

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Zoro Tools, Inc. v. Zoro Supply, zorosupply Case No. D2023-2825

1. The Parties

Complainant is Zoro Tools, Inc., United States of America ("United States" or "U.S."), represented by Greenberg Traurig, LLP, United States.

Respondent is Name Redacted 1.

2. The Domain Name and Registrar

The disputed domain name <zorosupplies.com> is registered with Tucows Inc. (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on June 30, 2023. On July 3, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On July 4, 2023, 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 (Contact Privacy Inc. Customer 0167111586) and contact information in the Complaint. The Center sent an email communication to Complainant on July 11, 2023, providing the registrant and contact information disclosed by the Registrar, and inviting Complainant to submit an amendment to the Complaint. The Center received four email communications from Respondent on July 11, 2023, and one on July 12, 2023. Complainant filed an amended Complaint on July 14, 2023.

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").

¹ The Respondent appears to have used the name of a third party when registering the disputed domain name. In light of the potential identity theft, the Panel has redacted the Respondent's name from this decision. However, the Panel has attached as Annex 1 to this decision an instruction to the Registrar regarding transfer of the disputed domain name, which includes the name of the Respondent. The Panel has authorized the Center to transmit Annex 1 to the Registrar as part of the order in this proceeding, and has indicated Annex 1 to this decision shall not be published due to the exceptional circumstances of this case. See *Banco Bradesco S.A. v. FAST-12785241 Attn. Bradescourgente.net/Name Redacted*, WIPO Case No. <u>D2009-1788</u>.

In accordance with the Rules, paragraphs 2 and 4, the Center formally notified Respondent of the Complaint, and the proceedings commenced on July 19, 2023. In accordance with the Rules, paragraph 5, the due date for Response was August 8, 2023. Respondent did not submit any response. The Center notified the commencement of Panel appointment process on August 21, 2023. The Center received another email communication from the Respondent on August 28, 2023.

The Center appointed Scott R. Austin as the sole panelist in this matter on August 28, 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 following facts appear from the Complaint and its attached Annexes, which have not been contested by Respondent, and which provide evidence sufficient to support:

Since 2011, Complainant Zoro Tools, Inc. and its affiliate Zoro IP Holdings, LLC (collectively, "Complainant"), has provided industrial parts, tools, and supplies under the mark ZORO (the "ZORO Mark") as an ecommerce business through its website located at "www.zoro.com" (the "Official ZORO Website"). Complainant has over 600 employees, sells over 11 million products, and in 2022 generated over USD 1 Billion in revenue.

Complainant is headquartered at 909 Asbury Dr, Buffalo Grove IL 60089, United States (the "Official ZORO Address"), its email address is "[...]@zoro.com" (the "Official ZORO Email Address").

The ZORO Mark is protected by Complainant as the holder of trademark registrations for its tool supply products and services in a number of countries, including:

- Canada Trademark Registration No. TMA927108, registered January 26, 2016;
- U.S. Trademark Registration No. 4755879, registered June 16, 2015, for catalogs in the field of industrial janitorial equipment and supplies in International Class 16, as well as a range of online catalog and supply distribution services in International Class 35, and claiming a first use date for each class of April 23, 2014; and
- Mexico Trademark Registration No. 1535035, registered May 4, 2015.

The disputed domain name was registered on April 25, 2023. As of the date of the filing of the Complaint, the disputed domain name resolved to a "copycat" website selling products highly similar to those offered on Complainant's Official ZORO Website, with a landing page that prominently displayed Complainant's ZORO Mark and employed a "Contact Us" page which displayed the Official ZORO Address, as well as an email address ("askzoro@[...].com"), deceptively similar to the Official ZORO Customer Service Email Address, and a phone number that is not Complainant's official customer service number, but one substituted by Respondent to further a phishing scheme to obtain financial and personal information from consumers.

5. Parties' Contentions

A. Complainant

Complainant contends that it has satisfied each of the elements required under the Policy for transfer of the disputed domain name. Complainant contends that the disputed domain name is identical or confusingly similar to Complainant's trademark; that Respondent has no rights or legitimate interests in respect of the disputed domain name; and that the disputed domain name was registered and is being used in bad faith.

B. Respondent

Respondent did not submit a formal response to Complainant's contentions. However, a person identified as the Respondent contacted the Center on multiple occasions via email on the dates referenced in section 3 above regarding the claimed unauthorized use of its identity and contact details in relation to the disputed domain names.

6. Discussion and Findings

The *onus* is on Complainant to make out its case and it is apparent from the terms of the Policy that Complainant must show that all three elements set out in paragraph 4(a) of the Policy have been established before any order can be made to transfer a domain name. As the proceedings are administrative, the standard of proof under the Policy is often expressed as the "balance of the probabilities" or "preponderance of the evidence" standard. Under this standard, an asserting party needs to establish that it is more likely than not that the claimed fact is true. See, WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 4.2.

Thus, for Complainant to succeed it must prove within the meaning of paragraph 4(a) of the Policy and on the balance of probabilities that:

- 1. The disputed domain name is identical or confusingly similar to a trademark or service mark in which Complainant has rights; and
- 2. Respondent has no rights or legitimate interests in respect of the disputed domain name; and
- 3. The disputed domain name has been registered and is being used in bad faith.

The Panel will deal with each of these requirements in turn.

A. Identical or Confusingly Similar

It is well accepted that the first element functions primarily as a standing requirement. The standing (or threshold) test for confusing similarity involves a reasoned but relatively straightforward comparison between Complainant's trademark and the disputed domain name. <u>WIPO Overview 3.0</u>, section 1.7.

Based on the available record, the Panel finds Complainant has shown rights in respect of a trademark or service mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.2.1. See *Janus Int'l Holding Co. v. Rademacher*, WIPO Case No. <u>D2002-0201</u>.

The Panel finds the entirety of the mark is reproduced within the disputed domain name. Accordingly, the disputed domain name is identical or confusingly similar to the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.7.

While the addition of other terms, here, "supplies", may bear on assessment of the second and third elements, the Panel finds the addition of such term does not prevent a finding of confusing similarity between the disputed domain name and the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.8. See also *Oki Data Ams., Inc. v. ASD, Inc.*, WIPO Case No. <u>D2001-0903</u>.

Based on the available record, the Panel finds the first element of the Policy has been established.

B. Rights or Legitimate Interests

Paragraph 4(c) of the Policy provides a list of circumstances in which Respondent may demonstrate rights or legitimate interests in a disputed domain name:

"Any of the following circumstances, in particular but without limitation, if found by the Panel to be proved based on its evaluation of all evidence presented, shall demonstrate your rights or legitimate interests to the domain name for purposes of paragraph 4(a)(ii):

- (i) before any notice to you of the dispute, your use of, or demonstrable 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; or
- (ii) you (as an individual, business, or other organization) have been commonly known by the domain name, even if you have acquired no trademark or service mark rights; or
- (iii) you are 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."

While the overall burden of proof in UDRP proceedings is on the complainant, panels have recognized that proving a respondent lacks rights or legitimate interests in a domain name may result in the often impossible task of "proving a negative", requiring information that is often primarily within the knowledge or control of the respondent. As such, where a complainant makes out a *prima facie* case that the respondent lacks rights or legitimate interests, the burden of production on this element shifts to the respondent to come forward with relevant evidence demonstrating rights or legitimate interests in the domain name. If the respondent fails to come forward with such relevant evidence, the complainant is deemed to have satisfied the second element. WIPO Overview 3.0, section 2.1.

Having reviewed the record, the Panel finds Complainant has established a *prima facie* case that Respondent lacks rights or legitimate interests in the disputed domain name. Respondent has not rebutted Complainant's *prima facie* showing and has not come forward with any relevant evidence demonstrating rights or legitimate interests in the disputed domain names such as those enumerated in the Policy or otherwise.

Notably, the Panel finds that Complainant has established the requisite *prima facie* case based on its submissions that Respondent is not commonly known by the disputed domain name, has received no permission or license to use Complainant's mark therein, is not using the disputed domain name in connection with a *bona fide* offering of goods or services, and that the disputed domain name resolves to a copycat website featuring Complainant's mark used to promote and sell tool supply products in competition with Complainant as well as possibly engage in an illegal phishing scheme. The Panel finds Respondent is passing itself off to misappropriate the goodwill developed in Complainant's rights in the ZORO Mark by operating a website with the intent to mislead Internet users into thinking there is an affiliation between Complainant and Respondent. The use of the disputed domain name in connection with a website which copies Complainant's ZORO Mark and other official content elements from the Official ZORO Mark Website while inserting Respondent's own deceptively similar email address and phone number to clearly impersonate Complainant and further Respondent's illegitimate phishing scheme, cannot be regarded as a legitimate noncommercial or fair use of the disputed domain name. See, *e.g.*, *Accor v. Eren Atesmen*, WIPO Case No. D2009-0701; *Chrome Hearts LLC v. Tony Lou*, WIPO Case No. D2009-0964.

Panels have held that the use of a domain name for illegal activity (*e.g.*, the sale of counterfeit goods or illegal pharmaceuticals, phishing, distributing malware, unauthorized account access/hacking, impersonation/passing off, or other types of fraud) can never confer rights or legitimate interests on a respondent. <u>WIPO Overview 3.0</u>, section 2.13.1.

In these circumstances, the burden of production shifts to Respondent to bring forward evidence of its rights and legitimate interests in the disputed domain name. Respondent has failed to file any formal Response in this administrative proceeding and has put forward no submissions or evidence demonstrating any rights or legitimate interests in the disputed domain name. There is no evidence before the Panel indicating that any of the items in paragraph 4(c) of the Policy might be relevant in the circumstances of this case.

Based on the available record, the Panel finds the second element of the Policy has been established.

C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy sets out a list of non-exhaustive circumstances that may indicate that a domain name was registered and used in bad faith, but other circumstances may be relevant in assessing whether a respondent's registration and use of a domain name is in bad faith. <u>WIPO Overview 3.0</u>, section 3.2.1.

For the reasons discussed in detail regarding Respondent's website under the previous ground, the Panel finds that Respondent registered and used the disputed domain name in bad faith. In the present case, the Panel notes that this finding is supported by the following circumstances.

First, the Panel agrees with Complainant's supported allegation that Respondent's disputed domain name has been used to host a website passing itself off as Complainant's website which at best, engages in fraudulent purchase transactions with consumers, and at worst is used to steal consumers' personal or company information through a fraudulent phishing scheme. Respondent, by comingling on its copycat website "official" content copied from Complainant's Official ZORO Mark Website with Respondent's substituted email address and phone number, is impersonating Complainant to divert Internet traffic from Complainant to Respondent for Respondent's commercial gain. Such activities fall squarely within the explicit example of bad faith registration and use found in the Policy at paragraph 4(b)(iv). See, American Airlines, Inc. v. Andrew morrill, flybrix Ilc, WIPO Case No. D2023-0635.

Second, Respondent's use of the disputed domain name to pretend that it is Complainant or to falsely associated itself with Complainant and sell competing products from its imposter website "brings the case within the provisions of paragraph 4(b)(iii) of the Policy, for it shows the Respondent registered the domain name primarily for the purpose of disrupting the business of a competitor, namely the Complainant." See *Graybar Services Inc. v. Graybar Elec, Grayberinc Lawrenge*, WIPO Case No. <u>D2009-1017</u>.

Third, given the above, that Respondent incorporated Complainant's famous ZORO Mark into the disputed domain name and configured an imposter website accessed through the disputed domain name targeting Complainant, the Panel also finds it inconceivable that Respondent did not have actual knowledge of this trademark at the time of registration of the disputed domain name. Respondent must have known of Complainant and its business activities when Respondent registered and began using the disputed domain name in bad faith to take advantage of Complainant and its ZORO Mark. See *Pfizer, Inc. v. Suger*, WIPO Case No. D2002-0187.

Finally, UDRP panels have held that the use of a domain name for illegal activity (e.g., the sale of counterfeit goods or illegal pharmaceuticals, phishing, distributing malware, unauthorized account access/hacking, impersonation/passing off, or other types of fraud) constitutes bad faith. WIPO Overview 3.0, section 3.4.

Having reviewed the record, the Panel finds Respondent's registration and use of the disputed domain name constitutes bad faith under the Policy.

Based on the available record, the Panel finds the third element of the Policy has been established.

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 <zorosupplies.com> be transferred to Complainant.

/Scott R. Austin/ Scott R. Austin Sole Panelist

Date: September 11, 2023