

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Skell Inc. d/b/a Bug A Salt v. lan Gale Case No. D2022-0433

1. The Parties

The Complainant is Skell Inc. d/b/a Bug A Salt, United States of America ("United States"), represented by Pryor Cashman, LLP, United States.

The Respondent is Ian Gale, United States.

2. The Domain Name and Registrar

The disputed domain name <bugassault.net> is registered with eNom, LLC (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on February 8, 2022. On February 9, 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 Complainant on February 10, 2022, 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 February 10, 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 11, 2022. In accordance with the Rules, paragraph 5, the due date for Response was March 3, 2022. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on March 4, 2022.

The Center appointed Phillip V. Marano as the sole panelist in this matter on March 9, 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

Complainant created, markets, and sells a salt gun product, aptly named BUG-A-SALT, which uses granular table salt as non-toxic projectiles to kill insects. Complainant owns valid and subsisting registrations for the BUG-A-SALT trademark in numerous countries, including the trademark for BUG-A-SALT (Reg. No. 4,353,779) in the United States, with the earliest priority dating back to October 1, 2009.

Respondent registered the disputed domain name on March 20, 2014. At the time this Complaint was filed, the disputed domain name resolved to a website titled "Distributors of the Original Salt Gun", that reproduces copywritten text and images from Complainant's

Shugasalt.com> website, display's Complainant's BUG-A-SALT trademark, and purports to sell Complainant's products with a "Buy Now" link but also a notice that reads, "Sorry we are currently out of stock."

5. Parties' Contentions

A. Complainant

Complainant asserts ownership of the BUG-A-SALT trademark and has adduced evidence of trademark registrations in numerous jurisdictions, including in the United States, with earliest priority dating back to October 1, 2009. The disputed domain name is a confusingly similar homophone to Complainant's BUG-A-SALT trademark, according to Complainant, because it is phonetically identical to Complainant's BUG-A-SALT trademark and it is identical to Complainant's

sugasalt.com> domain name with the exception of the net generic Top-Level Domain ("gTLD").

Complainant further asserts that Respondent lacks any rights or legitimate interests in the disputed domain name based on: the lack of any consent, authorization, or license from Complainant for Respondent to use the BUG-A-SALT trademark; the lack of any evidence that Respondent is known by the BUG-A-SALT trademark; and Respondent's use of the disputed domain name in connection with a website which: (i) reproduces copywritten text and images from Complainant's website at the domain name
bugasalt.com>; (ii) purports to sell Complainant's BUG-A-SALT products, but states "Sorry we are currently out of stock"; (iii) displays Complainant's BUG-A-SALT trademarks without authorization; (iv) does not include any disclaimer regarding Respondent's lack of relationship with Complainant; and (v) hyperlinks to Complainant's copywritten audio-visual content on YouTube.

Complainant argues that Respondent has registered and used the disputed domain name in bad faith for numerous reasons, including: Respondent's knowledge or constructive knowledge of Complainant based on the fame of the BUG-A-SALT trademark, and Complainant's longstanding and widespread use of the BUG-A-SALT trademark by the time Respondent registered the disputed domain name; Respondent's unauthorized use of Complainant's BUG-A-SALT trademarks and copywritten content on Respondent's website; and Respondent's failure to reply to cease and desist correspondence from Complainant.

B. Respondent

Respondent did not reply to Complainant's contentions.

6. Discussion and Findings

To succeed in its Complaint, Complainant must establish in accordance with paragraph 4(a) of the Policy:

i. The disputed domain name is identical or confusingly similar to a trademark in which Complainant has

rights;

- ii. 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.

Although Respondent did not reply to Complainant's contentions, the burden remains with Complainant to establish by a balance of probabilities, or a preponderance of the evidence, all three elements of paragraph 4(a) of the Policy. WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 4.3 ("A respondent's default 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 [...] UDRP panels have been prepared to draw certain inferences in light of the particular facts and circumstances of the case, e.g. where a particular conclusion is prima facie obvious, where an explanation by the respondent is called for but is not forthcoming, or where no other plausible conclusion is apparent."); see also *The Vanguard Group, Inc. v. Lorna Kang*, WIPO Case No. D2002-1064 ("The Respondent's default does not automatically result in a decision in favor of the complainant. The Complainant must still prove each of the three elements required by Policy paragraph 4(a)").

A. Identical or Confusingly Similar

Ownership of a nationally or regionally registered trademark serves as *prima facie* evidence that Complainant has trademark rights for the purposes of standing to file this Complaint. <u>WIPO Overview 3.0</u>, section 1.2.1. Complainant submitted evidence that the BUG-A-SALT trademark has been registered with priority dating back to October 1, 2009, in the United States. Thus, the Panel finds that Complainant's rights in the BUG-A-SALT trademark have been established pursuant to the first element of the Policy.

The only remaining question under the first element of the Policy is whether the disputed domain name is identical or confusingly similar to Complainant's BUG-A-SALT trademark. In this Complaint, the disputed domain name is confusingly similar to Complainant's BUG-A-SALT trademark because, disregarding the gTLD ".net", the trademark is contained in its entirety within the disputed domain name. WIPO Overview 3.0, section 1.7, which states "This test typically involves a side-by-side comparison of the domain name and the textual components of the relevant trademark to assess whether the mark is recognizable within the domain name ... [I]n cases where a domain name incorporates the entirety of a trademark, or where at least a dominant feature of the relevant mark is recognizable in the domain name, the domain name will normally be considered confusingly similar...". In regard to gTLDs, such as ".net" in the disputed domain name, they are generally viewed as a standard registration requirement and are disregarded under the first element. See WIPO Overview 3.0, section 1.11.

It is well established that neither the mere addition or removal of one or more hyphens can prevent confusing similarity. See *Chernow Comm'ns, Inc. v. Kimball*, WIPO Case No. <u>D2000-0119</u>, holding "that the use or absence of punctuation marks, such as hyphens, does not alter the fact that a name is identical to a mark". Furthermore, the Panel views Respondent's use of the fully spelled out word "assault" in the disputed domain name as confusingly similar to Complainant's clever double entendre abbreviation "A-SALT" in the BUG-A-SALT trademark, noting as well the phonetic equivalence of the terms.

In view of Complainant's registration of the BUG-A-SALT trademark, and Respondent's removal of the hyphens and incorporation of that trademark in its entirety in the disputed domain name, the Panel concludes that Complainant has established the first element of the Policy.

B. Rights or Legitimate Interests

Complainant must make out a *prima facie* case that Respondent lacks rights or legitimate interests in the disputed domain name, shifting the burden of production on this element to Respondent to come forward with evidence demonstrating such rights or legitimate interests. Where, as in this Complaint, Respondent fails to come forward with any relevant evidence, Complainant is deemed to have satisfied the second element of the Policy. WIPO Overview, section 2.1.

It is evident that Respondent, identified by Whols data for the disputed domain name as "lan Gale", is not commonly known by the disputed domain name or Complainant's BUG-A-SALT trademark.

In the Panel's view, the evidence proffered by Complainant indicates that Respondent may have intended to act as an independent distributor of Complainant's BUG-A-SALT products. Resellers, distributors, and service providers using a domain name containing Complainant's trademark (usually in conjunction with descriptive terms like "parts", "repairs", or a geographic location) to undertake sales or repairs related to Complainant's products may be making a *bona fide* offering of goods and services and thus may have a legitimate interest in the disputed domain name. WIPO Overview, section 2.8.1. Panels apply the fact specific "Oki Data Test" to determine whether rights or legitimate interests in the disputed domain name are present in cases where all of the following elements are met:

- i. Respondent must actually offer the goods or services at issue;
- ii. 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. Respondent must not try to "corner the market" in domain names that reflect the trademark.

See Oki Data Americas, Inc. v. ASD, Inc., WIPO Case No. D2001-0903.

In this Complaint, the record is devoid of any evidence upon which the Panel can confirm whether Respondent actually sold or offered for sale authentic BUG-A-SALT products on Respondent's website at any point in time. Complainant has alleged, "[u]pon information and belief, the apparent operator of [Respondent's] website placed a single order for 288 units of Complainant's BUG-A-SALT product on June 23, 2014, but has not placed another order since ... [and] has nevertheless continued to use a confusingly similar homophone of Complainant's registered BUG-A-SALT mark as the disputed domain name (i.e.

similar homophone of Complainant's registered BUG-A-SALT mark as the disputed domain name (i.e.

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Moreover, while Respondent's website prominently characterizes Respondent as "Distributors of the Original Salt Gun", Respondent plainly fails to disclose the lack of any authorization or affiliation between itself and Complainant. Quite the opposite, this Panel concurs with Complainant that Respondent's replete unauthorized use of Complainant's BUG-A-SALT trademark, Complainant's copywritten literary and pictorial content, and hyperlinks to Complainant's copywritten audio-visual content on YouTube, collectively create a likelihood of confusion amongst Internet users as between Complainant and Respondent. Put another way, Respondent's extensive use of Complainant's BUG-A-SALT trademark, and wholly unnecessary use of Complainant's copywritten content, extend well beyond any reasonable fair use application of the Oki Data principles.

In view of the above, noting Respondent's failure to meet the cumulative requirements set out in the Oki Data Test, the Panel concludes that Complainant has established the second element of the Policy.

C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy proscribes the following non-exhaustive circumstances as evidence of bad faith registration and use of the disputed domain name:

i. Circumstances indicating that Respondent has registered or Respondent has acquired the disputed domain name primarily for the purpose of selling, renting, or otherwise transferring the disputed domain name registration to Complainant who is the owner of the trademark to a competitor of that Complainant, for valuable consideration in excess of Respondent's documented out of pocket costs directly related to the disputed domain name; or

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

Where parties are both located in the United States and the complainant has obtained a federal trademark registration pre-dating a respondent's domain name registration, panels have applied the concept of constructive notice, subject to the strength or distinctiveness of the complainant's trademark, or circumstances that corroborate respondent's awareness of the complainant's trademark. WIPO Overview 3.0, section 3.2.2. In this Panel's view, when the disputed domain name was registered on March 20, 2014, Respondent had constructive knowledge of Complainant's pre-existing rights in Complainant's BUG-A-SALT trademark under United States law. See e.g., Champion Broadcasting System, Inc. v. Nokta Internet Technologies, WIPO Case No. D2006-0128 (Applying the principle of constructive notice where both parties are located in the United States). Indeed, circumstances in this case corroborate Respondent's awareness of Complainant and Complainant's BUG-A-SALT trademark, including Respondent's replete unauthorized use of that trademark, Respondent's unauthorized use of copywritten literary and pictorial content from Complainant's

bugasalt.com> website, and Respondent's hyperlinking to Complainant's audio-visual content on YouTube.

Use of a domain name incorporating Complainant's trademark to direct Internet users to Respondent's website is strong evidence of bad faith under paragraph 4(b)(iv) of the Policy. WIPO Overview, section 3.1.4 ("Panels have moreover found the following types of evidence to support a finding that a respondent has registered a domain name to attract, for commercial gain, Internet users to its website by creating a likelihood of confusion with the complainant's mark: seeking to cause confusion for respondent's commercial benefit, even if unsuccessful ... the lack of a respondent's own rights to or legitimate interests in a domain name [or] redirecting the domain name to a different respondent-owned website...."). Here, the disputed domain name misappropriates Complainant's BUG-A-SALT trademark as a confusingly similar homophone and resolves to Respondent's website that contains replete unauthorized uses of Complainant's intellectual property as described above. Accordingly, the Panel finds that use of the disputed domain name will divert potential customers from the Complainant's business to Respondent's website under the disputed domain name by attracting Internet users who mistakenly believe that the disputed domain name is affiliated with the Complainant, and which may further mistakenly believe that the products offered on this website are authentic products offered by the Complainant, or by an entity affiliated to the Complainant.

Finally, the Panel further concludes that failure by Respondent to answer Complainant's cease and desist letter "suggests that Respondent was aware that it has no rights or legitimate interests in the disputed domain name, and that the disputed domain name has been registered and is being used in bad faith." See *America Online, Inc. v. Antonio R. Diaz*, WIPO Case No. <u>D2000-1460</u> (internal citations omitted). See also *Spyros Michopoulos S.A. v. John Tolias, ToJo Enterprises*, WIPO Case No. <u>D2008-1003</u>. Furthermore, the failure of Respondent to answer this Complaint or take any part in the present proceedings, in the view of the Panel, is another indication of bad faith on the part of Respondent. See *Bayerische Motoren Werke AG v.* (*This Domain is For Sale*) *Joshuathan Investments, Inc.*, WIPO Case No. <u>D2002-0787</u>.

In view of Respondent's clear-cut awareness and targeting of Complainant and Complainant's BUG-A-SALT products in Respondent's registration and use of the disputed domain name, Respondent's use of the disputed domain name to derive a commercial benefit by creating a likelihood of confusion as to the source or affiliation of Respondent's website, and Respondent's failure to respond to Complainant's cease and

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desist correspondence or this Complaint, the Panel concludes that 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, <bugassault.net> be transferred to the Complainant.

/Phillip V. Marano/
Phillip V. Marano
Sole Panelist

Date: March 31, 2022