that its products are sold under an exclusive patent license and that the website displayed at the Domain Name was purportedly offering Complainant's cookware at steep discounts (36% to 78%). In addition, Annex 17 provided evidence that Respondent copied product names and images from Complainant's website. A review of Respondent's website displayed at the Domain Name also establishes that Complainant's HC HEXCLAD logo was copied. Complainant contends that it did not authorize registration of the Domain Name or development of Respondent's website, which contains no other indicators of source and appeared to intend to convince visitors that it is Complainant's website when it is not. Lastly, Respondent provided false contact information to the Registrar. Respondent has been properly notified of the Complaint by the Center; however, Respondent failed to submit any response concerning these serious accusations. As such, Complainant has established a *prima facie* case that Respondent lacks legitimate rights or interests in the Domain Name.

Although Complainant has satisfied its burden, Respondent may establish rights or legitimate interests in the Domain Name by demonstrating in accordance with paragraph 4(c) of the Policy any of the following:

"(i) before any notice to you of the dispute, your use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a *bona fide* offering of goods or services; or

(ii) you (as an individual, business, or other organization) have been commonly known by the domain name, even if you have acquired no trademark or service mark rights; or

(iii) you are making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at

issue."

The Panel finds that Respondent has failed to show rights or legitimate interests under any of the three conditions.

As an initial matter, there is no evidence that Respondent is commonly known by the Domain Name, as the Whols information lists Respondent as "L H". Respondent cannot rely upon paragraph 4(c)(ii) of the Policy.

Also, the Panel finds that Respondent's use is not a legitimate use of the Domain Name. Respondent was using the Domain Name to resolve to a website allegedly engaged in unlawfully selling infringing or counterfeit goods. <u>WIPO Overview 3.0</u>, section 2.13.1 ("Panels have categorically held that the use of a domain name for illegal activity (*e.g.*, the sale of counterfeit goods or illegal pharmaceuticals, phishing, distributing malware, unauthorized account access/hacking, impersonation/passing off, or other types of fraud) can never confer rights or legitimate interests on a respondent.") In addition, the use of the Domain Name to divert Internet traffic to an infringing or misleading webpage is not a *bona fide* offering of goods or services. See *Chicago Mercantile Exchange Inc., CME Group Inc. v. Registration Private, Domains By Proxy, LLC, DomainsByProxy.com / Nikolay Korobeynikov*, WIPO Case No. <u>D2016-0654</u> (finding no legitimate interest in a website resolving from the disputed domain name, which mirrored, and purported to be, the website of "CME Group" and which provided information relating to the trading of futures and options).

Lastly, Respondent's use of the Domain Name is not noncommercial or fair use under paragraph 4(c)(iii) of the Policy, given that Respondent is allegedly selling counterfeit from an infringing online retail website. Such activity does not amount to a fan site, criticism, or other activity that may be considered as noncommercial or fair use. See, *e.g.*, *Sermo, Inc. v. CatalystMD, LLC*, WIPO Case No. <u>D2008-0647</u>. Moreover, even if the goods sold at the disputed domain name were genuine, given the impersonating nature of the content, that the disputed domain name carries a risk of implied affiliation, and that the website at the disputed domain name fails to disclaim its relation to the Complainant, the disputed domain name does not qualify for the applicable safeguards found under section 2.8 of the <u>WIPO Overview 3.0</u> for resellers, distributors, or service providers.

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 its rights or legitimate interests yet provided no substantive response as to why its 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 rights or legitimate interests. See *Accor v. Kristen Hoerl*, WIPO Case No. <u>D2007-1722</u>. As detailed above, Respondent registered the Domain Name which is confusingly similar to the HEXCLAD Mark. There is no explanation for Respondent to have chosen to register the Domain Name other than to intentionally trade off the goodwill and reputation of Complainant's trademark or otherwise create a false association with Complainant. With no response from Respondent, this claim is undisputed.

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As discussed herein, Respondent registered the Domain Name and linked it to a website using Complainant's HEXCLAD Mark, including a reproduction of Complainant's stylized HC HEXCLAD mark, and images and product names of Complainant to allegedly sell either counterfeit products or genuine products at steep discounts. This amounts to bad faith use of the Domain Name by Respondent. See *Identigene, Inc. v. Genetest Labs*, WIPO Case No. D2000-1100 (finding bad faith where the respondent's use of the domain name at issue to resolve to a website where similar services are offered to Internet users is likely to confuse the user into believing that the complainant is the source of or is sponsoring the services offered at the site); *MathForum.com, LLC v. Weiguang Huang*, WIPO Case No. D2000-0743 (finding bad faith under paragraph 4(b)(iv) of the Policy where the respondent registered a domain name confusingly similar to the complainant's mark and the domain name was used to host a commercial website that offered similar services offered by the complainant under its mark).

As detailed above, the Panel finds on the record before it that Respondent's intention in registering the Domain Name was to attract, for commercial gain, Internet users to Respondent's website by creating a likelihood of confusion with the HEXCLAD Mark as to the source, sponsorship, affiliation, or endorsement of its website or location or of a product or service on its website or location. Thus, the Panel holds that Complainant has met its burden of providing sufficient evidence that Respondent registered and is using the Domain Name in bad faith under paragraph 4(b)(iv) of the Policy.

For these reasons, the Panel holds 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 Domain Name, <hexclad-us.top>, be transferred to Complainant.

/John C. McElwaine/ John C. McElwaine Sole Panelist Date: September 12, 2022