

ADMINISTRATIVE PANEL DECISION

Definity Insurance Company v. Domain Sales - (Expired domain caught by auction winner) c/o Dynadot
Case No. D2022-4763

1. The Parties

The Complainant is Definity Insurance Company, Canada, represented by Gowling WLG (Canada) LLP, Canada.

The Respondent is Domain Sales - (Expired domain caught by auction winner) c/o Dynadot, United States of America ("U.S.").

2. The Domain Names and Registrars

The disputed domain names <definityshift.com>, <economicalshift.com>, and <sonnetshift.com> are registered with Dynadot, LLC (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on December 12, 2022. On December 13, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain names. On the same day, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the disputed domain names which differed from the named Respondent and contact information in the Complaint. The Center sent an email communication to the Complainant on December 15, 2022, providing the registrant and contact information disclosed by the Registrar. The Complainant filed an amendment to the Complaint on December 15, 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 December 16, 2022. In accordance with the Rules, paragraph 5, the due date for Response was January 5, 2023. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on January 6, 2023.

The Center appointed Antony Gold as the sole panelist in this matter on January 11, 2023. 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 publicly traded insurance company with its head office in Canada. It has over CAD 7 billion in assets and over CAD 3.5 billion in gross written premiums for the 12 month period ending September 30, 2022.

The Complainant uses a number of brands, each of which is protected by trade mark registrations in Canada. These include trade mark registration, number 962582, for SONNET in class 36, registered on February 10, 2017; trade mark registration, number 1134236, for DEFINITY in class 36, registered on July 13, 2022; and trade mark registration, number 467676, for ECONOMICAL in class 36, registered on December 16, 1996 (collectively, the "Complainant's trade marks").

The Complainant also has a large number of pending trade mark applications in Canada for DEFINITY in a variety of different stylizations and formats and in combination with other terms, although it would appear that none of these applications had proceeded to grant by the date of registration of the disputed domain names.

On May 5, 2022, the Complainant applied for Canadian trade mark registrations for SONNET SHIFT (application number 2183868), ECONOMICAL SHIFT (application number 2183871) and DEFINITY SHIFT (application number 2183870), (collectively, the "Complainant's trade mark applications"). Each of the disputed domain names was registered by the Respondent six days later, that is on May 11, 2022. The disputed domain names were each initially offered for sale on third-party websites at a price of USD 4,995 although, in response to an email enquiry made on behalf of the Complainant in September 2022, a third party acting on behalf of the Respondent indicated that the Respondent was seeking USD 15,000 for each of the disputed domain names.

Each of the disputed domain names presently redirect to a third party webpage indicating that it is for sale at a price of USD 4,995.

5. Parties' Contentions

A. Complainant

The Complainant says that the disputed domain names are confusingly similar to its SONNET, DEFINITY, and ECONOMICAL trade marks. The entirety of each of these marks is included within the corresponding disputed domain name. Moreover, the disputed domain names are identical to the Complainant's trade mark applications for SONNET SHIFT, DEFINITY SHIFT, and ECONOMICAL SHIFT.

The Complainant says also that the Respondent has no rights or legitimate interests in respect of the disputed domain names. There is no evidence that the Respondent has used or made demonstrable preparations to use, the disputed domain names in connection with a *bona fide* offering of goods and services. There has never been any relationship between the Complainant and the Respondent. Moreover, the Respondent's registration of the disputed domain names, six days after the filing of the Complainant's trade mark applications, undermines a claim of rights or legitimate interests on the part of the Respondent, who registered the disputed domain names in anticipation of the Complainant's trade mark rights. There is no relationship between the Complainant and the Respondent and the Respondent has not been licensed or otherwise authorized to use the Complainant's trade marks, including as part of a domain name.

Furthermore, there is no evidence that the Respondent has been commonly known by any of the disputed domain names nor that it is making, or intends to make, a legitimate non-commercial or fair use of them.

Lastly, the Complainant says that the disputed domain names were registered and are being used in bad faith. Given the circumstances of the Respondent's registration of the disputed domain names, there can be no doubt that the Respondent had actual knowledge of the Complainant's marks as at their date of registration. The Respondent acquired the disputed domain names for the purpose of selling, renting or otherwise transferring them to the Complainant for valuable consideration in excess of its actual costs of registration. The prices at which the disputed domain names have been offered for sale are more than enough to support a finding of bad faith. Furthermore, the Respondent has engaged in a pattern of registering domain names that contain trade marks to which it is not entitled and has prevented the Complainant from registering the disputed domain names. Specifically, following disclosure of the details of the underlying registrant of the disputed domain names, the Complainant has found six instances of prior decisions under the Policy where UDRP panels have found against the Respondent.

The fact that the disputed domain names do not do any more than resolve to websites that offer them for sale does not prevent a finding that they have been registered in order to intentionally attempt to attract, for commercial gain, Internet users to its websites by creating a likelihood of confusion with the Complainant's marks as to the source, sponsorship, affiliation or endorsement of those websites.

Registering a domain name in anticipation of trade mark rights, including following the filing of a trade mark application supports a finding of bad faith. Furthermore, the disputed domain names, if ever put to use, would likely confuse potential customers into believing that the Respondent was somehow affiliated with, or endorsed by, the Complainant and would result in Internet traffic being diverted from the Complainant for the financial gain of the Respondent.

B. Respondent

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

6. Discussion and Findings

Dealing, first, with the Respondent's failure to file a response to the Complaint, paragraph 14(b) of the Rules provides that if a party, in the absence of exceptional circumstances, does not comply with a provision of, or requirement under, these Rules, the Panel shall be entitled to draw such inferences from this omission as it considers appropriate.

Paragraph 4(a) of the Policy provides that the Complainant proves each of the following three elements in order to succeed in its Complaint:

- (i) the disputed domain names are identical or confusingly similar to a trade mark or service mark in which the Complainant has rights; and
- (ii) the Respondent has no rights or legitimate interests in respect of the disputed domain names; and
- (iii) the disputed domain names have been registered and are being used in bad faith.

A. Identical or Confusingly Similar

The Complainant has produced details of its registered marks for DEFINITY, ECONOMICAL, and SONNET and has thereby established its rights in these terms. None of the Complainant's applications for SONNET SHIFT, ECONOMICAL SHIFT, and DEFINITY SHIFT have yet proceeded to grant. Additionally, it should be noted that the earliest of the Complainant's registered rights for DEFINITY post-dates the date of registration of the disputed domain names on May 11, 2022, which bears relevance for purposes of the Panel's analysis in the third element below. Pending applications for trade marks do not qualify as registered rights for the purpose of the first element of the Policy although it is sufficient that any registered mark relied on is in existence as at the date of filing of the Complaint; see section 1.1.3 of the WIPO Overview of WIPO Panel

Views on Selected UDRP Questions, Third Edition (“[WIPO Overview 3.0](#)”). For these reasons, the Panel considers only the Complainant’s trade marks and not its trade mark applications under this element of the Policy.

When considering whether the disputed domain names are identical or confusingly similar to the Complainant’s trade marks, the generic Top Level Domain “.com” is disregarded as it is a technical requirement of registration. Each of the disputed domain names comprises one of the Complainant’s DEFINITY, ECONOMICAL, and SONNET trade marks in full and without alteration, followed by the word “shift”. This additional term does not prevent the disputed domain names from being found confusingly similar to the Complainant’s marks. As explained at section 1.8 of the [WIPO Overview 3.0](#): “Where the relevant trade mark 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 also *LinkedIn Corporation v. Daphne Reynolds*, WIPO Case No. [D2015-1679](#).

The Complainant’s mark DEFINITY, ECONOMICAL, and SONNET trade marks are recognizable within the applicable corresponding disputed domain name and the Panel accordingly finds that they are confusingly similar to the corresponding marks of the Complainant. The Panel therefore finds that the disputed domain names are confusingly similar to trade marks in which the Complainant has rights.

B. Rights or Legitimate Interests

Paragraph 4(c) of the Policy provides, in summary, that a respondent may demonstrate that it may have rights or legitimate interests in a disputed domain name by demonstrating either that, before any notice to it of the dispute, it has been using or has made demonstrable preparations to use, the domain name in connection with a *bona fide* offering of goods or services or that it has been commonly known by the domain name or that it has been making a legitimate noncommercial or fair use of the domain name.

Each of the disputed domain names is comprised of two dictionary terms, namely the words “definity”, “economical”, and “sonnet” respectively, followed by the word “shift”. There are certain, specific circumstances in which a respondent may be considered to have rights or a legitimate interest in a domain name comprising a dictionary term or terms even where those terms have been registered as trade marks by the complainant. However, no such rights or interests in a domain name will be found if (amongst other circumstances) the respondent has, in its choice of domain name, been targeting a complainant’s trade mark rights; see, for example, *Calvin Klein Trademark Trust and Calvin Klein, Inc. v. Private By Design, LLC / Yong Sik Choi*, WIPO Case No. [D2019-2483](#). It is entirely clear, that, for reasons discussed below in relation to the third element, the Respondent has, in its registration and subsequent offering for sale of the disputed domain names, been targeting the Complainant’s nascent trade mark rights. For these purposes, as discussed below, the fact that the Complainant’s trade mark applications had not (and have not) proceeded to grant is immaterial. Accordingly, the offering for sale of the disputed domain names does not comprise a *bona fide* offering of goods and services.

The second and third circumstances set out at paragraph 4(c) of the Policy are inapplicable; there is no evidence that the Respondent is commonly known by any of the disputed domain names and the use to which they have been put is commercial in character.

As explained at section 2.1 of the [WIPO Overview 3.0](#), once a complainant has made out a *prima facie* case that a respondent lacks rights or legitimate interests in a domain name, the burden of production shifts to the respondent to show that it does have such rights or legitimate interests. In the absence of any response from the Respondent to the Complaint, it has failed to satisfy this burden.

The Panel accordingly finds that the Respondent has no rights or legitimate interests with respect to the disputed domain names.

C. Registered and Used in Bad Faith

As at the date of registration of the disputed domain names, the Complainant had acquired registered trade mark rights in the marks ECONOMICAL and SONNET but not in its DEFINITY mark, nor in any of the trade mark applications.

In many circumstances, it is necessary for a complainant's trade mark rights to have accrued prior to the registration of the domain name in issue in order for the complainant to be able to establish that the domain name has been registered in bad faith. However, as explained at section 3.8.2 of the [WIPO Overview 3.0](#); "[W]here the facts of the case establish that the respondent's intent in registering the domain name was to unfairly capitalize on the complainant's nascent (typically as yet unregistered) trademark rights, panels have been prepared to find that the respondent has acted in bad faith" Such circumstances can include where a domain name has been registered following (and as a consequence of) a complainant's filing of a trade mark application. See, for example, *Microban Products Company v. Super Privacy Service LTD c/o Dynadot / Akin Demir*, WIPO Case No. [D2022-2869](#).

Such circumstances are found to be present in these proceedings. It cannot be coincidental that, six days after the filing of the Complainant's applications for the marks SONNET SHIFT, ECONOMICAL SHIFT, and DEFINITY SHIFT, the Respondent has applied for the three disputed domain names, which correspond exactly to the Complainant's trade mark applications. The close proximity in time between the filing of the Complainant's trade mark applications and the Respondent's registration of the disputed domain names coupled with the exact correlation between the disputed domain names and the Complainant's trade mark applications excludes any other plausible explanation. The Panel's understanding is that trade mark applications which have been checked, or "formalized" by the Canadian Intellectual Property Office are entered into a database accessible by the public, but, whether through this means or some other, the Complainant's trade mark applications have come to the Respondent's attention and the Respondent has evidently registered the disputed domain names in the hope of being able to sell them to the Complainant, or a competitor of the Complainant, for a sum in excess of its costs of registration. Such conduct falls within the circumstance of bad faith described at paragraph 4(b)(i) of the namely that the Respondent has registered the disputed domain names primarily for the purpose of selling, renting, or otherwise transferring them to the Complainant or to a competitor of the Complainant, for valuable consideration in excess of its documented out-of-pocket costs directly related to the disputed domain names.

The Respondent's bad faith is further affirmed by three factors. First, the only use to which the Respondent has put the disputed domain names is to offer them for sale. Second, the Respondent has not filed a Response to the Complaint nor in any other way attempted to challenge the Complainant's assertions. Finally, the Complainant has provided details of six other decisions under the Policy in which prior UDRP panels have found that the Respondent has registered other domain names in bad faith including, by way of example *Microban Products Company v. Domain Sales - (Expired domain caught by auction winner) c/o Dynadot*, WIPO Case No. [D2022-2930](#), and *Solvay Société Anonyme v. Domain Sales - (Expired domain caught by auction winner) c/o Dynadot*, WIPO Case No. [D2022-1628](#). This establishes a pattern of conduct on its part for the purpose of a finding of bad faith registration and use under paragraph 4(b)(ii) of the Policy, namely that the Respondent has registered the disputed domain names in order to prevent the Complainant from reflecting its (presently nascent) marks in corresponding domain names and has previously engaged in a pattern of such conduct.

For the above reasons, the Panel finds that the disputed domain names have been registered and are being used in bad faith.

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 names <definityshift.com>, <economicalshift.com>, and <sonnetshift.com> be transferred to the Complainant.

/Antony Gold/

Antony Gold

Sole Panelist

Date: January 25, 2023