

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Kayser-Roth Corporation v. Wu Chen Wu Case No. D2023-1551

1. The Parties

The Complainant is Kayser-Roth Corporation, United States of America ("United States"), represented by Fox Rothschild LLP, United States.

The Respondent is Wu Chen Wu, China.

2. The Domain Name and Registrar

The disputed domain name <hue-official.com> ("Domain Name") is registered with Name.com, Inc. (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on April 8, 2023. On April 11, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Name. On April 13, 2023, the Registrar transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details.

The Center verified that 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 of the Complaint, and the proceedings commenced on April 14, 2023. In accordance with the Rules, paragraph 5, the due date for Response was May 4, 2023. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on May 5, 2023.

The Center appointed Nicholas Smith as the sole panelist in this matter on May 11, 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 United States entity. Since 1978, the Complainant and its predecessors in title have offered clothing, jewelry, and accessories under a trade mark consisting of the word "Hue" (the "HUE Mark"). The Complainant is also the owner of the domain name <hue.com> from which it operates a website promoting its products sold under the HUE Mark.

The Complainant holds a number of registered trade marks in the United States for the HUE Mark including trade mark registration number 1,250,432 for HUE, registered on September 6, 1983, for various clothing products in class 25.

The Domain Name <hue-official.com> was registered on April 28, 2022. The Domain Name redirects to a website (the "Respondent's Website") that purports to offer the Complainant's Hue products for sale. The Complainant submits that the Respondent's Website may be a scam website where individuals order and pay for products that are never delivered.

5. Parties' Contentions

A. Complainant

The Complainant makes the following contentions:

- (i) the Domain Name is identical or confusingly similar to the Complainant's HUE Mark;
- (ii) the Respondent has no rights nor any legitimate interests in respect of the Domain Name; and
- (iii) the Domain Name has been registered and is being used in bad faith.

The Complainant is the owner of the HUE Mark having registered the HUE Mark in the United States. The Domain Name wholly incorporates the HUE Mark along with the generic term "-official" and the ".com" Top-Level Domain ("TLD").

There are no rights or legitimate interests held by the Respondent in respect of the Domain Name. The Complainant has not granted any license or authorization for the Respondent to use the HUE Mark. The Respondent does not use the Domain Name for a *bona fide* purpose or legitimate noncommercial purpose. Rather the Domain Name resolves to the Respondent's Website where the Respondent is advertising the same type of goods as the Complainant's or is operating a scam where consumers pay for products not delivered. Neither of these activities provide the Respondent with rights or legitimate interests.

The Domain Name was registered and is being used in bad faith. Given the reputation of the HUE Mark, the registration of the Domain Name can only be taken as an attempt by the Respondent to gain an unfair benefit from the Complainant's reputation. By using the Domain Name to resolve to a website that purports to offer the Complainant's goods, the Respondent is using the Domain Name to divert Internet users searching for the Complainant to its own website for commercial gain. Such conduct amounts to registration and use of the Domain Name in bad faith.

B. Respondent

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

6. Discussion and Findings

A. Identical or Confusingly Similar

To prove this element, the Complainant must have trade or service mark rights, and the Domain Name must be identical or confusingly similar to the Complainant's trade or service mark.

The Complainant is the owner of the HUE Mark, having a registration for the HUE Mark as a trade mark in the United States.

The Domain Name incorporates the HUE Mark in its entirety with the addition of the term "-official" and the TLD ".com". Other UDRP panels have repeatedly held that where the relevant trade mark is recognizable within the disputed domain name, the addition of other terms does not prevent a finding of confusing similarity under the first element, see section 1.8 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0").

The Panel finds that the Domain Name is confusingly similar to the Complainant's HUE Mark. Consequently, the requirement of paragraph 4(a)(i) of the Policy is satisfied.

B. Rights or Legitimate Interests

To succeed on this element, a complainant may make out a *prima facie* case that the respondent lacks rights or legitimate interests in the disputed domain name. If such a *prima facie* case is made out, the respondent then has the burden of demonstrating rights or legitimate interests in the disputed domain name.

Paragraph 4(c) of the Policy enumerates several ways in which a respondent may demonstrate rights or legitimate interests in a disputed domain name:

"Any of the following circumstances, in particular but without limitation, if found by the Panel to be proved based on its evaluation of all evidence presented, shall demonstrate your rights or legitimate interests to the domain name for purposes of paragraph 4(a)(ii):

- (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 trade mark or service mark rights; or
- (iii) you are making legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trade mark or service mark at issue."

The Respondent is not affiliated with the Complainant in any way. It has not been authorized by the Complainant to register or use the Domain Name or to seek the registration of any domain name incorporating the HUE Mark or a mark similar to the HUE Mark. There is no evidence that the Respondent is commonly known by the Domain Name or any similar name.

There is no evidence that the Respondent has used or made demonstrable preparations to use the Domain Name in connection with a legitimate noncommercial or fair use or a *bona fide* offering of goods or services. The Respondent has used the Domain Name to operate a website purporting to sell the Complainant's Hue products. It is unclear whether the products purported to be sold on the Respondent's Website are the Complainant's products or counterfeit products, though the Complainant makes a case, based on a complaint email from one of its customers, that the Respondent's Website is simply a scam website where consumers pay money for goods that are not delivered. If the Hue products sold on the Respondent's

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Website are not genuine products produced by the Complainant, the Respondent's use of the Domain Name does not grant it rights or legitimate interests since it is using the Complainant's HUE Mark for a site selling counterfeit or at the minimum unauthorized products. Equally, if the Respondent's Website is simply a scam website then such use does not amount to a legitimate noncommercial or fair use or a *bona fide* offering of goods or services.

Even if the Respondent was offering genuine HUE products from the Respondent's Website, such use does not automatically grant it rights and legitimate interests. The principles that govern whether a reseller of genuine goods has rights or legitimate interests have been set out in a variety of UDRP decisions, starting with the case of *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. <u>D2001-0903</u>.

The <u>WIPO Overview 3.0</u>, section 2.8 summarizes the consensus views of UDRP panels in assessing claims of nominative (fair) use by resellers or distributors in the following manner:

"[...] Panels have recognized that resellers, distributors, or service providers using a domain name containing the complainant's trademark to undertake sales or repairs related to the complainant's goods or services may be making a *bona fide* offering of goods and services and thus have a legitimate interest in such domain name. Outlined in the 'Oki Data test', the following cumulative requirements will be applied in the specific conditions of a UDRP case:

- (i) the respondent must actually be offering the goods or services at issue;
- (ii) the respondent must use the site to sell only the trademarked goods or services;
- (iii) the site must accurately and prominently disclose the registrant's relationship with the trademark holder; and
- (iv) the respondent must not try to 'corner the market' in domain names that reflect the trademark.

The Oki Data test does not apply where any prior agreement, express or otherwise, between the parties expressly prohibits (or allows) the registration or use of domain names incorporating the complainant's trademark."

In this case, the Respondent's Website does not accurately or prominently disclose the Respondent's relationship with the Complainant, in particular that it is not an authorized dealer or has any particular connection with the Complainant. Indeed the Domain Name itself conveys that the Respondent's Website is an official website of the Complainant, which is not the case. Even in the event that the Respondent is reselling genuine HUE products, its use of the Domain Name for the Respondent's Website in the circumstances described above does not grant it rights or legitimate interests in the Domain Name.

The Complainant has established a *prima facie* case that the Respondent lacks rights or legitimate interests in the Domain Name. The Respondent has had the opportunity to put on evidence of its rights or legitimate interests, including submissions 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, the Panel finds that the 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

For the purposes of paragraph 4(a)(iii) of the Policy, the following circumstances, in particular but without limitation, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith:

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- circumstances indicating that the respondent 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 the complainant, for valuable consideration in excess of its documented out-of-pocket costs directly related to the domain name; or
- the respondent 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 respondent has engaged in a pattern of such conduct; or
- (iii) the respondent has registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- (iv) by using the domain name, the respondent has intentionally attempted to attract, for commercial gain, Internet users to its 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 respondent's website or location or of a product or service on the respondent's website or location (Policy, paragraph 4(b)).

The Panel finds on the balance of probabilities that the Respondent was aware of the Complainant and its reputation in the HUE Mark at the time the Domain Name was registered. The Respondent's Website purports to offer the Complainant's products for sale. It would be implausible for an entity to register a Domain Name incorporating the HUE Mark and use it for clothing absent any awareness of the Complainant. The registration of the Domain Name in awareness of the HUE Mark and in the absence of rights or legitimate interests amounts under these circumstances to registration in bad faith.

The Respondent registered the Domain Name for the purposes of operating a website specifically to sell either the Complainant's products or counterfeit products that compete with the Complainant (or operate a scam, which if the case would clearly be use in bad faith). The Respondent is using the Domain Name to sell products, be they genuine or otherwise, in competition with the Complainant and without the Complainant's approval and without meeting the "Oki Data" test. Consequently, the Panel finds that the Respondent has intentionally attempted to attract, for commercial gain, Internet users to its website by creating a likelihood of confusion with the Complainant and the Complainant's HUE Mark as to the source, sponsorship, affiliation, or endorsement of the Respondent's Website.

Accordingly, the Panel finds that the Respondent has registered and used 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 <hue-official.com> be transferred to the Complainant.

/Nicholas Smith/ Nicholas Smith Sole Panelist Date: May 17, 2023