

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Dakine IP Holdings LP v. Mingguo Li Case No. D2024-0885

1. The Parties

The Complainant is Dakine IP Holdings LP, United States of America ("United States"), represented by ESCA Legal, United States.

The Respondent is Mingguo Li, China.

2. The Domain Name and Registrar

The disputed domain name <dakinebagoutlet.com> is registered with Gname.com Pte. Ltd. (the "Registrar").

3. Procedural History

The Complaint was filed in English with the WIPO Arbitration and Mediation Center (the "Center") on February 29, 2024. On the same day, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On March 1, 2024, 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 (Registrant of dakinebagoutlet.com) and contact information in the Complaint. The Center sent an email communication to the Complainant on March 1, 2024 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 amendment to the Complaint in English on March 7, 2024.

On March 1, 2024, the Center informed the parties in Chinese and English, that the language of the registration agreement for the disputed domain name is Chinese. On March 2, 2024, the Complainant requested English to be the language of the proceeding. The Respondent did not submit any comment on the Complainant's submission.

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 the Respondent in English and Chinese of the Complaint, and the proceedings commenced on March 8, 2024. In accordance with the Rules, paragraph 5, the due date for Response was March 28, 2024. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on April 2, 2024.

The Center appointed Andrew Sim as the sole panelist in this matter on April 9, 2024. 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 sports accessory and apparel company founded in 1979 and based in Los Angeles, United States. It offers a wide range of products, including sporting goods, bags, and clothing, to customers internationally. The Complainant conducts business on e-commerce platforms as well as in brick-and-mortar locations.

The Complainant is the owner of several trademark registrations for DAKINE (the "Mark") in various jurisdictions, including the following:

- (a) DAKINE in class 35, United States trademark registration No. 5675443, registered on February 12, 2019:
- (b) DAKINE in class 9, United States trademark registration No. 6748190, registered on May 31, 2022; and
- (c) DAKINE in classes 12, 18, 25, 28, and 35, International trademark registration No. 1443465, registered on September 24, 2018.

The Complainant uses the Mark in connection with its sporting goods, bags, and clothing products, and incorporates the Mark as part of its brand logo. The Complainant also maintains its official website at "www.dakine.com" for online sales. It further establishes the presence of its Mark by promoting its products under that name on various social platforms, and collaborating with other brands and public figures.

The disputed domain name was registered on January 16, 2024, and currently does not resolve to any content. However, based on the screenshots submitted by the Complainant, the disputed domain name was previously redirected to a website that displayed the Mark and purportedly offered for sale goods identified and labeled with the Mark (the "Website").

5. Parties' Contentions

A. Complainant

The Complainant contends that it has satisfied each of the elements required under the Policy for a transfer of the disputed domain name.

Notably, the Complainant contends that (i) the disputed domain name is identical or confusingly similar to the Mark in which the Complainant has rights as it entirely incorporates the Mark; (ii) the Respondent has no rights or legitimate interests in respect of the disputed domain name, and the Respondent's use of the disputed domain name does not relate to a bona fide offering of goods and services, or for any legitimate noncommercial, or fair purpose, as the disputed domain name is currently inactive, and was previously used to redirect online users to the Website that displayed the Mark, and offered counterfeit versions of the Complainant's products; and (iii) the disputed domain name was registered and is being used in bad faith as the Respondent's registration and use of the disputed domain name is intended to confuse users with the Mark as to the source, sponsorship, or affiliation of the Respondent's Website for commercial gain.

B. Respondent

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

6. Discussion and Findings

6.1 Preliminary Issue: Language of the Proceeding

The language of the Registration Agreement for the disputed domain name is Chinese. Pursuant to the Rules, paragraph 11(a), in the absence of an agreement between the parties, or unless specified otherwise in the registration agreement, the language of the administrative proceeding shall be the language of the registration agreement.

The Complaint was filed in English. The Complainant requested that the language of the proceeding be English for several reasons, including the fact that (i) the Website was entirely in English; (ii) the disputed domain name is in English; (iii) the Website purported to advertise sales in USD and targeted users residing in the United States; and (iv) neither the Complainant nor its representatives are able to communicate in Chinese, and translating the Complaint and the accompanying annexes would impose unfair financial burden and cause delays for the Complainant.

The Respondent did not make any specific submissions with respect to the language of the proceeding.

In exercising its discretion to use a language other than that of the registration agreement, the Panel has to exercise such discretion judicially in the spirit of fairness and justice to both parties, taking into account all relevant circumstances of the case, including matters such as the parties' ability to understand and use the proposed language, time and costs (see WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 4.5.1).

In this case, the Panel accepts the Complainant's submissions regarding the language of the proceeding. The Complainant may be unduly disadvantaged by having to conduct the proceeding in Chinese. The Panel further notes that the Center has notified the Respondent in both Chinese and English of the language of the proceeding, and commencement of the proceeding. The Respondent chose not to comment on the language of the proceeding, nor respond to the Complaint in either English or Chinese.

Having considered all the matters above, the Panel determines under paragraph 11(a) of the Rules that the language of the proceeding shall be English.

6.2 Substantive Issues

A. Identical or Confusingly Similar

It is well accepted that the first element functions primarily as a standing requirement. The standing (or threshold) test for confusing similarity involves a reasoned but relatively straightforward comparison between the Complainant's trademark and the disputed domain name. WIPO Overview 3.0, section 1.7.

The Complainant has shown rights in respect of a trademark or service mark for the purposes of the Policy. WIPO Overview 3.0, section 1.2.1.

The entirety of the mark is reproduced within the disputed domain name. Accordingly, the disputed domain name is confusingly similar to the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.7.

Although the addition of the terms "bag" and "outlet" here may bear on assessment of the second and third elements, the Panel finds the addition of such terms does not prevent a finding of confusing similarity

between the disputed domain name and the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.8.

The Panel finds the first element of the Policy has been established.

B. Rights or Legitimate Interests

Paragraph 4(c) of the Policy provides a list of circumstances in which the Respondent may demonstrate rights or legitimate interests in a disputed domain name.

Although 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 difficult 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 (although the burden of proof always remains on the complainant). If the respondent fails to come forward with such relevant evidence, the complainant is deemed to have satisfied the second element. WIPO Overview 3.0, section 2.1.

Having reviewed the available record, the Panel finds the Complainant has established a prima facie case that the Respondent lacks rights or legitimate interests in the disputed domain name. The Respondent has not rebutted the Complainant's prima facie showing and has not come forward with any relevant evidence demonstrating rights or legitimate interests in the disputed domain name such as those enumerated in the Policy or otherwise.

The Panel considers that the composition of the disputed domain name carries a risk of implied affiliation with the Complainant. WIPO Overview 3.0, section 2.5.1. Specifically, the Panel acknowledges that there is no relationship or affiliation between the Complainant and the Respondent. The Respondent is neither a licensee of the Complainant nor has it obtained authorization to use the Mark. There is also no evidence indicating the Respondent's rights and legitimate interests in the disputed domain name, or that the Respondent might be commonly known by the disputed domain name.

The Respondent's previous use of the disputed domain name to redirect users to the Website that prominently displayed the Mark and purportedly offered to sell the Complainant's branded products with heavy discount. The Panel therefore infers that the products sold on the Website were counterfeit versions of the Complainant's products, and finds such use does not amount to a bona fide offering of goods or services, or a legitimate noncommercial or fair use without an intent to mislead consumers for commercial gain.

Indeed, Panels have held that the use of a domain name for illegal activity, specifically, the sale of counterfeit goods in this case, can never confer rights or legitimate interests on a respondent. WIPO Overview 3.0, section 2.13.1.

The Panel finds the second element of the Policy has been established.

C. Registered and Used in Bad Faith

The Panel notes that, for the purposes of paragraph 4(a)(iii) of the Policy, paragraph 4(b) of the Policy establishes circumstances, in particular, but without limitation, that, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith.

In regard to bad faith at the time of registration, the Panel notes that the Complainant has proven an established reputation in its Mark and it is evident that the Respondent was or should have been aware of the Complainant's Mark when registering the disputed domain name. The Respondent's previous use of the

inherently misleading disputed domain name to redirect users to the Website, which prominently displayed the Marks and offered for sale what are likely to be counterfeit versions of the Complainant's products, further indicates that the Respondent had actual notice of the Marks and intentionally sought to attract users to the Website for commercial gain, by causing a likelihood of confusion with the Mark as to the source, sponsorship, or affiliation of the Respondent's Website. Paragraph 4(b)(iv) of the Policy, and WIPO Overview 3.0, section 3.1.4.

Panels have held that the use of a domain name for illegal activity, specifically, the sale of counterfeit goods in this case, constitutes bad faith. <u>WIPO Overview 3.0</u>, section 3.4. Having reviewed the record, the Panel finds the Respondent's registration and use of the disputed domain name constitutes bad faith under the Policy.

As to the current non-use of the disputed domain name, Panels have found that the current non-use of a domain name would not prevent a finding of bad faith under the doctrine of passive holding. Having reviewed the available record, the Panel finds the non-use of the disputed domain name does not prevent a finding of bad faith in the circumstances of this proceeding. Although panelists will look at the totality of the circumstances in each case, factors that have been considered relevant in applying the passive holding doctrine include: (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 good-faith use, and (iii) the respondent's concealing its identity or use of false contact details (noted to be in breach of its registration agreement). WIPO Overview 3.0, section 3.3. Having reviewed the available record, the Panel notes the distinctiveness or reputation of the Complainant's trademark, the composition of the disputed domain name, and the provision of incomplete or false contact details by the Respondent when registering the disputed domain name (the courier service was not able to deliver the Written Notice), and finds that in the circumstances of this case the passive holding of the disputed domain name does not prevent a finding of bad faith under the Policy.

The Panel finds that the Complainant has established the third element 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 disputed domain name <dakinebagoutlet.com> be transferred to the Complainant.

/Andrew Sim/ Andrew Sim Sole Panelist

Date: April 23, 2024