

ADMINISTRATIVE PANEL DECISION

Phat Panda LLC v. phatpanda cannabis
Case No. D2022-4141

1. The Parties

Complainant is Phat Panda LLC, United States of America, represented by Plus IP Firm, United States of America.

Respondent is phatpanda cannabis, United States of America.

2. The Domain Name and Registrar

The disputed domain name <phatpandacannabis.com> is registered with NetEarth One Inc. d/b/a NetEarth (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on November 2, 2022. On November 3, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On November 7, 2022, the Registrar transmitted by email to the Center its verification response confirming that Respondent is listed as the registrant and providing the contact details.

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 Respondent of the Complaint, and the proceedings commenced on November 11, 2022. In accordance with the Rules, paragraph 5, the due date for Response was December 1, 2022. Respondent did not submit any response. Accordingly, the Center notified Respondent's default on December 6, 2022.

The Center appointed Phillip V. Marano as the sole panelist in this matter on December 16, 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 is a recreational cannabis producer and retailer headquartered in Washington State, United States of America. Complainant provides information about its cannabis products, as well as offers PHAT PANDA branded merchandise for sale, through its official <phatpanda.com> domain name and website. Complainant owns a valid and subsisting registration for the PHAT PANDA trademark in the United States of America (Reg. No 6,645,664), that was registered on February 15, 2022, with priority dating back to March 23, 2014.

Respondent registered the disputed domain name on October 15, 2021. At the time this Complaint was filed, the disputed domain name resolved to a fraudulent website that misappropriates both Complainant's logo and copy-written website content, in an ostensible attempt to impersonate Complainant.

5. Parties' Contentions

A. Complainant

Complainant asserts ownership of the PHAT PANDA trademark and has adduced evidence of a trademark registration in the United States of America, with earliest priority dating back to March 23, 2014. The disputed domain name is confusingly similar to Complainant's PHAT PANDA trademark, according to Complainant, because: it wholly incorporates Complainant's PHAT PANDA trademark, plus the additional word "cannabis" used to market the disputed domain name in relation to Complainant's PHAT PANDA trademarks; and Respondent's website specifically targets Complainant's PHAT PANDA trademark, logo, and copy-written website content. According to Complainant, Respondent's website "has word-for-word copied Complainant's founders, vision, and mission statement".

Complainant further asserts that Respondent lacks any rights or legitimate interests in the disputed domain name based on: Complainant's longstanding prior use of the PHAT PANDA trademark; the lack of any evidence that Respondent is known by the phrase "phat panda"; and the lack of any consent or authorization from Complainant for Respondent to use Complainant's PHAT PANDA trademark.

Complainant argues that Respondent has registered and used the disputed domain name in bad faith for numerous reasons, including: Respondent's use of the disputed domain name to divert Internet users away from Complainant's own website; Respondent's website impersonation of Complainant; Respondent's website misappropriation of Complainant's PHAT PANDA trademark, logo, and copy-written website content; Respondent's apparent illicit sale of cannabis products through Respondent's website, and tarnishment of Complainant's PHAT PANDA trademarks and reputation by association with the same illegal sales; and Respondent's failure to respond to Complainant's cease and desist correspondence.

B. Respondent

The Respondent did not reply to the 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. 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 WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("[WIPO Overview 3.0](#)"), sections 4.2 and 4.3; 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. [WIPO Overview 3.0](#), section 1.2.1. Complainant submitted evidence that the PHAT PANDA trademark has been registered in the United States of America since February 15, 2022, with priority dating back to December 31, 2014. Thus, the Panel finds that Complainant's rights in the PHAT PANDA trademark have been established pursuant to the first element of the Policy. Accordingly, the Panel need not address Complainant's arguments regarding its common law trademark rights for purposes 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 PHAT PANDA trademark.

In this Complaint, the disputed domain name is confusingly similar to Complainant's PHAT PANDA trademark because, disregarding the ".com" generic Top-Level Domain ("gTLD"), the identical entirety of the trademark is contained within the disputed domain name. [WIPO Overview 3.0](#), section 1.7. ("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 regards to gTLDs, such as ".com" in the disputed domain name, they are generally viewed as a standard registration requirement and are disregarded under the first element. [WIPO Overview 3.0](#), section 1.11.

The combination with the term "cannabis" does not prevent a finding of confusing similarity between Complainant's PHAT PANDA trademark and the disputed domain name. WIPO Overview, section 1.8 (Additional terms "whether descriptive, geographic, pejorative, meaningless, or otherwise" do not prevent a finding of confusing similarity under the first element"); see also *AT&T Corp. v. WorldclassMedia.com*, WIPO Case No. [D2000-0553](#) ("Each of the domain names in dispute comprises a portion identical to [the ATT trademark] in which the Complainant has rights, together with a portion comprising a geographic qualifier, which is insufficient to prevent the composite domain name from being confusingly similar to Complainant's [ATT trademark]"); *OSRAM GmbH v. Cong Ty Co Phan Dau Tu Xay Dung Va Cong Nghe Viet Nam*, WIPO Case No. [D2017-1583](#) ("[T]he addition of the letters 'hbg' to the trademark OSRAM does not prevent a finding of confusing similarity between the Disputed Domain Name and the said trademark."). Indeed, the Panel concurs with Complainant that the additional term "cannabis" does not dispel the confusing similarity between Complainant's PHAT PANDA and the disputed domain name.

In view of the foregoing, 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.

Although Respondent is identified by WhoIs data for the disputed domain name as “phatpanda cannabis”, it is evident that Respondent is not commonly known by the disputed domain name or Complainant’s PHAT PANDA trademark.

UDRP panels have categorically held that use of a domain name for illegal activity - including the impersonation of the complainant - can never confer rights or legitimate interests on a respondent. Circumstantial evidence can support a credible claim made by complainant asserting Respondent is engaged in such illegal activity, including that respondent has masked its identity to avoid being contactable, or that Respondent’s website has been suspended by its hosting provider. [WIPO Overview 3.0](#), section 2.13. In its Complaint, Complainant has submitted direct and persuasive evidence of impersonation, including a side-by-side analysis of the website of both Complainant and Respondent. That analysis unequivocally demonstrates that Respondent has misappropriated Complainant’s PHAT PANDA trademark, Complainant’s panda logo, and word-for-word copy-written literary website content providing information about the founders, vision, and mission statement of Complainant.

To this end, the second and third elements of the Policy may be assessed together where clear indicia of bad faith suggests that there cannot be any Respondent rights or legitimate interests. [WIPO Overview 3.0](#), section 2.15.

In view of the foregoing, 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.

UDRP panels have categorically held that registration and use of a domain name for illegal activity - including impersonation, passing off, and other types of fraud - is manifestly considered evidence of bad faith. [WIPO Overview 3.0](#), section 3.4. Circumstantial evidence can support a complainant’s otherwise credible claim of illegal respondent activity, including *inter alia* evidence that: (i) goods are ordinarily only sold with complainant’s authorization; (ii) the respondent has misappropriated copyrighted images from the complainant; (iii) the respondent has masked its identity to avoid being contactable; and (iv) so-called “trap

purchases” demonstrate illegal respondent activity. [WIPO Overview 3.0](#), section 2.13.2. As discussed above, Complainant has proffered evidence that Respondent has misappropriated for its fraudulent website Complainant’s PHAT PANDA trademark, panda logo, and copy-written literary website content, specifically content identifying Complainant’s founders, vision and mission. Furthermore, Complainant has made credible arguments that Respondent’s ostensible website offers to sell cannabis products (including high-percentage THC cannabis flower, flower concentrate, and edible products) are illegal, and in violation of state regulations that prohibit the sale of cannabis online through an ecommerce storefront.

Finally, the Panel further concludes that failure by Respondent to answer Complainant’s cease and desist correspondence “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. [D2000-1460](#) (internal citations omitted). See also *Spyros Michopoulos S.A. v. John Talias, ToJo Enterprises*, WIPO Case No. [D2008-1003](#). Indeed, 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. [D2002-0787](#).

In view of the foregoing, 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, <phatpandacannabis.com>, be transferred to Complainant.

/Phillip V. Marano/

Phillip V. Marano

Sole Panelist

Date: January 9, 2023