

ADMINISTRATIVE PANEL DECISION

Matter Labs v. Boosting Inc

Case No. D2023-3981

1. The Parties

The Complainant is Matter Labs, United Kingdom, represented by Frankfurt Kurnit Klein & Selz, PC, United States of America ("United States").

The Respondent is Boosting Inc, Republic of Korea.

2. The Domain Name and Registrar

The disputed domain name <zksync.com> is registered with Megazone Corp., dba HOSTING.KR (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on September 22, 2023. On September 25, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On October 17, 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.

On October 18, 2023, the Center informed the parties in Korean and English, that the language of the registration agreement for the disputed domain name is Korean. On October 19, 2023, the Complainant confirmed its request that English be the language of the proceeding. The Respondent objected to the Complainant's request.

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 October 24, 2023. In accordance with the Rules,

paragraph 5, the due date for Response was November 13, 2023. The Response was filed with the Center on November 12, 2023 and November 13, 2023.

The Center appointed Moonchul Chang as the sole panelist in this matter on November 27, 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, Matter Labs, is a global engineering company operating in the blockchain technology industry. Since December 2019, the Complainant has used its ZKSYNC trademark in connection with its product while offering a solution to existing scalability problems with Ethereum, making the transactions processed on the blockchain by the ZKSYNC product. In addition, since December 5, 2019, the Complainant through both its main website <matter-labs.io> and its product specific ZKSYNC website <zksync.io>, has used the ZKSYNC Mark.

The Complainant owns ZKSYNC trademark registrations for United States trademark (Reg. No. 6531780, filed on April 3, 2020 and registered on October 19, 2021) and European Union trademark (Reg. No. 018829955, filed on January 30, 2023 and registered on May 17, 2023).

On the other hand, the Respondent registered the disputed domain name on October 28, 2020. The disputed domain name currently resolves to a website featuring pay-per-click ("PPC") links to third-party websites.

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.

Firstly, the disputed domain name is identical to the Complainant's ZKSYNC trademark. The disputed domain name incorporates the ZKSYNC Mark in its entirety.

Secondly, the Respondent has no rights or legitimate interests in the ZKSYNC Mark, and the Respondent has not used the disputed domain name in connection with a bona fide offering of goods. It merely offers to sell the disputed domain name and passively link to third party websites. In addition, the Respondent has not been commonly known by the name ZKSYNC.

Thirdly, the Respondent's registration and use of the disputed domain name is in bad faith. The Respondent did not register the disputed domain name until the Complainant launched the ZKSYNC product in December 2019 and received press surrounding its product and use of the ZKSYNC Mark. In addition, the Complainant filed United States ZKSYNC registration on April 3, 2020, months earlier than the Respondent registered the disputed domain name on October 28, 2022. Further, the Respondent's offer to sell the disputed domain name demonstrates the Respondent's awareness of the value of the ZKSYNC Mark to the Complainant. In addition, the Respondent is not using the disputed domain name other than to advertise its sale and to host third party links. The Respondent only registered the disputed domain name with the intent to sell it to the Complainant for an exorbitant fee.

B. Respondent

The Respondent contends that the Complainant has not satisfied the elements required under the Policy for a transfer of the disputed domain name. Especially, the Respondent argues that the Complainant fails to prove that the Respondent registered the disputed domain name in bad faith because the Respondent registered the disputed domain name on October 28, 2020, much earlier than the Complainant registered the United States trademark on October 19, 2021.

6. Discussion and Findings

6.1 Preliminary Issue: Language of the Proceeding

The language of the Registration Agreement for the disputed domain name is Korean. 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 following reasons: (1) the Respondent communicated its offer to sell the disputed domain name to the Complainant in English, (2) the disputed domain name extension, generic Top-Level Domain (“gTLD”), is a “.com”, and not a “.kr” or other foreign domain extension that would suggest that the Respondent only understands Korean, (3) the disputed domain name contains the Complainant’s identical trademark, (4) the Complainant is organized under the laws of the Cayman Islands, and its subsidiary is organized under the laws of Germany, and the Complainant is unable to communicate in Korean, (5) the content in the disputed domain name includes a statement in English, “Zksync.com - This domain name is FOR SALE. Click here to inquire about this domain”, (6) the Privacy Policy that is linked on the disputed domain name is in English, (7) the Terms of Service that is linked on the disputed domain name is in English, (8), the copyright notice on the disputed domain name is in English, (9) the third party content linked on the disputed domain name is in English, and (10) requiring the Complainant to translate the Complaint into Korean would add an additional expense and unnecessarily delay its request to resolve this matter.

On the other hand, the Respondent requests that the language of the proceeding be Korean claiming the language of the Registration Agreement for the disputed domain name is Korean and he could not understand English.

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 (Section 4.5.1 of WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition (“[WIPO Overview 3.0](#)”)).

Having considered all the matters above, the Panel determines under paragraph 11(a) of the Rules that it will accept the Complaint as filed in English and that it is appropriate to render this Decision in English.

6.2. Substantive Issues

Under paragraph 4(a) of the Policy, the Complainants must demonstrate that the three elements enumerated in paragraph 4(a) of the Policy have been satisfied. These elements are that: (i) the disputed domain names are identical or confusingly similar to the Complainants’ trademark or service mark; and (ii) the Respondents have no rights or legitimate interests in respect of the disputed domain names; and (iii) the disputed domain names have been registered and are being used in bad faith.

A. Identical or Confusingly Similar

The disputed domain name includes the Complainant's trademark ZKSYNC in its entirety. Where the complainant holds a nationally or regionally registered trademark or service mark, this prima facie satisfies the threshold requirement of having trademark rights for purposes of standing to file a UDRP case. (Section 1.2.1 of [WIPO Overview 3.0](#)).

It is well accepted that the first element functions primarily as a standing requirement. The standing test for confusing similarity involves a reasoned but relatively straightforward comparison between the Complainant's trademark and the disputed domain name. (Section 1.7 of [WIPO Overview 3.0](#)) In addition, the generic Top-Level Domain ("gTLD") ".com" is disregarded under the confusing similarity test. (Section 1.11.1 of [WIPO Overview 3.0](#)).

The Panel also observes that the disputed domain name was registered on October 28, 2020, predating the Complainant's registration of ZKSYNC trademark on October 19, 2021. (United States Trademark Reg. No. 6531780). However, for purposes of the first element under paragraph 4(a) of the Policy, the "UDRP makes no specific reference to the date on which the holder of the trademark or service mark acquired its rights[.] [...] Where a domain name has been registered before a Complainant has acquired trademark rights, only in exceptional cases would a Complainant be able to prove a Respondent's bad faith." (Section 1.1.3 of [WIPO Overview 3.0](#)). This will be discussed further under the Section 6.2.C.

Based on the available record, the Panel finds 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 Panel finds the entirety of the mark is reproduced within the disputed domain name. Accordingly, the disputed domain name is identical to the mark for the purposes of the Policy. [WIPO Overview 3.0](#), section 1.7.

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

B. Rights or Legitimate Interests

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 disputed 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. (Section 2.1 of [WIPO Overview 3.0](#), section 2.1.)

First, the Complainant contends that it has not authorized the Respondent to use the trademark ZKSYNC or to register any domain names incorporating it. Nonetheless, the Respondent's disputed domain name carries a risk of implying that it was affiliated with ZKSYNC.

Secondly, the Respondent is using the disputed domain name to direct Internet users to a website comprising links to third party websites. Previous UDRP panels recognized that the use of a domain name to host a parked page comprising links to the third parties does not represent a bona fide offering where such links compete with or capitalize on the reputation. (Section 2.9 of [WIPO Overview 3.0](#)). Here, the Respondent failed to come forward with any appropriate allegations or evidence that might demonstrate its rights or legitimate interests in the disputed domain name to rebut the Complainant's prima facie case. Further, there is no evidence presented to the Panel that the Respondent has used, or has made demonstrable preparations to use, the disputed domain name in connection with a bona fide offering of goods or services or is making a legitimate noncommercial or fair use of the disputed domain name.

Thirdly, there is no evidence to suggest that the Respondent has been commonly known by the disputed domain name. In the consideration of the above circumstances the Panel finds that the Complainant has made out a *prima facie* case and the Respondent failed to come forward with any appropriate evidence that might rebut the Complainant's *prima facie* case.

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 finds the second element of the Policy has been established.

C. Registered and Used in Bad Faith

Paragraph 4(a)(iii) of the Policy requires that the disputed domain name "has been registered and is being used in bad faith". Thus, for the Complaint to succeed, a UDRP Panel must be satisfied that a domain name has been registered and is being used in bad faith. These requirements are conjunctive; each must be proven or the Complaint fails. In this proceeding, the Panel needs look no further than the Complaint to determine that the Complainants have established that the Respondent registered the disputed domain name in bad faith.

Firstly, the Respondent contends that the Complainant fail to prove the Respondent's registration of the disputed domain name in bad faith because the disputed domain name was registered on October 28, 2020, prior to the Complainant's registration of the ZKSYNC trademark on October 19, 2021. Previous UDRP panels' consensus view is that, absent exceptional circumstances, when a domain name is registered by the respondent before the complainant's trademark right, the domain name can generally not have been registered in bad faith, as the respondent could obviously not have been aware of the complainant's trademark as of the time the domain name was registered (Section 3.8.1 of [WIPO Overview 3.0](#)). These exceptional circumstances include the limited circumstances where the respondent's intent in registering the domain name was to unfairly capitalize on the Complainant's unregistered mark in anticipation of obtaining trademark rights; for example, (i) shortly before or after announcement of a corporate merger, (ii) further to the respondent's insider knowledge (e.g., a former employee), (iii) further to significant media attention (e.g., in connection with a product launch or prominent event), or (iv) following the complainant's filing of a trademark application (Section 3.8.2 of [WIPO Overview 3.0](#)).

In this present case, the Complainant launched the ZKSYNC product in December 2019 and received press surrounding its product, prior to the Respondent's registration of the disputed domain name on October 28, 2020. In addition, the Complainant filed United States ZKSYNC registration on April 3, 2020, earlier than the Respondent registered the disputed domain name on October 28, 2020. In this respect, the Panel considers that the Complainant prove such exceptional circumstances that the Respondent registered the disputed domain name in bad faith.

Next, the Respondent contacted the Complainant via email offering to sell the disputed domain name for USD70,000 in March 2023 after the Complainant obtained the ownership of United States ZKSYNC trademark in October 2021. This suggests that the Respondent was aware of the value of the ZKSYNC trademark and targeted the Complainant and its trademark at the time of the registering the disputed domain name. Generally speaking, previous UDRP panels have found that the practice as such of registering a domain name for subsequent resale would not by itself support a claim that the respondent registered the domain name in bad faith with the primary purpose of selling it to a trademark owner (or its competitor). (Section 3.1.1 of the [WIPO Overview 3.0](#)). However, under the circumstance that the disputed domain name is identical to the Complainant's trademark – and was registered after press on the matter and noting the offer to sell after the trademark rights matured – and the Respondent is using the disputed domain name by passively linking to third parties' websites, the Panel finds bad faith on the Respondent's registration and use of it.

Finally, the Respondent's bad faith use under the UDRP is broadly understood to occur where a respondent takes unfair advantage of or otherwise abuses a complainant's mark. (Section 3.1 of the [WIPO Overview 3.0](#)). In addition, given the totality of the circumstances, the Respondent's use of a privacy and proxy service to mask its details on the publicly available WhoIs, the Panel considers that the Respondent uses the disputed domain names 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.

Paragraph 4(b) of the Policy sets out a list of non-exhaustive circumstances that may indicate that a domain name was registered and used in bad faith, but other circumstances may be relevant in assessing whether a respondent's registration and use of a domain name is in bad faith. [WIPO Overview 3.0](#), section 3.2.1.

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

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 <zksync.com> be transferred to the Complainant.

/Moonchul Chang/

Moonchul Chang

Sole Panelist

Date: December 8, 2023