

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Waterloo Rod Co. Inc. v. Varela Wendy Case No. D2024-1664

1. The Parties

The Complainant is Waterloo Rod Co. Inc., United States of America ("United States"), represented by Porter Hedges, LLP, United States.

The Respondent is Varela Wendy, United States.

2. The Domain Name and Registrar

The disputed domain name <waterloorods.shop> is registered with Web Commerce Communications Limited dba WebNic.cc (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on July 2, 2024. On July 3, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On July 3, 2024, the Registrar transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details.

The Center verified that 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 July 4, 2024. In accordance with the Rules, paragraph 5, the due date for Response was July 24, 2024. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on July 25, 2024.

The Center appointed W. Scott Blackmer as the sole panelist in this matter on July 31, 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 corporation established under the laws of the State of Texas, United States, and headquartered in Victoria, Texas. The Complainant manufactures and sells handcrafted fishing rods and reels, as well as lures, apparel, and sport fishing accessories, at its "Waterloo Outfitters" retail store and through a network of independent retailers and dealers, as well as online at "www.waterloorods.com" (the Complainant's website") and on the Complainant's Facebook and Instagram social media accounts.

According to the Affidavit of the Complainant's president, Clifton L. Thomas, Jr., attached to the Complaint, the Complainant has sold handcrafted fishing rods, clothing, and fishing gear under the WATERLOO mark since 1996. Sales under this mark have exceeded USD 25,579,000 since 2005, with over 312,000 visitors to the Complainant's website in the past twelve months resulting in more than 20,000 transactions. The Complainant has invested more than USD 1,100,000 in advertising the WATERLOO brand since 2005 and promotes the brand online, in print and broadcast media, in trade shows, and in sponsoring professional and amateur fishing tournaments and fishing guides. The record includes citations to trade shows and television programs featuring the Complainant's products, as well as media recognition of its WATERLOO branded fishing rods and gear.

The Complainant holds the following relevant United States trademark registrations:

MARK	Registration Number	Registration Date	Goods or Services
WATERLOO ROD COMPANY	6976784	February 14, 2023	IC 25, 28, 35: hats,
(words and fish fin design)			shirts, etc.; fishing rods,
			reels, lures, tackle, and
			accessories; online
			wholesale and retail
			store services for such
WATERLOO	7108581	July 11, 2023	IC 28: fishing rods and
(word and fishing rod design)			accessories
WATERLOO (word)	7108582	July 11, 2023	IC 16, 21, 28, 35:
			Decals, insulating
			sleeve holders for
			bottles and cups, fishing
			rods and covers for rods
			and reels, online
			wholesale and retail
			store services for such
WATERLOO ROD COMPANY	7208217	October 31, 2023	IC 25: caps, shirts, etc.
(words and fish design)			

The Registrar reports that the disputed domain name was created on January 11, 2024, and was registered in the name of the Respondent Varela Wendy, listing a postal address in the United States. At the time of this Decision, the disputed domain name does not resolve to an active website. However, the Complaint attaches screenshots of the website formerly associated with the disputed domain name (the "Respondent's former website"). This mimicked the Complainant's website, with product photos, descriptions, and other content copied from the Complainant's website but displaying substantially reduced prices. The Thomas Affidavit recounts that several customers ordered and paid for products on the Respondent's former website and then contacted the Complainant asking when the products would be delivered. It appears that the Respondent did not furnish resold or counterfeit goods but merely operated the website briefly to collect payments and personal information with payment details.

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 its registered and common law WATERLOO word mark and the textual elements of its registered and common law WATERLOO and WATERLOO ROD COMPANY marks. The Complainant asserts that the Respondent has no rights or legitimate interests in the disputed domain name but registered and used it in bad faith as part of an "Internet scam" to mislead consumers into believing that they were purchasing items from the Complainant and then "pocketing the proceeds without ever delivering a product".

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:

- 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, ("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 (here the registered WATERLOO and WATERLOO ROD COMPANY marks). <u>WIPO Overview 3.0</u>, section 1.2.1.

The Panel finds the Complainant also has established unregistered trademark or service mark rights in WATERLOO and WATERLOO ROD COMPANY for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.3.

The entirety of the WATERLOO mark is reproduced within the disputed domain name. Accordingly, the disputed domain name is confusingly similar to the WATERLOO mark for the purposes of the Policy. WIPO Overview 3.0, section 1.7. Although the addition of other terms (here, adding "rods" to "waterloo") 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 mark for the purposes of the Policy. WIPO Overview 3.0, section 1.8.

The Panel also finds the WATERLOO ROD COMPANY mark is recognizable within the disputed domain name. Accordingly, the disputed domain name is confusingly similar to the WATERLOO ROD COMPANY

mark for the purposes of the Policy, as "Waterloo Rod" is the distinctive portion of the textual element of the mark (the term "company" is disclaimed in the registered mark) and is the singular version of "waterloorods" appearing in the disputed domain name. <u>WIPO Overview 3.0</u>, section 1.7, 1.9 (misspellings), 1.10 (design elements and disclaimers).

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 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 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.

Moreover, panels have held that the use of a domain name for illegal activity (here, claimed to involve fraudulent sales and phishing from a website mimicking the Complainant) can never confer rights or legitimate interests on a respondent. WIPO Overview 3.0, section 2.13.1.

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 and its well-established marks, which appeared on the Respondent's former website mimicking the Complainant's website. This deliberate effort at misdirection, not only in the composition of the disputed domain name but in the associated website, fits the example of bad faith given in the Policy, paragraph 4(b)(iv), an intentional attempt to attract Internet users for commercial gain by creating a likelihood of confusion with the Complainant's mark.

Moreover, panels have held that the use of a domain name for illegal activity, here claimed to involve phishing and fraudulent sales of products (never delivered) from a site mimicking the Complainant's, also constitutes bad faith. WIPO Overview 3.0, section 3.4.

On this record, the Panel finds the Respondent's registration and use of the disputed domain name constitutes bad faith under the Policy and concludes 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 <waterloorods.shop> be transferred to the Complainant.

/W. Scott Blackmer/
W. Scott Blackmer
Sole Panelist

Date: August 16, 2024