

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Backcountry.com, LLC and Mountain Origins Design, LLC d/b/a Stio v. Xiuying Liu Case No. D2022-0420

1. The Parties

The Complainants are Backcountry.com, LLC and Mountain Origins Design, LLC d/b/a Stio, United States of America ("United States"), represented by Neugeboren O'Dowd PC, United States.

The Respondent is Xiuying Liu, China.

2. The Domain Name and Registrar

The disputed domain name <thestoiconline.com> is registered with Name.com, Inc. (Name.com LLC) (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on February 7, 2022. On February 8, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On February 9, 2022, 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 and contact information in the Complaint. The Center sent an email communication to the Complainants on February 10, 2022, providing the registrant and contact information disclosed by the Registrar, and inviting the Complainants to submit an amendment to the Complaint. The Complainants filed an amended Complaint on February 15, 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 the Respondent of the Complaint, and the proceedings commenced on February 18, 2022. In accordance with the Rules, paragraph 5, the due date for Response was March 10, 2022. On March 14, 2022 the Center notified the

Respondent that the Center's Notification email was not copied to one of the Respondent's email address. The Center did note, however, that Notice was successfully delivered to the Respondent's email address confirmed by the Registrar. In light of the above, the Center granted the Respondent a five day period (until March 19, 2022) to indicate whether it wishes to participate in this administrative proceeding. The Respondent did not submit any response.

The Center appointed Zoltán Takács as the sole panelist in this matter on March 22, 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

The Complainants are Backcountry.com, LLC (the First Complainant) and Mountain Origins Designs, LLC d/b/a Stio (the Second Complainant).

Founded in 1996, the First Complainant is a specialty retailer of premium outdoor gear, accessories and apparel.

The First Complainant among others owns the United States (US) Trademark Registration No. 43030136 for the word mark STOIC, registered since March 19, 2013 for goods of class 25 of the Nice Agreement Concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks (the "Nice Classification").

The Second Complainant was founded in 2011 and is also a specialty retailer of premium technical and outdoor lifestyle apparel, as well as of bags, pack and accessories. The Second Complainant among others owns the US Trademark Registration No. 4396916 for the word mark STIO, registered since September 3, 2013 for goods of classes 18 and 25 of the Nice Classification and US Trademark Registration No. 4411715 for the mark consisting of the word "Stio" with an image of a pinecone, registered since October 1, 2013 for goods of classes 18 and 25 of the Nice Classification.

The disputed domain name <thestoiconline.com> was registered on December 11, 2021, and has been pointing to a website offering the First Complainant's products at below the market value prices, containing trademarks, text, photographs, designs and product images copied from the Complainants' websites.

5. Procedural Issue - Consolidation of Multiple Complainants

Paragraph 10(e) of the UDRP Rules grants a panel the power to consolidate multiple domain name disputes.

According to section 4.11.1.of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), "In assessing whether a complaint filed by multiple complainants may be brought against a single respondent, panels look at whether (i) the complainants have a specific common grievance against the respondent, or the respondent has engaged in common conduct that has affected the complainants in a similar fashion, and (ii) it would be equitable and procedurally efficient to permit the consolidation".

The Respondent has been using the First Complainant's STOIC trademark in the disputed domain name and the Second Complainant's STIO figurative trademark on its website under the disputed domain name in addition to texts, photographs, designs and products images copied from the Complainants' websites.

These facts in view of the Panel establish that the Complainants have common grievance against the Respondent and common interest in the disputed domain name which warrants permitting consolidation in

this proceeding as a procedurally equitable and efficient action.

6. Parties' Contentions

A. Complainants

The First Complainant contends that the disputed domain name is confusingly similar to its trademark since it incorporates the STOIC trademark entirely, with the addition of the words "the" and "online" before and after the trademark.

The Second Complainant contends that the disputed domain name is confusingly similar to its STIO trademark since it contains the misspelling of the STIO (reversing the letters "i" and "o" and adding the letter "c") trademark, with the addition of the words "the" and "online" before and after the misspelling.

The Complainants allege that the Respondent has no rights or legitimate interests in respect of the disputed domain name and is unable to rely on any of the circumstances set out in paragraphs 4(c)(i), (ii) or (iii) of the Policy.

The Complainants claim that the Respondent's registration and use of the disputed domain name to impersonate the Complainants and sell the First Complainant's goods at below-market prices, unauthorized use of the copyrighted images and texts owned by the Complainants amount to bad faith registration and use of the disputed domain name. In addition, the Respondent appears to be masking its identity by using an apparently non-existing address on its website under the disputed domain name, which is further indicative of bad faith.

The Complainants request that the disputed domain name <thestoiconline.com> be transferred from the Respondent to the First Complainant.

B. Respondent

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

7. Discussion and Findings

Paragraph 15(a) of the Rules requires that the Panel's decision be made "on the basis of the statements and documents submitted and in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable".

It has been a consensus view in UDRP decisions that a respondent's default (*i.e.*, failure to submit a response) would not by itself mean that the complainant is deemed to have prevailed; a respondent's default is not necessarily an admission that the complainant's claims are true. See section 4.3 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("<u>WIPO Overview 3.0</u>").

A complainant must evidence each of the three elements required by paragraph 4(a) of the Policy in order to succeed on the complaint, namely that;

- (i) the disputed domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights;
- (ii) the respondent has no rights or legitimate interests in respect of the disputed domain name; and
- (iii) the disputed domain name has been registered and is being used in bad faith.

A. Identical or Confusingly Similar

Under paragraph 4(a)(i) of the Policy, there are two requirements which the Complainant must establish, first that it has rights in a trademark or service mark, and second that the disputed domain name is identical or confusingly similar to the trademark or service mark.

It has been a consensus view among UDRP panels that if the complainant owns a trademark, then it generally satisfies the threshold requirement of having trademark rights.

The Complainants produced proper evidence of having registered rights in the STOIC and STIO trademarks and for the purpose of this proceeding the Panel establishes that the US Trademark Registrations No. 4303136 and 4396916 satisfy the requirement of having trademark rights for the purpose of the Policy.

Having determined the presence of the Complainants' trademark rights, the Panel next assessed whether the disputed domain name is identical or confusingly similar to the trademarks.

According to sections 1.7 and 1.8 of the <u>WIPO Overview 3.0</u>, 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. This test typically involves a side-by-side comparison of the disputed domain name and the textual components of the relevant trademark to assess whether the mark is recognizable within the disputed domain name. Where the relevant trademark is recognizable within the disputed domain name, the addition of other (in this case descriptive) terms would not prevent a finding of confusing similarity under the first element.

According to section 1.9 of the <u>WIPO Overview 3.0</u>, a domain name which consists of a common, obvious, or intentional misspelling of a trademark is considered by panels to be confusingly similar to the relevant mark for the purpose of the first element.

According to section 1.11.1 of the <u>WIPO Overview 3.0</u>, the applicable Top-Level Domain ("TLD") in a domain name (in this case ".com") is viewed as a standard registration requirement and as such is generally disregarded under the first element confusingly similar test.

The disputed domain name contains the First Complainant's STOIC trademark in its entirety. Addition of common and descriptive terms "the" and "online" to the First Complainant's trademark in view of the Panel does not prevent the finding of confusing similarity between the disputed domain name and the First Complainant's trademark.

The Panel also finds that the disputed domain name contains the misspelled variant of the Second Complainant's STIO (reversing the letters "i" and "o" and adding the letter "c") trademark and that the addition of the words "the" and "online" before and after the misspelling does not prevent the finding of confusing similarity between the disputed domain name and the Second Complainant's trademark.

The applicable TLD suffix in the disputed domain name, ".com", should in relation to this administrative proceeding be disregarded.

On the basis of facts and circumstances discussed above the Panel finds that the disputed domain name <thestoiconline.com> is confusingly similar to the Complainants' STOIC and STIO trademarks and that the requirement of paragraph 4(a)(i) of the Policy is satisfied.

B. Rights or Legitimate Interests

Under paragraph 4(c) of the Policy, a respondent may demonstrate its rights or legitimate interests in a domain name by showing any of the following circumstances, in particular but without limitation:

- (i) its use of, or demonstrable preparation to use the domain name or a name corresponding to the domain name in connection with a *bona fide* offering of goods and services;
- (ii) it has been commonly known by the domain name;
- (iii) it is making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert customers or to tarnish the trademark or service mark at issue.

In the present case, the Complainants have submitted sufficient and uncontested evidence that they hold well-established rights in the STOIC and STIO trademarks.

The Complainants have never authorized the Respondent to use their trademarks in any way, and their prior rights in the trademarks precede the date of registration of the disputed domain name.

According to section 2.1 of the <u>WIPO Overview 3.0</u>, 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 the 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.

The Respondent defaulted and failed to respond, and by doing so failed to offer the Panel any type of evidence set forth in paragraph 4(c) of the Policy, or otherwise counter the Complainants' *prima facie* case.

The Respondent has been using the disputed domain name to promote a web shop purporting to sell the First Complainant's products at discounted prices. The Panel notes that offering for sale products of the First Complainant on the website to which the disputed domain name resolve does not qualify as fair use. See section 2.8.1. of the WIPO Overview 3.0. The disputed domain name fails under the *Oki Data* criteria for at least its failure to include any disclaimer as to its relation to the Complainants, further exacerbating the risk of implied affiliation caused by the identical replication of the First Complainant's trademark in the construction of the disputed domain name. See *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. D2001-0903 and section 2.5.1 of the WIPO Overview 3.0.

The Panel finds that the Respondent has no rights or legitimate interests in the disputed domain name in accordance with paragraph 4(a)(ii) of the Policy.

C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy lists a number of factors which, if found by the panel to be present, shall be evidence of registration and use of a domain name in bad faith. This non-exclusive list includes:

- "(i) circumstances indicating that you have registered or you have 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 trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name; or
- (ii) you have registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that you have engaged in a pattern of such conduct: or

- (iii) you have registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- (iv) by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your 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 your website or location or of a product or service on your website or location."

The evidence presented by the Complainants convinces the Panel that the Respondent has registered and is using the disputed domain name in bad faith.

The disputed domain name fully incorporates the First Complainant's trademark; the website under the disputed domain name offers for sale the First Complainant's products and incorporates the First Complainant's trademark in its entirety, has the same look as the Second Complainant's website using the Second Complainant's distinctive figurative trademark as well as copyrighted texts, designs and product images taken from the Complainants' websites.

These facts in view of the Panel evidence the Respondent knowledge of the Complainants' trademarks and intent to target them through registration and use of the disputed domain name.

The Panel also finds that by using the Complainants' trademarks without authorization in the disputed domain name and on the corresponding website; misleadingly holding itself as an authorized reseller of the Complainants' and targeting the Complainants' customers the Respondent has attempted to attract, for commercial gain, Internet users to its website, by creating a likelihood of confusion with the Complainants' marks as to the source, sponsorship, affiliation or endorsement within the meaning of paragraph 4(b)(iv) of the Policy.

Therefore, the Panel finds that paragraph 4(a)(iii) of the Policy is satisfied.

8. 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 <thestoiconline.com> be transferred to the First Complainant (Backcountry.com, LLC).

/Zoltán Takács/
Zoltán Takács
Sole Panelist
Date: April 5, 2022