

ADMINISTRATIVE PANEL DECISION

Serena & Lily, Inc. v. Hostmaster ONEANDONE, 1&1 Internet Inc. / Brandon Pegues

Case No. D2022-0492

1. The Parties

The Complainant is Serena & Lily, Inc., United States of America (“United States”), represented by Regitz Mauck PLLC, United States.

The Respondent is Hostmaster ONEANDONE, 1&1 Internet Inc. / Brandon Pegues, United States.

2. The Domain Name and Registrar

The disputed domain name <serenaandlilyinc.com> is registered with IONOS SE (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on February 11, 2022. On February 14, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On February 22, 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 22, 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 amendment to the Complaint on February 22, 2022.

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 of the Complaint, and the proceedings commenced on February 25, 2022. In accordance with the Rules, paragraph 5, the due date for Response was March 17, 2022. The Respondent did not submit any response. Accordingly, the Center notified the Respondent’s default on March 20, 2022.

The Center appointed William R. Towns as the sole panelist in this matter on March 25, 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 Complainant is Serena & Lily, Inc., a popular high-end designer store founded in 2003 by Lily Kanter and Serena Dugan, with headquarters in Sausalito, California. The Complainant specializes in bedding, furniture, lighting, and other home décor, operating under the “Serena & Lily” brand, and holding at least thirteen trademark registrations for its SERENA & LILY mark issued by the United States Patent and Trademark Office (USPTO), including among the following:

- U.S. Reg. No. 3241729, applied for March 6, 2006, and registered May 15, 2007 (first use 2004);
- U.S. Reg. No. 4330828, applied for June 12, 2012, and registered May 7, 2013;
- U.S. Reg. No. 4382515, applied for July 12, 2012, and registered August 13, 2013.

The Respondent registered the disputed domain name <serenaandlilyinc.com> on January 24, 2022. Insofar as the record reflects, the disputed domain name has not been used by the Respondent with an active website and is being passively held.

5. Parties' Contentions

A. Complainant

The Complainant submits that the disputed domain name <serenaandlilyinc.com> is confusingly similar to the Complainant's SERENA & LILY mark, a well-known mark in which the Complainant asserts rights. The Complainant emphasizes that the Complainant's SERENA & LILY mark is the subject of thirteen United States trademark registrations for a wide variety of products and services, including clothing, home furnishings, bedding, art prints, and online retail store services.

The Complainant maintains that the Respondent has no rights or legitimate interests in respect of the disputed domain name. The Complainant contends that the Respondent is engaging in bad faith cybersquatting, and represents there is no evidence of any *bona fide* offering of goods or services. The Complainant submits that due to the inherently deceptive nature of the disputed domain name an inference can be drawn that the Respondent registered the disputed domain name with the sole intention of inciting consumer confusion for fraudulent purposes.

The Complainant concludes that the disputed domain name has been registered and used in bad faith. The Complainant reiterates that the Respondent's registration of the disputed domain name constitutes bad faith cybersquatting, again emphasizing due to the inherently deceptive nature of the disputed domain name that the only potential objective for the registrant would be to confuse consumers or implement fraudulent if not criminal practices.

B. Respondent

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

6. Discussion and Findings

A. Scope of the Policy

The Policy is addressed to resolving disputes concerning allegations of abusive domain name registration and use. *Milwaukee Electric Tool Corporation v. Bay Verte Machinery, Inc. d/b/a The Power Tool Store*, WIPO Case No. [D2002-0774](#). Accordingly, the jurisdiction of this Panel is limited to providing a remedy in cases of “the abusive registration of domain names”, also known as “cybersquatting”. *Weber-Stephen Products Co. v. Armitage Hardware*, WIPO Case No. [D2000-0187](#). See Final Report of the First WIPO Internet Domain Name Process, April 30, 1999, paragraphs 169-177. The term “cybersquatting” is most frequently used to describe the deliberate, bad faith abusive registration of a domain name in violation of rights in trademarks or service marks. *Id.* at paragraph 170. Paragraph 15(a) of the Rules provides that the panel shall decide a complaint on the basis of statements and documents submitted and in accordance with the Policy, the Rules and any other rules or principles of law that the panel deems applicable.

Paragraph 4(a) of the Policy requires that the complainant prove each of the following three elements to obtain a decision that a domain name should be either cancelled or transferred:

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

Cancellation or transfer of the domain name is the sole remedy provided to the complainant under the Policy, as set forth in paragraph 4(i).

Paragraph 4(b) of the Policy sets forth four situations under which the registration and use of a domain name is deemed to be in bad faith, but does not limit a finding of bad faith to only these situations.

Paragraph 4(c) of the Policy, in turn, identifies three means through which a respondent may demonstrate rights or legitimate interests in a domain name. Although the complainant bears the ultimate burden of establishing all three elements of paragraph 4(a) of the Policy, prior UDRP panels have recognized that this could result in the often impossible task of proving a negative, requiring information that is primarily, if not exclusively, within the knowledge of the respondent. Thus, the view is that the burden of production shifts to the respondent to come forward with evidence of rights or legitimate interests in the domain name, once the complainant has made a *prima facie* showing. See WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition (“[WIPO Overview 3.0](#)”), section 2.1. See, e.g., *Document Technologies, Inc. v. International Electronic Communications Inc.*, WIPO Case No. [D2000-0270](#).

B. Identical or Confusingly Similar

The Panel finds that the disputed domain name is confusingly similar if not virtually identical to the Complainant’s SERENA & LILY mark, a well-known mark in which the Complainant has established rights through registration and extensive use. In considering identity and confusing similarity, the first element of the Policy serves essentially as a standing requirement.¹ The threshold inquiry under the first element of the Policy involves a reasoned but relatively straightforward comparison between the Complainant’s trademark and the disputed domain name.

The Complainant’s SERENA & LILY mark is clearly recognizable in the disputed domain name.² The commonly used word “and” with the commonly used abbreviation “inc.” (for “incorporated”) in the disputed domain name <serenaandlilyinc.com> (emphasis added) does not serve to dispel the confusing similarity of the disputed domain name to the Complainant’s mark.

¹ See WIPO Overview 3.0, section 1.7.

² *Id.*

See, e.g. *Instagram, LLC v. Temp name Temp Last Name, Temp Organization*, WIPO Case No. [D2019-0109](#). See also *Instagram, LLC v. A S*, WIPO Case No. [D2020-1327](#). When the relevant trademark is recognizable in the disputed domain name, the addition of other terms (whether descriptive, geographical, pejorative, meaningless, or otherwise) does not preclude a finding of confusing similarity under paragraph 4(a)(i) of the Policy.³ Top-Level Domains (“TLDs”) such as “.com” generally are disregarded when evaluating the identity or confusing similarity of the Complainant’s mark to the disputed domain name under paragraph 4(a)(i) of the Policy, irrespective of any ordinary meaning that might be ascribed to the TLD.⁴

Accordingly, the Panel finds the Complainant has satisfied the requirements of paragraph 4(a)(i) of the Policy.

C. Rights or Legitimate Interests

As noted above, once the complainant makes a *prima facie* showing that the requirements are met under paragraph 4(a)(ii) of the Policy, paragraph 4(c) shifts the burden of production to the respondent to come forward with evidence of rights or legitimate interests in a domain name. The Panel is persuaded from the record of this case that a *prima facie* showing under paragraph 4(a)(ii) of the Policy has been made. The disputed domain name is confusingly similar if not virtually identical to the Complainant’s SERENA & LILY mark and the Complainant’s corporate name, and it is undisputed that the Respondent has not been authorized to use the Complainant’s mark. The record nonetheless reflects that the Respondent has registered a domain name appropriating the Complainant’s well-known SERENA & LILY mark, which the Respondent now appears to be passively holding.

Pursuant to paragraph 4(c) of the Policy, a respondent may establish rights or legitimate interests in a domain name by demonstrating any of the following:

- (i) before any notice to it of the dispute, the respondent’s use of, or demonstrable preparations to use, the domain name or a name corresponding to the disputed domain name in connection with a *bona fide* offering of goods or services; or
- (ii) the respondent has been commonly known by the domain name, even if it has acquired no trademark or service mark rights; or
- (iii) the respondent is making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

It is readily apparent from the record in this case that the Respondent was aware of the Complainant and had the Complainant’s well-known SERENA & LILY mark firmly in mind when registering the disputed domain name. The Panel considers that the Respondent more likely than not registered the disputed domain name with the intention of exploiting and profiting from the Complainant’s mark.

Having regard to all relevant circumstances in this case, the Panel concludes that the Respondent has neither used nor undertaken demonstrable preparations to use the disputed domain name in connection with a *bona fide* offering of goods or services. The Respondent is neither making a legitimate noncommercial or fair use of the disputed domain name. Nor is there any indication in the record that the Respondent has been commonly known by the disputed domain name within the meaning of paragraph 4(c)(ii) of the Policy. In short, nothing in the record before the Panel supports a finding of the Respondent’s rights or legitimate interests in the disputed domain name. The nature of the disputed domain name, being virtually identical to the Complainant’s trademark, also carries a high risk of implied affiliation, especially when considering the Complainant’s corporate name also incorporates the “inc” element found in the disputed domain name, thus reinforcing the impression of association to the Complainant. See [WIPO Overview 3.0](#), section 2.5.1.

³ *Id.*

⁴ See [WIPO Overview 3.0](#), section 1.11.

Accordingly, the Panel finds the Complainant has satisfied the requirements of paragraph 4(a)(ii) of the Policy.

D. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy states that any of the following circumstances, in particular but without limitation, shall be considered evidence of the registration and use of a domain name in bad faith:

- (i) circumstances indicating that the respondent registered or acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant (the owner of the trademark or service mark) or to a competitor of that complainant, for valuable consideration in excess of the respondent's documented out-of-pocket costs directly related to the domain name; or
- (ii) circumstances indicating that the respondent 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 the respondent has engaged in a pattern of such conduct; or
- (iii) circumstances indicating that the respondent registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- (iv) circumstances indicating that the respondent is using the domain name to intentionally attempt 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 its website or location.

The examples of bad faith registration and use set forth in paragraph 4(b) of the Policy are not meant to be exhaustive of all circumstances from which such bad faith may be found. See *Telstra Corporation Limited v. Nuclear Marshmallows*, WIPO Case No. [D2000-0003](#). The overriding objective of the Policy is to curb the abusive registration of domain names in circumstances where the registrant seeks to profit from and exploit the trademark of another. See *Match.com, LP v. Bill Zag and NWLAWS.ORG*, WIPO Case No. D2004-0230.

For the reasons discussed under this and the preceding heading, the Panel considers that the Respondent's conduct in this case constitutes bad faith registration and use of the disputed domain name within the meaning of paragraph 4(a)(iii) of the Policy. The Panel concludes that the Respondent was aware of the Complainant and had the Complainant's well-known SERENA & LILY mark firmly in mind when registering the disputed domain name, more likely than with the intention of exploiting or profiting from the Complainant's trademark rights.

What would now appear to be the Respondent's passive holding of the disputed domain name does not preclude a finding of bad faith in the attendant circumstances of this case. As set forth in *Telstra Corporation Limited v. Nuclear Marshmallows*, *supra*, "the relevant issue is not whether the Respondent is taking a positive action in bad faith in relation to the domain name, but instead whether, in all the circumstances of the case, it can be said that the Respondent is acting in bad faith. [...] [I]t is possible, in certain circumstances, for inactivity by the Respondent to amount to the domain name being used in bad faith". See also *Red Bull GmbH v. Kevin Franke*, WIPO Case No. [D2012-1531](#). The Panel finds such circumstances present in this case.

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 <serenaandlilyinc.com> be transferred to the Complainant.

/William R. Towns/

William R. Towns

Sole Panelist

Date: April 8, 2022