

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Dreams USA, Inc. v. Name Redacted Case No. D2024-2711

1. The Parties

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

The Respondent is Name Redacted. 1

2. The Domain Name and Registrar

The disputed domain name <sonnysangelstore.com> is registered with Soluciones Corporativas IP, LLC (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 disclosing registrant and contact information for the disputed domain name which differed from the named Respondent (1490841-DDREGISTRANT) and contact information in the Complaint. The Center sent an email communication to the Complainant on July 4, 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 July 7, 2024.

On July 4, 2024 the Center informed the parties in Spanish and English, that the language of the registration agreement for the disputed domain name is Spanish. On July 7, 2024, the Complainant confirmed its request that English be the language of the proceeding.

¹The Respondent appears to have used the name of a third party when registering the disputed domain name. In light of the potential identity theft, the Panel has redacted the Respondent's name from this decision. However, the Panel has attached as Annex 1 to this decision an instruction to the Registrar regarding transfer of the disputed domain name, which includes the name of the Respondent. The Panel has authorized the Center to transmit Annex 1 to the Registrar as part of the order in this proceeding, and has indicated Annex 1 to this decision shall not be published due to the exceptional circumstances of this case. See *Banco Bradesco S.A. v. FAST-12785241 Attn. Bradescourgente.net / Name Redacted*, WIPO Case No. D2009-1788.

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 July 16, 2024. In accordance with the Rules, paragraph 5, the due date for Response was August 5, 2024. The Respondent did not submit any response. On August 13, 2024, the Center informed the Parties of receipt of a third party communication claiming identity theft, and indicated it would be forward to the Panel for its consideration upon appointment.

The Center appointed Pablo A. Palazzi as the sole panelist in this matter on August 26, 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). The Complainant 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 trademark registration, filed March 10, 2021, is valid and subsisting, with a first use in commerce date of January 1, 2004.

The Domain Name was registered on February 26, 2024. According to the Complaint, the web page to which the disputed domain name resolves purports to offer for sale multiple products, including unauthorized and likely counterfeit or gray market "Sonny Angel" dolls. It contains the title "Sonny Angel Official Online Store".

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.

According to the Complainant, each of the three elements specified in paragraph 4(a) of the Policy are satisfied in the present case.

First, the Complainant submits that the disputed domain name is identical or confusingly similar to the trademark registrations of the Complainant.

Second, the Complainant argues that the Respondent has neither rights nor legitimate interests in the disputed domain name.

Third, the Complainant submits 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.

An email was received by the Center by someone representing a third party, whose personal information was apparently used without authorization in the registration of the disputed domain name, explaining that identity theft has occurred and that a complaint was filed at the Police of Valencia (a copy of the complaint was attached in Spanish language).

6. Discussion and Findings

6.1. Language of the Proceeding

The language of the Registration Agreement for the disputed domain name is Spanish. 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 for several reasons, including the fact that

- (i) the default language of the content displayed at the website resolving from the disputed domain name is English, demonstrating that the Respondent is targeting English-language speakers;
- (ii) the disputed domain name itself comprises three English-language words "sonny" + "angel" + "store" such that Complainant's argument as to confusing similarity will lack context if translated into Spanish;
- (iii) all supporting materials (eight annexes) are originally in English, and requiring Complainant to translate the complaint and annexes into Spanish would be unduly costly;
- (iv) Complainant has provided evidence that Respondent is likely the same bad actor against whom Complainant prevailed in a prior WIPO proceeding, and permitting a repeat offender to inflate Complainant's costs in defending its rights simply by transferring its infringing activity to a registrar that operates in a language other than English is patently unjust.

The Respondent did not make any specific submissions with respect to the language 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 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 disputed domain name. Accordingly, the disputed 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 "store" and the letter "s" (between "sonny" and "angel"), 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 name and the 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 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.

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 disputed domain name or a name corresponding to the disputed 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 disputed 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 disputed 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 disputed domain name.

The Whols lists as registrant of record a name that has been denounced as identity theft.

The Respondent has used the disputed 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 disputed 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 WIPO Overview 3.0, 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) (ii) (iii) the respondent must actually be offering the goods or services at issue; the respondent must use the site to sell only the trademarked goods or services; 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 an "official" website 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 disputed domain name Domain Name for the Respondent's website does not grant it rights or legitimate interests in the disputed domain name in these circumstances.

The Panel finds the disputed domain name carries a risk of implied affiliation with the Complainant. The composition of the disputed domain name, comprising the Complainant's trademark in its entirety and the addition of the term "store" and the content of the disputed domain name creates a risk of Internet user confusion.

Panels have held that the use of a domain name for illegal activity, here claimed sale of counterfeit goods, can never confer rights or legitimate interests on a respondent. <u>WIPO Overview 3.0</u>, 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.

The complaint states that there was a previous UDRP case over the domain <sonnyangelsstore.com> (see WIPO Case No. <u>D2024-0566</u>, *Dreams USA*, *Inc. v. Social Digic, Sonny Angels*) and that the domain name in that case closely resembles the content disputed domain name in this case. The complaint also points to the timing of the registration of the disputed domain name in light of the aforementioned case.

The web page to which the disputed domain name resolves purports to offer for sale multiple products, including unauthorized and likely counterfeit or gray market "Sonny Angel" dolls. It contains the title "Sonny Angel Official Online Store" and it uses the Mark of the Complainant without his authorization.

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

/Pablo Palazzi/
Pablo Palazzi
Sole Panelist

Date: September 9, 2024