

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Dreams USA, Inc. v. Social Digic, Sonny Angels Case No. D2024-0566

1. The Parties

The Complainant is Dreams USA, Inc., United States of America, represented by Hinckley, Allen & Snyder, LLP, United States of America ("United States").

The Respondent is Social Digic, Sonny Angels, Spain.

2. The Domain Name and Registrar

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

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on February 7, 2024. On February 8, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Name. On February 8, 2024, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the Domain Name which differed from the named Respondent (Contact Privacy Inc. Customer 0170068109) and contact information in the Complaint. The Center sent an email communication to the Complainant on February 12, 2024, 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 14, 2024.

The Respondent sent email communications to the Center on February 14-19, 2024, indicating that it wished to transfer the Domain Name to the Complainant. On February 21, 2024, the Center sent the Parties the Notification of Suspension of the proceeding. On April 9, 2024, the Center notified the Parties of the Reinstitution of Proceeding.

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 April 10, 2024. In accordance with the Rules, paragraph 5, the due date for Response was April 30, 2024. The Respondent did not file a formal Response to the Notification of Complaint and Commencement of Administrative Proceeding. The Center sent the Notification of Respondent Default on May 1, 2024.

The Center appointed Nicholas Smith as the sole panelist in this matter on May 8, 2024. 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 an American company that exclusively distributes (in the Americas) a line of collectible figures called Sonny Angel dolls, a series of PVC figures representing a fictitious two-year old cherub, created by the Complainant's parent company Dreams Inc. (Japan). It offers its products from its website at "www.dreams6usa.com" under the trademark SONNY ANGEL (the "SONNY ANGEL Mark").

The Complainant has registered the SONNY ANGEL Mark as a trademark in the United States for goods in class 28 (Registration Number 6,663,607, registered March 8, 2022, with a date of first use of 2004).

The Domain Name <sonnyangelsstore.com> was registered on January 29, 2024. The Domain Name is presently inactive but prior to the commencement of the proceeding resolved to a website (the "Respondent's Website") that reproduced the SONNY ANGEL Mark and images of the Complainant's products. The Respondent's Website purported to offer the Complainant's products or counterfeit versions of the Complainant's products under the Complainant's SONNY ANGEL Mark and asserted that it was "an official online store of Sonny Angel managed by Dreams USA, Inc" which was and is not the case.

5. Parties' Contentions

A. Complainant

The Complainant contends that it has satisfied each of the elements required under the Policy for a transfer of the Domain Name.

Notably, the Complainant contends that:

- a) The Complainant is the owner of the SONNY ANGEL Mark, having registered the SONNY ANGEL Mark in the United States. The Domain Name is confusingly similar to the SONNY ANGEL Mark as it reproduces the SONNY ANGEL Mark and adds the descriptive term "store" and a generic Top-Level Domain ("gTLD") which does not distinguish the Domain Name from the SONNY ANGEL Mark.
- b) There are no rights or legitimate interests held by the Respondent in respect of the Domain Name. The Respondent is not commonly known as the Domain Name nor does the Respondent have any authorization from the Complainant to register the Domain Name. The Respondent is not making a legitimate noncommercial fair use of the Domain Name. Rather the Respondent is using the Domain Name to create a website that sells unauthorised or counterfeit versions of the Complainant's products and falsely asserts that it is an official website of the Complainant, such use not being bona fide.
- c) The Domain Name was registered and is being used in bad faith. By using the Domain Name for a website that falsely asserts that it is managed by the Complainant, the Respondent is clearly aware of the SONNY ANGEL Mark and is using it to deceive consumers as to its affiliation with the Complainant. Such conduct amounts to registration and use of the Domain Name in bad faith.

B. Respondent

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

6. Discussion and Findings

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 the Complainant's trademark and the Domain Name. WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition, ("WIPO Overview 3.0"), section 1.7.

The Complainant has shown rights in respect of a trademark or service mark for the purposes of the Policy. WIPO Overview 3.0, section 1.2.1.

The entirety of the mark is reproduced within the Domain Name. Accordingly, the Domain Name is confusingly similar to the mark for the purposes of the Policy. WIPO Overview 3.0, section 1.7.

Although the addition of other terms here "s" and "store" may bear on assessment of the second and third elements, the Panel finds the addition of such terms does not prevent a finding of confusing similarity between the Domain Name and the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.8.

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 the Respondent may demonstrate rights or legitimate interests in a Domain Name.

Although 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 difficult 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 (although the burden of proof always remains on the complainant). 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 available record, the Panel finds the Complainant has established a prima facie case that the Respondent lacks rights or legitimate interests in the Domain Name. The Respondent has not rebutted the Complainant's prima facie showing and has not come forward with any relevant evidence demonstrating rights or legitimate interests in the Domain Name such as those enumerated in the Policy or otherwise.

The Panel considers that the record of this case reflects that:

- before any notice to the Respondent of the dispute, the Respondent did not use, nor has it made 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. Paragraph 4(c)(i) of the Policy, and WIPO Overview 3.0, section 2.2;

- the Respondent (as an individual, business, or other organization) has not been commonly known by the Domain Name. Paragraph 4(c)(ii) of the Policy, and WIPO Overview 3.0, section 2.3;
- the Respondent is not 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. Paragraph 4(c)(iii) of the Policy, and WIPO Overview 3.0, section 2.4; and
- the record contains no other factors demonstrating rights or legitimate interests of the Respondent in the Domain Name.

The Whols lists "Sonny Angels" as registrant of record. However, the Panel is not satisfied that the Respondent is actually commonly known under this name as opposed to simply registering the Domain Name under a pseudonym for the purpose of asserting rights or legitimate interests. The Respondent has provided no evidence that an entity known as "Sonny Angels" exists and is legitimately trading. Even if a respondent's name appears from the Whols record to correspond to the domain name, without additional affirmative evidence, it can be concluded that such a respondent is not commonly known by the disputed domain name under Policy 4(c)(ii). Given the conduct set out in the next paragraph, indicating that the Respondent is actively passing off as the Complainant, the Panel finds on the balance of probabilities that the Respondent is not commonly known by the Domain Name and the Sonny Angels name is merely a pseudonym that is part of a broader effort by the Respondent to pass off as the Complainant.

The Respondent has used the Domain Name to operate a website to sell figurines that purport to be legitimate SONNY ANGEL products. The Complainant submits that such figurines are likely to be counterfeit. If the figurines sold on the Respondent's Website are not genuine products produced by the Complainant, the Respondent's use of the Domain Name does not grant it rights or legitimate interests since it is using the Complainant's SONNY ANGEL Mark for a site selling counterfeit products.

Even if the Respondent is offering genuine SONNY ANGEL figurines from the Respondent's Website, such use does not automatically grant it rights and legitimate interests. The principles that govern whether a reseller of genuine goods has rights or legitimate interests have been set out in a variety of UDRP decisions, starting with the case of *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. <u>D2001-0903</u>.

The <u>WIPO Overview 3.0</u>, section 2.8 summarizes the consensus views of UDRP panels in assessing claims of nominative (fair) use by resellers or distributors in the following manner:

- "... Panels have recognized that resellers, distributors, or service providers using a domain name containing the complainant's trademark to undertake sales or repairs related to the complainant's goods or services may be making a bona fide offering of goods and services and thus have a legitimate interest in such domain name. Outlined in the 'Oki Data test', the following cumulative requirements will be applied in the specific conditions of a UDRP case:
- (i) the respondent must actually be offering the goods or services at issue;
- (ii) the respondent must use the site to sell only the trademarked goods or services;
- (iii) the site must accurately and prominently disclose the registrant's relationship with the trademark holder; and
- (iv) the respondent must not try to 'corner the market' in domain names that reflect the trademark.

The 'Oki Data test' does not apply where any prior agreement, express or otherwise, between the parties expressly prohibits (or allows) the registration or use of domain names incorporating the complainant's trademark."

In this case, the Respondent's Website does not accurately or prominently disclose the Respondent's relationship with the Complainant, in particular that it is not an authorized dealer or has any particular connection with the Complainant. Rather, its prominent display of the SONNY ANGEL Mark, the absence of a disclaimer and blatant misrepresentation that the website is operated by the Complainant results in the impression that the Respondent's Website is an official website of the Complainant. Even in the event that the Respondent is reselling genuine SONNY ANGEL products, its use of the Domain Name for the Respondent's Website does not grant it rights or legitimate interests in the Domain Name.

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

C. Registered and Used in Bad Faith

The Panel notes that for the purposes of paragraph 4(a)(iii) of the Policy, paragraph 4(b) of the Policy establishes circumstances, in particular but without limitation, that if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith.

The Panel considers that the record of this case reflects that the Respondent has intentionally attempted to attract, for commercial gain, Internet users to its website or other online location, by creating a likelihood of confusion with the Complainant's SONNY ANGEL Mark as to the source, sponsorship, affiliation, or endorsement of the Respondent's Website or location or of a product or service on the Respondent's Website. Paragraph 4(b)(iv) of the Policy, and WIPO Overview 3.0, section 3.1.4. The Respondent registered the Domain Name for the purposes of operating a website specifically to sell either the Complainant's products or counterfeit products that compete with the Complainant's figurines. The Respondent is using a Domain Name that is confusingly similar to the SONNY ANGEL Mark to sell products, be they genuine or otherwise, in competition with the Complainant and without the Complainant's approval and without meeting the Oki Data test. The fact that the Domain Name no longer resolves to an active website does not prevent a finding of bad faith.

The Panel finds that the 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 Domain Name <sonnyangelsstore.com> be transferred to the Complainant.

/Nicholas Smith/
Nicholas Smith
Sole Panelist
Date: May 21, 2024