

ARBITRATION AND MEDIATION CENTER

# ADMINISTRATIVE PANEL DECISION

COSRX Inc. v. 林剑贤 (jianxianlin) Case No. D2024-1327

#### 1. The Parties

The Complainant is COSRX Inc., Republic of Korea, represented by KAI IP Law LLC, Republic of Korea.

The Respondent is 林剑贤 (jianxianlin), China.

### 2. The Domain Name and Registrar

The disputed domain name <cosrxusa.net> is registered with Alibaba Cloud Computing Ltd. d/b/a HiChina (www.net.cn) (the "Registrar").

# 3. Procedural History

The Complaint was filed in English with the WIPO Arbitration and Mediation Center (the "Center") on March 28, 2024. On March 28, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On March 29, 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 (Anonymous) and contact information in the Complaint. The Center sent an email communication to the Complainant on April 8, 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 together with an amended Complaint both in English on April 9, 2024.

On April 8, 2024, the Center informed the Parties in Chinese and English, that the language of the Registration Agreement for the disputed domain name is Chinese. On April 9, 2024, the Complainant requested English to be the language of the proceeding. The Respondent did not submit any comment on the Complainant's submission.

The Center verified that the Complaint together with the amendment to the Complaint and 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 in Chinese and English of the Complaint, and the proceedings commenced on April 15, 2024. In accordance with the Rules, paragraph 5, the due date for Response was May 5, 2024. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on May 6, 2024.

The Center appointed Karen Fong as the sole panelist in this matter on May 10, 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 leading cosmetic company headquartered in the Republic of Korea. Its cosmetic products are sold under the brand COSRX. Established in 2013, the Complainant currently sells more than 150 types of cosmetic products through its websites as well as third party platforms including Amazon, Shopee and TMALL in more than 80 countries globally. It is extremely popular in Asia and has an average growth rate of 205% on Amazon in the United States of America ("U.S."). The COSRX brand has had 1.3 billion cumulative views on TikTok.

The Complainant has trademark registrations for COSRX in many countries around the world including the following:

- Korean Trade Mark Registration No. 4500530950000 for COSRX, registered on January 5, 2015;
- International Trade Mark Registration No. 1334993 for COSRX designating multiple jurisdictions, registered on January 12, 2017; and
- China Trade Mark Registration No. 14966434 for COSRX, registered on September 14, 2015,

(together, individually and collectively referred to as the "Trade Mark").

The Complainant owns and operates its websites through a number of domain names comprising the Trade Mark including <cosrx.co.kr> and <cosrx.com>.

The Respondent appears to be based in China. The disputed domain name was registered on October 10, 2023. At the time of filing of the Complaint, the disputed domain name resolved to a website which displayed the Trade Mark prominently, allegedly impersonated the Complainant's own website including using its product images and purportedly offered for sale products that bear the Trade Mark at discounted or "sale" prices (the "Website"). The "Contact Us" page also included email addresses bearing the Complainant's own domain name. The Website was shut down following the Complainant's letter of complaint to the Registrar.

# 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.

Notably, the Complainant contends that the disputed domain name is confusingly similar to the Trade Mark, that the Respondent has no rights or legitimate interests with respect to the disputed domain name, and that the disputed domain name was registered and is being used in bad faith.

### **B.** Respondent

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

#### 6. Discussion and Findings

# 6.1 Preliminary Issue: Language of the Proceeding

The language of the Registration Agreement for the disputed domain names is Chinese. Pursuant to the Rules, paragraph 11(a), in the absence of an agreement between the parties, or unless specified otherwise in the registration agreement, the language of the administrative proceeding shall be the language of the registration agreement.

The Complaint was filed in English. The Complainant requested that the language of the proceeding be English as the disputed domain name is and the content of the Website was in the English language which demonstrates the Respondent's ability to communicate in the English language.

The Respondent has not challenged the Complainant's language request and in fact has failed to file a response in either English or Chinese despite being duly notified by the Center in both English and Chinese of the language of the proceeding and of the commencement of the proceeding.

In exercising its discretion to use a language other than that of the registration agreement, the Panel has to exercise such discretion judicially in the spirit of fairness and justice to both parties, taking into account all relevant circumstances of the case, including matters such as the parties' ability to understand and use the proposed language, time and costs (see WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 4.5.1).

Having considered all the matters above, the Panel determines under paragraph 11(a) of the Rules that the language of the proceeding shall be English.

#### 6.2 Substantive Issues

# 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 3.0, section 1.7.

Based on the available record, the Panel finds the 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.

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

While the addition of the term here, "usa" after the Trade Mark in the disputed domain name may bear on assessment of the second and third elements, the Panel finds the addition of such a term does not prevent a finding of confusing similarity between the disputed domain name and the Trade Mark for the purposes of the Policy. WIPO Overview 3.0, section 1.8.

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 the Respondent may demonstrate rights or legitimate interests in a disputed domain name.

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 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.

Panels have held that the use of a domain name for illegal activity (in this case impersonation/passing off), can never confer rights or legitimate interests on a respondent. WIPO Overview 3.0, section 2.13.1.

Moreover, the nature of the disputed domain name is inherently misleading as it effectively impersonates or suggests sponsorship or endorsement by the Complainant. <u>WIPO Overview 3.0</u>, section 2.5.1.

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.

In the present case, the Panel notes that the Respondent must have been aware of the Trade Mark when it registered the disputed domain name given the Trade Mark was registered prior to registration of the disputed domain name, the reputation of the Trade Mark, and the use of the Trade Mark on the website at the disputed domain anem. It is therefore implausible that the Respondent was unaware of the Complainant when it registered the disputed domain name.

In the WIPO Overview 3.0, section 3.2.2 states as follows:

"Noting the near instantaneous and global reach of the Internet and search engines, and particularly in circumstances where the complainant's mark is widely known (including in its sector) or highly specific and a respondent cannot credibly claim to have been unaware of the mark (particularly in the case of domainers), panels have been prepared to infer that the respondent knew, or have found that the respondent should have known, that its registration would be identical or confusingly similar to a complainant's mark. Further factors including the nature of the domain name, the chosen top-level domain, any use of the domain name, or any respondent pattern, may obviate a respondent's claim not to have been aware of the complainant's mark."

The fact that there is a clear absence of rights or legitimate interests coupled with the Respondent's choice of the disputed domain name without any explanation is also a significant factor to consider (as stated in WIPO Overview 3.0, section 3.2.1). The disputed domain name falls into the category stated above and the Panel finds that registration is in bad faith.

The disputed domain name is also being used in bad faith. The products offered for sale on the Website are likely to be counterfeit considering the difference in prices compared to the Complainant's products. The Respondent's website prominently displayed the Complainant's Trade Mark, without any disclaimer disclosing (the lack of) relationship between the Parties. It also displays products images of the Complainant and bears email addresses with the Complainant's domain name. The content of the Website was calculated to give the impression it has been authorized by or connected to the Complainant when this is not

the case. The Website was set up to deliberately mislead Internet users that it is connected to, authorised by or affiliated with the Complainant. From the above, the Panel concludes that the Respondent has intentionally attempted to attract, for commercial gain, by misleading Internet users into believing that the Respondent's Website was, and the products sold on it are those of the Complainant.

It is highly likely that Internet users when typing the disputed domain name into their browser or finding it through a search engine would have been looking for a site operated by the Complainant rather than the Respondent. The disputed domain name is likely to confuse Internet users trying to find the Complainant's website for its customers in the U.S. especially since it has the term "usa". Such confusion will inevitably result due to the fact that the disputed domain name comprises the Trade Mark in its entirety.

Furthermore, panels have held that the use of a domain name for illegal activity here, (in this case impersonation/passing off), constitutes bad faith. WIPO Overview 3.0, section 3.4.

The Panel therefore finds that the disputed domain name has been registered and is being used in bad faith under paragraph 4(b)(iv) of the Policy.

The fact that the disputed domain name is now inactive does not change the Panel's finding on bad faith given that the distinctiveness and reputation of the Trade Mark, the composition of the disputed domain name and the lack of a response from the Respondent.

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 <cosrxusa.net> be transferred to the Complainant.

/Karen Fong/ Karen Fong Sole Panelist

Date: May 31, 2024