

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

LEGO Juris A/S v. Paula Shugart Case No. D2024-1726

1. The Parties

The Complainant is LEGO Juris A/S, Denmark, represented by CSC Digital Brand Services Group AB, Sweden.

The Respondent is Paula Shugart, United States of America ("United States").

2. The Domain Names and Registrars

The disputed domain names <lego-discounts.com> and <lego-market.com> are registered with GMO Internet Group, Inc. d/b/a Onamae.com. The disputed domain name <lego-sale.net> is registered with PDR Ltd. d/b/a PublicDomainRegistry.com.

GMO Internet Group, Inc. d/b/a Onamae.com and PDR Ltd. d/b/a PublicDomainRegistry.com are hereinafter collectively referred to as the "Registrars".

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on April 24, 2024. On April 25, 2024, the Center transmitted by email to the Registrars a request for registrar verification in connection with the disputed domain names. On April 26, 2024, the Registrars transmitted by email to the Center their verification responses 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 April 29, 2024. In accordance with the Rules, paragraph 5, the due date for Response was May 19, 2024. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on May 28, 2024.

The Center appointed Rebecca Slater as the sole panelist in this matter on June 4, 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 Danish company that owns the global LEGO construction toy business. The Complainant has subsidiaries and branches all around the world and its LEGO products are sold in more than 130 countries, including the United States.

The Complainant has a portfolio of registrations for LEGO, including United States Trade Mark Registration No. 1018875 for LEGO word mark (registered August 26, 1975) (the "Trade Mark").

The Complainant is also the registrant of nearly 5,000 domain names containing the term LEGO, including its <lego.com>.

The Respondent is an individual named Paula Shugart apparently located in the United States. The Respondent did not submit a formal response, and consequently little information is known about the Respondent.

The Respondent registered the disputed domain names on February 1, 2024.

The disputed domain name <lego-market.com> previously directed Internet users to a website that attempted to replicate the Complainant's official website. The website currently resolves to "connection timed out" host error page which is not being used.

The disputed domain names <lego-discounts.com> and <lego-sale.net> have been displaying pay-per-click (PPC) links.

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 names.

Notably, the Complainant contends that:

- The disputed domain names are confusingly similar to the Trade Mark. They consist of the entirety of Trade Mark preceded followed by a hyphen and a descriptive term ("market", "discounts" and "sale", respectively).
- The Respondent has no rights or legitimate interests in respect of the disputed domain names. The Respondent has not been authorized by the Complainant to use the Trade Mark. The website at the disputed domain name <lego-market.com> has previously been used to impersonate the Complainant's official website without disclosing its lack of relationship to the Complainant, which is not a bona fide offering of goods or services. The use of the other two disputed domain names to display PPC links to websites offering products which compete with the Complainant's is also not a bona fide offering of goods or services.
- The disputed domain names were registered and are being used in bad faith by the Respondent. The registration of a domain name containing famous trade mark can create a presumption of bad faith. It is clear that Respondent was aware of the Complainant and the Trade Mark and registered the disputed domain names to attract Internet users to websites for commercial gain, by creating a likelihood of confusion with the Trade Mark as to the source, sponsorship, affiliation or endorsement of the websites. The Respondent's failure to respond to cease and desist letters can also support a finding of bad faith.

B. Respondent

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

6. Discussion and Findings

To succeed, the Complainant must demonstrate that all the elements enumerated in paragraph 4(a) of the Policy have been satisfied, namely:

- the disputed domain names are identical or confusingly similar to a trademark or service mark in which the Complainant has rights;
- the Respondent has no rights or legitimate interests in respect of the disputed domain names; and
- the disputed domain names have been registered and are being used in bad faith.

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. <u>WIPO Overview 3.0</u>, section 1.2.1.

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

Although the addition of other terms here, (the descriptive terms "market", "discounts" and "sale") may bear on assessment of the second and third elements, the Panel finds the addition of such terms do not prevent a finding of confusing similarity between the disputed domain names and the Trade Mark for the purposes of the Policy. WIPO Overview 3.0, 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 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 names. 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 names such as those enumerated in the Policy or otherwise.

The Complainant has not authorized the Respondent to use the Trade Mark and there is no evidence that the Respondent has ever been known by any of the disputed domain names. Additionally, the Respondent is not an authorized dealer of the Complainant and has never had any form of business relationship with the Complainant.

In respect of the previous use of the disputed domain name <lego-market.com>, panels have held that the use of a domain name for illegal activity (here, claimed impersonation/passing off) can never confer rights or legitimate interests on a respondent. WIPO Overview 3.0, section 2.13.1.

The other disputed domain names are being used to host websites displaying PPC links relating to products similar to the Complainant's products and directing Internet users to competing websites. This is not a bona fide offering of goods or services which can confer rights or legitimate interests on a respondent. WIPO Overview 3.0, section 2.9.

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.

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.

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

Under paragraph 4(b)(iv) of the Policy, there is evidence of registration and use of the disputed domain name in bad faith where a Respondent has used the disputed domain name to intentionally attract, for commercial gain, Internet users to its website by creating a likelihood of confusion with the Complainant's trade marks as to the source, sponsorship, affiliation or endorsement of the website.

The Panel finds it highly unlikely that the disputed domain names were registered without knowledge of the Complainant and the Trade Mark, given the significant worldwide reputation of the Complainant. The Respondent's goal in registering and using the disputed domain names appears to be to attract Internet users for potential gain. This finding is reinforced by the Respondent's use of the websites at the disputed domain names to host: (a) a replica website of the Complainant's flagship website; and (b) websites displaying PPC links which likely generate revenue for the Respondent and direct Internet users to competing websites.

Panels have held that the use of a domain name for illegal activity such as impersonation or other types of fraud constitutes bad faith. <u>WIPO Overview 3.0</u>, section 3.4.

Furthermore, the fact that two of the disputed domain names resolve to websites with PPC links to competing websites does not represent a bona fide offering where such links compete with or capitalize on the reputation and goodwill of the Complainant's mark or otherwise mislead Internet users. WIPO Overview 3.0, section 3.5.

Finally, the Complainant first tried to contact the Respondent on February 2, 2024 by emailing a cease and desist letter requesting a voluntary transfer of the disputed domain names. The Respondent failed to respond to this letter or to follow-up emails. The Panel's view of the Respondent's bad faith is only reinforced by its failure to respond to these communications.

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 names <lego-discounts.com>, <lego-market.com> and <lego-sale.net> be transferred to the Complainant.

/Rebecca Slater/
Rebecca Slater
Sole Panelist
Date: June 17, 2024