

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

AK Futures LLC v. Adams Terry Case No. D2024-1008

1. The Parties

The Complainant is AK Futures LLC, United States of America ("United States"), represented by Matthew Miller, Esq., United States.

The Respondent is Adams Terry, United States.

2. The Domain Name and Registrar

The disputed domain name <officialcakebrand.com> is registered with NameSilo, LLC (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on March 7, 2024. On March 7, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On March 7, 2024, 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 (Unknown, private registration) and contact information in the Complaint. The Center sent an email communication to the Complainant on March 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 amended Complaint on March 12, 2024.

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").

In accordance with the Rules, paragraphs 2 and 4, the Center formally notified the Respondent of the Complaint, and the proceedings commenced on March 20, 2024. In accordance with the Rules, paragraph 5, the due date for Response was April 9, 2024. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default April 16, 2024.

The Center appointed W. Scott Blackmer as the sole panelist in this matter on April 23, 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 a limited liability company organized under the laws of the State of Delaware, United States and headquartered in Orange, California. The Complainant produces and sells electronic cigarettes and vape fluids and accessories, operating a website at "www.cakebrand.com" (the "Complainant's website"). The Complainant's website displays the name "Cakebrand" and features the Complainant's CAKE trademark with the word "Cake" in stylized letters, often accompanied by an illustration of a birthday cake with lit candles. Some of the Complainant's advertised vape products include THC.

The Complainant states that it has been using the CAKE mark since September 2020. The Complainant holds United Kingdom Trade mark number UK00003621580, registered on October 1, 2021, for CAKE as a stylized mark in international classes 9 and 34 for batteries and battery chargers for electronic cigarettes and for electronic cigarette boxes, liquids, flavourings, and accessories. For trademark purposes, CAKE is an arbitrary term.

The Registrar reports that the disputed domain name was created on September 13, 2023. After receiving notice of the Complaint in this proceeding, the Registrar identified the registrant as "Adams Terry" with an incomplete postal address that appears to be in the State of California, United States, and a Gmail contact email address.

At the time of this Decision, the disputed domain name does not resolve to an active website. However, the Complainant furnishes screenshots of the website (the "Respondent's website") associated with the disputed domain name in February 2024. The Respondent's website was headed with the Complainant's trademarked CAKE logo and included the legend "official Cake Brand". It featured photos of some of the Complainant's products with descriptive text copied from the Complainant's website, offering online sales and free shipping. A contact form solicited personal details from site visitors. The Respondent was not identified on the available screenshots, nor was the relationship with the Complainant. The Respondent's website touted "Real Cake Carts" (e-cigarette vaping cartridges) and included the following text, which misleadingly suggested an association with the Complainant:

"Real cake carts for sale online planed [sic] on delivering it's [sic] amazing products worldwide. As such, Cake brand is excited to announce the sale of it's [sic] highly rated products online on the cake brand official online shop page officialcakebrand.com

BEWARE OF FAKE WEBSITES AND FAKE CAKE CARTS. Official Cake Brand is the ONLY website that sells cake carts online. We collaborate with our network of knowledgeable growers and employees to provide you with a wide selection of carefully prepared high THC cannabis cake vape carts."

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 disputed domain name.

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Notably, the Complainant contends that the disputed domain name is confusingly similar to the Complainant's CAKE mark, which is reproduced in its entirety in the disputed domain name. The Complainant denies any association with the Respondent and contends that the Respondent "attempted to replicate Complainant's website, pass itself off as Complainant, and sell counterfeit CAKE branded products to generate a profit for the Respondent". The Complainant argues that this misdirection of Internet users for commercial gain and to disrupt the Complainant's business cannot be deemed a fair use or bona fide commercial offering and must be considered bad faith.

B. Respondent

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

6. Discussion and Findings

Paragraph 4(a) of the Policy provides that a complainant must demonstrate each of the following:

(i) the domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights;

(ii) and the respondent has no rights or legitimate interests in respect of the domain name;

(iii) and the domain name has been registered and is being used in bad faith.

Under paragraph 15(a) of the Rules, "[a] Panel shall decide a complaint on the basis of the statements and documents submitted and in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable".

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 disputed domain name. WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition, ("<u>WIPO Overview 3.0</u>"), section 1.7.

The Complainant has shown rights in respect of a trademark or service mark for the purposes of the Policy (here, the registered CAKE mark comprised of the English word "cake" in stylized letters). <u>WIPO Overview 3.0</u>, section 1.2.1.

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

Although the addition of other terms (here, "official" and "brand") 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 disputed 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 disputed 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

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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. <u>WIPO Overview 3.0</u>, 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 disputed 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 disputed domain name such as those enumerated in the Policy or otherwise. The Respondent has not claimed nominative fair use as a reseller of the Complainant's trademarked products, and in any event the Respondent's website did not meet the widely accepted *Oki Data* test for assessing such fair use, as the Respondent has not demonstrated that it actually sold the Complainant's products and the Respondent's website did not disclose the Respondent's relationship with the trademark holder. See *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. <u>D2001-0903</u>; <u>WIPO Overview 3.0</u>, section 2.8. To the contrary, the Respondent's website falsely implied that it was operated by the Complainant, displaying the Complainant's logo and featuring text such as, "Cake brand is excited to announce the sale of it's [sic] highly rated products online on the cake brand official online shop page officialcakebrand.com".

Moreover, panels have held that the use of a domain name for illegal activity (here, the claimed offering of counterfeit goods) can never confer rights or legitimate interests on a respondent. <u>WIPO Overview 3.0</u>, section 2.13.1. The Respondent has not challenged this claim.

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.

In the present case, the Panel notes that the Respondent was clearly aware of the Complainant's mark, as the Respondent published a website imitative of the Complainant's website, prominently displaying the mark, including the TM symbol, and emphasizing the value of purchasing the Complainant's "real" products. While the Complainant's trademark is derived from a dictionary word, the use of the disputed domain name for an imitative website with photos and text copied from the Complainant's website makes it clear that the Respondent targeted the Complainant's trademark and did not select the disputed domain name for its dictionary meaning. At the same time, as discussed in the preceding section, the Respondent obscured its identity and falsely implied that the Respondent's website originated with the Complainant, thereby negating any claim to legitimacy as a genuine reseller. The Respondent's website offered goods for sale and included a shopping cart feature. This use is consistent with the example of bad faith mentioned in the Policy, paragraph 4(b)(iv), attempting to attract Internet users to another site for commercial gain by creating a likelihood of confusion with the Complainant's mark.

While 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, other circumstances also 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.

Panels have held that the use of a domain name for illegal activity (here, the claimed sale of counterfeit goods) also constitutes bad faith. <u>WIPO Overview 3.0</u>, section 3.4. The Panel notes that the contact and shopping cart features of the Respondent's website also collected personal details, which could be used for fraud and phishing schemes.

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

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 disputed domain name <officialcakebrand.com> be transferred to the Complainant.

/W. Scott Blackmer/ W. Scott Blackmer Sole Panelist Date: April 30, 2024