

ARBITRATION AND MEDIATION CENTER

# ADMINISTRATIVE PANEL DECISION

LEGO Juris A/S v. Oleg Kovalev Case No. D2022-1993

#### 1. The Parties

The Complainant is LEGO Juris A/S, Denmark, represented by CSC Digital Brand Services Group AB, Sweden.

The Respondent is Oleg Kovalev, the Russian Federation.

#### 2. The Domain Names and Registrars

The disputed domain name <lego-metaverse.com> (the "Domain Name 1") is registered with Registrar of Domain Names REG.RU LLC (the "Registrar 1").

The disputed domain name <nft-lego.com> (the "Domain Name 2") is registered with GodDaddy.com LLC (the "Registrar 2").

Hereinafter, the Domain Name 1 and the Domain Name 2 will be collectively referred to as the "Domain Names".

#### 3. Procedural History

The Complaint was filed in English with the WIPO Arbitration and Mediation Center (the "Center") on June 1, 2022. On June 2, 2022, the Center transmitted by email to the Registrar 1 and the Registrar 2 requests for registrar verification in connection with the Domain Names. On June 3, 2022, the Registrar 2 transmitted by email to the Center its verification response in connection with the Domain Name 2 confirming that the Respondent is listed as the registrant and providing the contact details. On June 8, 2022, the Registrar 1 transmitted by email to the Center its verification response in connection with the Domain Name 1 confirming that the Respondent is listed as the registrant and providing the contact details.

On June 8, 2022, the Center sent an email to the Parties in both English and Russian regarding the language of the proceedings. On June 8, 2022, the Complainant reconfirmed its request that English be the language of the proceedings referring to the respective arguments contained in the Complaint in support of its request. The Respondent did not provide any comments regarding the language of the proceedings.

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 June 21, 2022. In accordance with the Rules, paragraph 5, the due date for Response was June 21, 2022. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on July 12, 2022.

The Center appointed Piotr Nowaczyk as the sole panelist in this matter on July 21, 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 a toy company. It is particularly focused on production of plastic construction toys. The Complainant's products are sold in more than 130 countries, including the Russian Federation.

The Complainant is the owner of numerous LEGO trademark registrations, including the Russian Federation Trademark Registration No. 58404registered on December 10, 1971.

The Complainant is also the owner of numerous domain names incorporating its LEGO trademark, including the domain name <lego.com>.

The Respondent registered the Domain Names on December 5, 2021.

On April 25, 2022, the Complainant sent the Respondent by email a cease and desist letter. However, the Complainant has not received any reply.

As of the date of this Decision, as well as at the time of submitting the Complaint, the Domain Name 1 resolved to an inactive website, while the Domain Name 2 resolved to a parking page of the Registrar 2 displaying pay-per-click ("PPC") links.

#### 5. Parties' Contentions

#### A. Complainant

The Complainant requests that the Domain Names be transferred to the Complainant. According to the Complainant, each of the three elements specified in paragraph 4(a) of the Policy are satisfied in the present case.

First, the Complainant submits that the Domain Names are confusingly similar to the LEGO trademark registrations of the Complainant.

Second, the Complainant argues that the Respondent has neither rights nor legitimate interests in the Domain Names.

Third, the Complainant submits that the Domain Names were registered and are being used in bad faith.

#### **B.** Respondent

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

#### 6. Discussion and Findings

Paragraph 4(a) of the Policy places a burden on the Complainant to prove the presence of three separate elements, which can be summarized as follows:

- (i) the Domain Names are 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 in the Domain Names; and
- (iii) the Domain Names have been registered and are being used in bad faith.

The requested remedy may only be granted if the above criteria are met.

At the outset, the Panel notes that the applicable standard of proof in UDRP cases is the "balance of probabilities" or "preponderance of the evidence". See section 4.2 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0").

## A. Language of the Proceeding

The language of the Registration Agreement for the Domain Name 1 is Russian. Paragraph 11(a) of the Rules provides that "unless otherwise agreed by the Parties, or specified otherwise in the Registration Agreement, the language of the administrative proceeding shall be the language of the Registration Agreement, subject to the authority of the Panel to determine otherwise, having regard to the circumstances of the administrative proceeding". The Panel may also order that any documents submitted in a language other than that of the proceeding be translated.

As noted by previous UDRP panels, paragraph 11 of the Rules must be applied in accordance with the overriding requirements of paragraphs 10(b) and 10(c) of the Rules that the parties are treated equally, that each party is given a fair opportunity to present its case, and that the proceeding takes place with due expedition (see, e.g., General Electric Company v. Edison Electric Corp. a/k/a Edison Electric Corp. General Energy, Edison GE, Edison-GE and EEEGE.COM, WIPO Case No. D2006-0334).

The Complainant has submitted a request that the language of the proceeding be English.

The Complainant contends, *inter alia*, that it is unable to communicate in Russian. The translation of the Complaint would unfairly disadvantage and burden the Complainant and delay the proceedings and adjudication of this matter. Such additional delay, considering the abusive nature of the Domain Names, poses continuing risk to the Complainant and consumers seeking the Complainant or its products.

Furthermore, the Complainant notes that the Domain Names are comprised of Latin characters. The term LEGO, which is the dominant part of the Domain Names, does not carry any specific meaning in the Russian language.

The Panel agrees that substantial additional expense and delay would likely be incurred if the Complaint had to be translated into Russian. Moreover, the Panel notes that the Respondent did not comment on the language of the proceeding nor submitted a Response, even though it was notified in English and Russian.

Thus, taking these circumstances into account, the Panel finds that it is appropriate to exercise its discretion and allow the proceeding to be conducted in English.

#### **B.** Identical or Confusingly Similar

The first element that the Complainant must establish is that the Domain Names are identical or confusingly similar to the Complainant's trademark rights.

The Complainant holds numerous valid LEGO trademark registrations, which precede the registration of the Domain Names.

The Domain Names incorporate the Complainant's LEGO trademark in its entirety. As numerous UDRP panels have held, incorporating a trademark in its entirety is sufficient to establish that a domain name is identical or confusingly similar to a registered trademark (see *PepsiCo, Inc. v. PEPSI, SRL (a/k/a P.E.P.S.I.)* and *EMS Computer Industry (a/k/a EMS)*, WIPO Case No. <u>D2003-0696</u>).

The addition of the terms "metaverse" and "nft" does not prevent a finding of confusing similarity between the Domain Names and the Complainant's trademark. UDRP panels have consistently held that where the relevant trademark is recognizable within the disputed domain name, the addition of other terms, whether descriptive, geographical, pejorative, meaningless, or otherwise, would not prevent a finding of confusing similarity under the first element. See <u>WIPO Overview 3.0</u>, section 1.8.

The Top-Level Domain (the "TLD") ".com" in the Domain Names is viewed as a standard registration requirement and as such are disregarded under the first element confusing similarity test. See <u>WIPO</u> Overview 3.0, section 1.11.1.

Given the above, the Panel finds that the Domain Names are confusingly similar to the Complainant's trademark. Thus, the Complainant has proved the requirements under paragraph 4(a)(i) of the Policy.

### C. Rights or Legitimate Interests

The second requirement the Complainant must prove is that the Respondents have no rights or legitimate interests in the Domain Names.

The respondent may establish a right or legitimate interest in the disputed domain name by demonstrating in accordance with paragraph 4(c) of the Policy any of the following:

- (i) that it has used or made 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 prior to the dispute; or
- (ii) that it is commonly known by the domain name, even if it has not acquired any trademark rights; or
- (iii) that it intends to make a legitimate, noncommercial or fair use of the domain name without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark.

Although given the opportunity, the Respondent has not submitted any evidence indicating that any of the circumstances foreseen in paragraph 4(c) of the Policy are present in this case.

On the contrary, it results from the evidence in the record that the Complainant's LEGO trademark registrations predate the Respondents' registrations of the Domain Names. There is no evidence in the case file that the Complainant has licensed or otherwise permitted the Respondent to use the LEGO trademark or to register the Domain Names incorporating this trademark. There is also no evidence to suggest that the Respondent has been commonly known by the Domain Names.

Furthermore, it does not result from the evidence in the record that the Respondent makes use of the Domain Names in connection with a *bona fide* offering of goods or services, or it makes a legitimate, noncommercial or fair use of the Domain Names without intent for commercial gain.

As regards the Domain Name 2, the Respondent uses this Domain Name to host a parked page comprising PPC links. Such use does not represent a *bona fide* offering, as these links capitalize on the reputation of the Complainant's LEGO mark and mislead Internet users. See <u>WIPO Overview 3.0</u>, section 2.9.

Panels have recognized that the use of a domain name to host a page comprising PPC links would be permissible – and therefore consistent with respondent rights or legitimate interests under the UDRP – where the domain name consists of an actual dictionary word(s) or phrase and is used to host PPC links genuinely related to the dictionary meaning of the word(s) or phrase comprising the domain name, and not to trade off the complainant's (or its competitor's) trademark. See WIPO Overview 3.0, section 2.9.

None of those circumstances are present with respect to the Domain Name 2. Instead, the Domain Name 2 appears to have been registered with the intent that confused Internet users searching for the Complainant will be directed to the Respondent's parked webpage for commercial gain. Such activity does not provide a right or a legitimate interest in the Domain Name 2 (see, e.g., M.F.H. Fejlesztő Korlátolt Felelősségû v. Satoshi Shimoshita, WIPO Case No. D2014-1726).

As regards the Domain Name 1, there is no evidence showing that the Respondent has used the Domain Name 1 to date, or it has a demonstrable plan to use the Domain Name 1.

Given the above, the Respondent has failed to invoke any circumstances, which could demonstrate, pursuant to paragraph 4(c) of the Policy, any rights or legitimate interests in respect of the Domain Names. Thus, there is no evidence in the case file that refutes the Complainant's *prima facie* case. The Panel concludes that the Complainant has also proved the requirement under paragraph 4(a)(ii) of the Policy.

#### D. Registered and Used in Bad Faith

The third requirement the Complainant must prove is that the Domain Names have been registered and are being used in bad faith.

Bad faith under the UDRP is broadly understood to occur where a respondent takes unfair advantage of or otherwise abuses a complainant's mark. See WIPO Overview 3.0, section 3.1.

Under paragraph 4(b) of the Policy, evidence of bad faith registration and use include without limitation:

- (i) circumstances indicating the domain name was registered or acquired primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the owner of a trademark or to a competitor of the trademark owner, for valuable consideration in excess of the documented out-of-pocket costs directly related to the domain name; or
- (ii) circumstances indicating that the domain name were registered in order to prevent the owner of a trademark from reflecting the mark in a corresponding domain name, provided it is a pattern of such conduct; or
- (iii) circumstances indicating that the domain name was registered primarily for the purpose of disrupting the business of a competitor; or
- (iv) circumstances indicating that the domain name has intentionally been used in an attempt to attract, for commercial gain, Internet users to a website or other on-line location, by creating a likelihood of confusion with a trademark as to the source, sponsorship, affiliation, or endorsement of the website or location or of a product or service on a website or location.

As indicated above, the Complainant's rights in the LEGO trademark predate the registration of the Domain Names. This Panel finds that the Respondent was or should have been aware of the Complainant's trademark at the time of registration of the Domain Names, as the Complainant's LEGO trademark is well-known globally and unique to the Complainant. Thus, the Respondent could not reasonably ignore the

reputation of the products this trademark identifies. The Respondent in all likelihood registered the Domain Names with the expectation of taking advantage of the reputation of the Complainant's trademark.

Moreover, as discussed above, the Domain Name 1 resolves to an inactive webpage. The Panel considers that such use of the Domain Name 1 could not be perceived as a good faith use. In the overall circumstances of this case, the Respondent's passive holding of the Domain Name 1 supports the finding of bad faith. As numerous UDRP panels have held, passive holding, under the totality of circumstances of the case, can constitute a bad faith use under the Policy. See *Telstra Corporation Limited v. Nuclear Marshmallows*, WIPO Case No. <u>D2000-0003</u> and *Novo Nordisk A/S v. CDMS Invest*, WIPO Case No. <u>D2012-0676</u>.

With regard to the Domain Name 2, as discussed above, it resolves to a parking page of the Registrar 2 displaying PPC links. Thus, the Domain Name 2 is used to direct Internet users to third party websites capitalizing on the reputation of the Complainant's LEGO mark. Such use of the Domain Name 2 could also not be perceived as a good faith use.

For the reasons discussed above, the Panel finds that the Complainant has proved the requirements 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 Names <lego-metaverse.com> and <nft-lego.com> be transferred to the Complainant.

/Piotr Nowaczyk/
Piotr Nowaczyk
Sole Panelist

Date: August 4, 2022