

ADMINISTRATIVE PANEL DECISION

Zuru (Singapore) PTE., Ltd v. Lex Lee
Case No. D2023-1046

1. The Parties

The Complainant is Zuru (Singapore) PTE., Ltd, Singapore, represented by Dunlap, Bennett & Ludwig P.L.L.C., United States of America.

The Respondent is Lex Lee, United States of America.

2. The Domain Name and Registrar

The disputed domain name <zurutoy.com> is registered with NameSilo, LLC (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on March 8, 2023. On March 9, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On the same day, the Registrar transmitted by email to the Center its verification response, disclosing registrant and contact information for the disputed domain name which differed from the named Respondent ("Redacted for Privacy") and from the Respondent identified by reference to Annex 1 to the Complaint ("REDACTED FOR PRIVACY, See PrivacyGuardian.org"), and contact information in the Complaint. The Center sent an email communication to the Complainant on March 15, 2023, providing the registrant and contact information disclosed by the Registrar, and inviting the Complainant to submit an amendment to the Complaint. The Complainant filed an amended Complaint on March 16, 2023.

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 the Respondent of the Complaint, and the proceedings commenced on March 21, 2023. In accordance with the Rules, paragraph 5, the due date for Response was April 10, 2023. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on April 11, 2023.

The Center appointed Warwick Smith as the sole panelist in this matter on April 26, 2023. 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

The Complainant is a corporation based in Singapore. It markets a range of toys worldwide, under the mark ZURU. Among its toy products, is a range of “BUNCH O BALLOONS” water balloons.

The Complainant is the proprietor of two registrations of the word mark ZURU in the United States of America (“United States”). The mark was first registered (by a predecessor in title of the Complainant) on January 16, 2018, under number 5,377,550. The registration covers toys, games, playthings, and a variety of similar goods in International Class 028. An online search of the USPTO trademarks database conducted by the Panel on May 9, 2023, shows that an assignment of this mark to the Complainant was registered on January 16, 2018¹. The same original proprietor registered a second ZURU word mark with USPTO (registration number 5,614,491), on November 27, 2018. This registration covers action figures, collectable toy figures, toy and play balloons, and various other goods in International Class 028. The Panel’s online USPTO database search shows that an assignment of this mark to the Complainant was registered on November 27, 2018. Both of these ZURU registrations are registered on the principal register maintained by USPTO, and each records a claimed first use in commerce date of February, 28, 2007.

In addition to the two ZURU marks, the Complainant is the registered proprietor of the word mark BUNCH O BALLOONS in the United States. That mark was registered (by a predecessor in title of the Complainant) on the USPTO principal register on March 24, 2015, under number 4,709,630. The registration covers water balloons in International Class 028. The Panel’s online search of the USPTO trademarks database shows that an assignment of this mark to the Complainant was recorded on May 7, 2020.

The Complainant owns the domain name <zurutoys.com>. It operates a website at “www.zurutoys.com”, at which it promotes, advertises and sells its Class 028 toy and toy-related goods, including its BUNCH O BALLOONS water balloon products.

The Complainant says that it has used the mark ZURU for its toys and toy-related products, since at least February 28, 2007. It says that it has spent significant resources and time building up goodwill in its ZURU and BUNCH O BALLOONS brands. The ZURU brand and the BUNCH O BALLOONS products, are said to be widely known to the public - consumers around the world identify the ZURU brand and the BUNCH O BALLOONS products as source identifiers of the Complainant’s toy business.

The disputed domain name was registered on June 22, 2022. The Complainant produced a copy of the website to which the disputed domain name resolves (“the Respondent’s website”), as it stood on August 1, 2022. The Respondent’s website offered various goods for sale, under what appear to have been click-on category headings. The headings included “Beds”, “Foods”, “Costumes”, and “Toys”. Each page of the Respondent’s website, which appeared to be still under construction at that stage, was headed “ZURU Toy Store”. On page 2, the following appeared:

“Your Child’s Favourite Place

Zuru is a company dedicated to developing more interesting toys, and we hope to bring a wonderful childhood to all children.SHOP NOW.”

One product marketed (on what appears to have been a “Toys” page of the Respondent’s website), was a “NEON SPLASH BUNCH O BALLOONS 3 PACK”.

¹ The consensus view of UDRP panels is that a panel may undertake limited factual research into matters of public record, including relevant national trademark registers, if it deems this necessary to reach the right decision. See The WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition - “[WIPO Overview 3.0](#)” – at section 4.5.

An online search of the USPTO trademarks database conducted by the Complainant on March 6, 2023, revealed that the only registrations for the word “ZURU” belonged to the Complainant.

5. Parties’ Contentions

A. Complainant

The Complainant contends that the disputed domain name is confusingly similar to trademarks in which it has rights. The Respondent’s website offers toy products for sale that are identical to those provided by the Complainant, and the disputed domain name differs from the Complainant’s domain name <zurutoys.com> only by the removal of the letter “s” after “toy” in the Complainant’s domain name. The Respondent’s use of a domain name that is so similar to the Complainant’s domain name has caused and will cause consumer confusion as to the sources of the Respondent’s and the Complainant’s products should a visitor searching for toy products visit the Respondent’s website.

The Complainant next contends that the Respondent has no rights or legitimate interests in respect of the disputed domain name. The Respondent has never been known to use a ZURU mark, and he has made no genuine effort to develop a “Zuru” brand. He merely uses the disputed domain name to redirect online consumers to the Respondent’s website, at which he offers goods that are confusingly similar to those offered by the Complainant. He has no registered trademark rights in ZURU in the United States, and he did not register the disputed domain name until 2022. The Complainant’s rights in its ZURU mark predate any rights the Respondent may claim to have acquired in the expression “Zuru”.

The Complainant also contends that the disputed domain name was registered, and is being used, in bad faith. It says, “on information and belief”, that the Respondent is fully aware of the Complainant’s brand and signature product name, and that the Respondent only registered the disputed domain name well after the Complainant had established itself as a leading entity in the market. The Complainant contends that the Respondent has intentionally sought to divert Internet users from the Complainant’s website at “www.zurutoys.com” to the Respondent’s website, where counterfeit products are offered using the same product name as that used by the Complainant. The Complainant contends that the parties are direct competitors in the toy business, and that the Respondent is seeking to benefit from using the Complainant’s well-known brand name. The Respondent’s acts in registering and using the disputed domain name, and in using the confusing BUNCH O BALLOONS product name, disrupt the Complainant’s business and create consumer confusion.

B. Respondent

The Respondent did not reply to the Complainant’s contentions.

6. Discussion and Findings

Under paragraph 4(a) of the Policy, the Complainant is required to establish each of the following –

- (i) the domain name is identical or confusingly similar to a trade mark or service mark in which the Complainant has rights;
- (ii) the 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.

A. Identical or Confusingly Similar

The Complainant has proved this part of the Amended Complaint.

The Complainant is the registered proprietor of the mark ZURU in the United States, and its registrations are sufficient to establish “rights” in that mark for the purposes of paragraph 4(a)(i) of the Policy. The issue under this part of the Policy is whether the disputed domain name is confusingly similar to the Complainant’s ZURU mark.

The issue of confusing similarity under paragraph 4(a)(i) of the Policy essentially requires a “reasoned, but relatively straightforward” comparison of the complainant’s mark with the at-issue domain name. UDRP panelists have often observed that paragraph 4(a)(i) is primarily intended to establish a complainant’s standing to bring the complaint, and that the paragraph does not set a high threshold for complainants to meet.²

The obvious things that stand out on a comparison of the disputed domain name and the Complainant’s ZURU mark are that the disputed domain name includes the mark without alteration, and that the mark is followed by the common English dictionary word “toy”.

The consensus view of UDRP panels on the issue of confusing similarity where a complainant’s mark is incorporated within a disputed domain name is described as follows in [WIPO Overview 3.0](#):³

“Where the relevant trade make 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. . . .”

For completeness, the Panel notes that generic Top-Level domains (“gTLDs”) such as “.com” are not normally taken into account in the comparison that is required by paragraph 4(a)(i) of the Policy. The gTLD is a technical requirement of registration, and is not normally considered to have legal significance in applying paragraph 4(a)(i).⁴

B. Rights or Legitimate Interests

Paragraph 4(c) of the Policy set out a number of circumstances which, without limitation, may be effective for a respondent to demonstrate that it has rights to, or legitimate interests in, a domain name for the purposes of paragraph 4(a)(ii) of the Policy. The circumstances are –

- (i) Before any notice to [the respondent] of the dispute, use by [the respondent] of, or demonstrable preparations to use, the disputed domain name or a name corresponding to the disputed domain name in connection with a *bona fide* offering of goods or services; or
- (ii) Where [the respondent] (as an individual business or other organization) [has] been commonly known by the disputed domain name, even if [the respondent has] acquired no trade mark or service mark rights; or
- (iii) Where [the respondent is] making a legitimate noncommercial or fair use of the disputed domain name, without intent for commercial gain to misleadingly direct consumers or to tarnish the trade mark or service mark at issue.

² [WIPO Overview 3.0](#) – at section 1.7, and *DNVB, Inc d/b/a Thursday Boot Company v Lary Angell, Zombie Corp LLC*, WIPO Case [D2023-0532](#)

³ [WIPO Overview 3.0](#) at section 1.8.

⁴ [WIPO Overview 3.0](#), section 1.11.

[WIPO Overview 3.0](#) states the following on the burden of proof under paragraph 4(a)(ii) of the Policy:

“While the overall burden of proof in UDRP proceedings is on the Complainant, panels have recognized that proving a respondent lacks rights or legitimate interests in a domain name may result in the [often impossible] task of ‘proving a negative’, requiring information that is often primarily within the knowledge or control of the respondent. As such, where a complainant makes out a *prima facie* case that the respondent lacks rights or legitimate interests, the burden of production on this element shifts to the respondent to come forward with relevant evidence demonstrating rights or legitimate interests in the domain name. If the respondent fails to come forward with such relevant evidence, the complainant is deemed to have satisfied the second element.”

In this case, the disputed domain name is confusingly similar to the Complainant’s ZURU mark, and there is no suggestion that the Respondent has been authorized to use that mark, whether in a domain name or otherwise. The Complainant’s online USPTO search shows that the Respondent has no registered trademark rights in a ZURU mark in the United States, where he appears to reside, and there is nothing to suggest that he might have a right or legitimate interest in the disputed domain name under paragraph 4 (c) (ii) of the Policy (applicable where a respondent, as an individual, business or other organization, has been commonly known by the disputed domain name).

The Respondent appears to have been using the disputed domain name for purely commercial purposes (selling toys and other products through the Respondent’s website), so there does not appear to be any basis for a possible claim to a right or legitimate interest under paragraph 4(c)(iii) of the Policy (which is concerned with legitimate noncommercial or fair use of a disputed domain name).

Nor can it be said on the evidence that is available that the Respondent might have a legitimate right or interest under paragraph 4(c) (i) of the Policy (use of the disputed domain name in connection with any *bona fide* offering of goods or services, or making “demonstrable preparations” for any such use). The confusing similarity between the disputed domain name and the Complainant’s ZURU mark and the near-identity between the disputed domain name and the domain name at which the Complainant operates its website make it inevitable that many Internet users coming across the disputed domain name (being users who were familiar with the Complainant and its products) would assume that any website at the disputed domain name was owned or operated by the Complainant, or at least authorized by the Complainant. In the absence of any denial from the Respondent, the obvious inference is that the Respondent has intentionally used the disputed domain name to attempt to attract Internet users to the Respondent’s website by creating a likelihood of confusion with the Complainant’s ZURU mark. That use of the disputed domain name could never qualify as a use of the disputed domain name “in connection with a *bona fide* offering of goods or services” within the meaning of paragraph 4(c)(i) of the Policy.

Those matters in combination are sufficient to establish a *prima facie* case under paragraph 4(a)(ii) of the Policy. The evidential burden of showing rights or legitimate interests in respect of the disputed domain name therefore moves to the Respondent. In the absence of any Response, the Respondent has failed to discharge that evidential burden, and the Complainant’s *prima facie* proof must prevail. The Complainant has made out its case under paragraph 4(a)(ii) of the Policy.

C. Registered and Used in Bad Faith

Under paragraph 4(b) of the Policy, the following circumstances, without limitation, are deemed (if found by the Panel to be present) to be evidence of the registration and use of a domain name in bad faith –

- (i) Circumstances indicating that the holder has registered or has acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trade mark or service mark or to a competitor of that complainant, for valuable consideration in excess of the holder’s documented out-of-pocket costs directly related to the domain name; or

- (ii) The holder has registered the domain name in order to prevent the owner of the trade mark or service mark from reflecting the mark in a corresponding domain name, provided that the holder has engaged in a pattern of such conduct; or
- (iii) The holder has registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- (iv) By using the domain name, the holder has intentionally attempted to attract, for commercial gain, Internet users to the holder's website or other online location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation or endorsement of the holder's website or location or of a product or service on the holder's website or location.

The Complainant has also sufficiently proved this part of the Amended Complaint.

The circumstances fall squarely within paragraph 4(b)(iv) of the Policy. First, the disputed domain name is confusingly similar to the Complainant's ZURU mark and is nearly identical to the domain name at which the Complainant operates its website. Many Internet users who were familiar with the Complainant and its products would inevitably assume that any website at the disputed domain name would be owned or associated with the Complainant. Secondly, the Respondent has not shown that he has any right or legitimate interest in respect of the disputed domain name. Thirdly, the Respondent appears to have established the Respondent's website with full knowledge of the Complainant and its products. (In the absence of a Response, that is sufficiently established by (i) the registration of a domain name consisting of an obviously intentional mis-spelling of the Complainant's domain name, (ii) the use of the Complainant's registered ZURU mark on the Respondent's website, and (iii) the Respondent offering for sale a toy with a name that incorporated in full the Complainant's BUNCH O BALLOONS mark.) Fourthly, the Respondent clearly intended to compete with the Complainant in the market for the online sale of toys. He has since done just that, using the Complainant's ZURU mark in upper case lettering on each page of the Respondent's website, in what appears to be a trademark sense.

The only sensible inference from the circumstances just described, is that, by using the disputed domain name, the Respondent has intentionally attempted to attract, for commercial gain, Internet users to the Respondent's website, by creating a likelihood of confusion with the Complainant's ZURU marks, as to the source, sponsorship, affiliation, or endorsement of the Respondent's website (or of the toys offered for sale on it). Under paragraph 4(b)(iv) of the Policy, that conduct is deemed to be bad faith registration and use. The Complainant having made out its case on all three elements of paragraph 4(a) of the Policy, there will be an order transferring the disputed domain name to the Complainant.

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 disputed domain name, <zurutoy.com>, be transferred to the Complainant.

/Warwick Smith/

Warwick Smith

Sole Panelist

Date: May 10, 2023