

ARBITRATION AND MEDIATION CENTER

# ADMINISTRATIVE PANEL DECISION

Canva Pty Ltd. v. William Hurrell, Hurrell Capital Limited Case No. D2024-3521

### 1. The Parties

The Complainant is Canva Pty Ltd., Australia, represented by SafeNames Ltd., United Kingdom.

The Respondent is William Hurrell, Hurrell Capital Limited, United Kingdom.

## 2. The Domain Name and Registrar

The disputed domain name <canvatemplates.com> is registered with NameCheap, Inc. (the "Registrar").

# 3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on August 30, 2024. On August 30, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On August 30, 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 (Privacy service provided by Withheld for Privacy ehf) and contact information in the Complaint. The Center sent an email communication to the Complainant on September 11, 2024, providing the registrant and contact information disclosed by the Registrar, and inviting the Complainant to submit an amendment to the Complaint. On September 13, 2024, the Complainant requested a short extension to the date for submitting an Amended Complaint. The Center granted an extension to the Complainant to file the amended Complaint until September 21, 2024. The Complainant filed an amended Complaint on September 20, 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 September 23, 2024. In accordance with the Rules, paragraph 5, the due date for Response was October 13, 2024. The Center received an email

communication from ["Former Owner"]¹ on September 23, 2024, and an email communication from the Respondent on September 24, 2024. On October 15, 2024, the Center notified the Parties that the Center will proceed to Panel Appointment.

The Center appointed Assen Alexiev as the sole panelist in this matter on October 18, 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 was founded in 2012. It created and operated the Canva online graphic design platform which offers thousands of images and templates to choose from when creating graphic designs for presentations, social media posts, and a range of print products. The Complainant was valued at USD 40 billion in September 2021, and currently has more than 130 million active users per month and customers in 190 countries. The Complainant's official website of the Canva platform is located at the domain name <canva.com>. It received an average of more than 850 million visits per month in the period March through May 2024.

The Complainant is the owner of a number of trademark registrations for the sign CANVA (the "CANVA trademark"), including the following:

- the United States of America trademark CANVA with registration No. 4316655, registered on April 9, 2013, for services in International Class 42;
- the Australian trademark CANVA with registration No. 1483138, registered on March 29, 2012, for goods in International Class 9; and
- the International trademark CANVA with registration No. 1204604, registered on October 1, 2013, for goods in International Class 9.

The disputed domain name was initially registered by a third party on June 20, 2019, with a different Registrar. The Whols records for the disputed domain name of August 4, 2020, submitted by the Complainant, indicate the disputed domain name was registered by another third party, who listed the disputed domain name for sale on November 28, 2021. According to the Complainant, the disputed domain name fell under the control of ["Former Owner"] on November 30, 2021. In its pre-Complaint correspondence with the Complainant exchanged in November 2023, ["Former Owner"] confirmed his then control over the disputed domain name. On September 23, 2024, ["Former Owner"] stated to the Center that he was not the owner of the disputed domain name. On September 24, 2024, the Respondent stated to the Center that it had acquired the disputed domain name and the associated website from ["Former Owner"] earlier in 2024. ["Former Owner"] and the Respondent have not made any other statements in respect of the ownership over the disputed domain name in this proceeding.

The disputed domain name resolves to a website that offers Canva templates and other related content. The Wayback Machine records show that this website had content of this type at least since January 27, 2022.

<sup>&</sup>lt;sup>1</sup> The Panel has decided to redact the name of the "Former Owner" of the disputed domain name in view of potential data privacy concerns.

#### 5. Parties' Contentions

### A. Complainant

The Complainant states that the disputed domain name is confusingly similar to its CANVA trademark, because it includes the entirety of the trademark with the addition of the word "templates", which relates to the Complainant's offerings under the CANVA trademark, so consumers would associate the disputed domain name with the Complainant's services.

According to the Complainant, the Respondent has no rights or legitimate interests in respect of the disputed domain name, because it has no relevant trademark rights, has not been authorized by the Complainant to acquire domain names containing the CANVA trademark, and is not commonly known by "Canva Templates".

The Complainant states that the disputed domain name resolves to a website that was originally operated by ["Former Owner"], who acquired the disputed domain name in late November 2021. The Complainant states that between July 15, 2020, and November 6, 2023, ["Former Owner"] was a member of the Complainant's Affiliate Program. Upon becoming such in 2020, he signed the Complainant's Affiliate Program Terms and Conditions, which expressly prohibit the registration of domain names containing or confusingly similar to the CANVA trademark. The Complainant submits that it sent cease-and-desist letters to ["Former Owner"] on January 25, 2023, and on November 20, 2023.

According to the Complainant, either the disputed domain name has been transferred to the Respondent by ["Former Owner"] after the latter received the Complainant's November 2023 cease-and-desist letter, or the Respondent holds the registration of the disputed domain name on behalf of ["Former Owner"]. According to the Complainant, in either scenario all elements of the UDRP are fulfilled, and regardless of the date on which the Respondent acquired the disputed domain name from ["Former Owner"], the Respondent still has no rights or legitimate interests in the disputed domain name.

The Complainant points out that the Respondent uses the disputed domain name to offer templates for use on the CANVA platform, and to provide information on CANVA services. The official CANVA logo is used on multiple pages on the website at the disputed domain name, and the same website contains third-party advertising and direct links to competing brands and alternative graphic design platforms. The Complainant notes that some blog posts on the Respondent's website about the CANVA service contain incorrect information, which has caused consumer complaints and queries directed towards the Complainant, as these consumers believed that the website at the disputed domain name was operated by the Complainant.

The Complainant notes that a disclaimer is displayed at the footer of the website at the disputed domain name, but this disclaimer is not prominent and is visible only after scrolling through the whole content of the webpage. According to the Complainant, the average online user seeking CANVA templates or information would not recognize the Respondent's website as being a separate and unofficial channel of the CANVA brand.

The Complainant submits that the Respondent is not using the disputed domain name for bona fide activities, given that its acquisition and use by ["Former Owner"] was in contravention of the Complainant's Affiliate Terms and Conditions, and the Respondent merely continued the operation of the website at the disputed domain name which contravened this agreement, that the disclaimer on the same website is not prominent and that this website causes consumer confusion and redirects visitors to competing services. The Complainant adds that the Respondent uses the disputed domain name for generating commercial gain through web traffic and advertisements.

The Complainant contends that the disputed domain name was registered and is being used in bad faith. It states that its CANVA trademark registration predates the date of the Respondent's acquisition of the disputed domain name by at least nine years. The Complainant maintains that it has amassed substantial goodwill and recognition since its establishment in 2012. The Complainant notes that in the event that the

Respondent acquired the disputed domain name on behalf of ["Former Owner"] in November 2021, such acquisition and subsequent use for affiliate activities was prima facie in bad faith given the restrictions of the Affiliate Agreement. Alternatively, in the event that the Respondent acquired the disputed domain name from ["Former Owner"] at a later date, the Respondent cannot reasonably claim, given the presence of the website, that it was unaware of the CANVA trademark.

The Complainant submits that the Respondent intentionally attempts to attract Internet users by creating a likelihood of confusion with the Complainant's CANVA trademark and uses the website at the disputed domain name to gain commercial revenue through web traffic and advertisements, thus benefitting from consumer confusion.

## B. Respondent

The Respondent did not formally reply to the Complainant's contentions. With its only communication to the Center of September 24, 2024, the Respondent stated:

"['Former Owner'] sold the website and associated domain to [the Respondent] Hurrell Capital Limited earlier this year along with the content, potentially with the intention to avoid liability of trademark infringement issues."

With his only communication to the Center of September 23, 2024, ["Former Owner"] stated:

"I am not the owner nor the representative of the domain referenced (nor do I own any other Canva related domains). To the best of my knowledge, the owner is William Hurrell of Hurrell Capital Limited. Please remove me from these communications."

In his pre-Complaint communications with the Complainant, exchanged in November 2023, ["Former Owner"] denied that his website at the disputed domain name would confuse a reasonable person into thinking that the website was affiliated with or endorsed by the Complainant. He noted that his website had its own unique branding and original content developed by third-party graphic designers, and that disclaimers regarding the lack of affiliation with the Complainant were placed on every page of the website.

["Former Owner"] maintained that his website was operated with the knowledge of the Complainant, as he had until recently been a member of the Canva Affiliate Program, where he was paid commissions for traffic generated to the Complainant's platform that resulted in sales attributable to ["Former Owner's"] website.

["Former Owner"] added that he had received emails from the Complainant's employees thanking him for his contributions, asking for help with projects unrelated to the affiliate program, requesting backlinks from ["Former Owner's"] website pointing to specific articles on the Complainant's website in order to optimize the Complainant's search engine rankings, and never complaining about his website.

# 6. Discussion and Findings

# 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 the CANVA trademark for the purposes of the Policy. WIPO Overview 3.0, section 1.2.1.

The Panel finds the CANVA trademark is recognizable within the disputed domain name. Accordingly, the disputed domain name is confusingly similar to the CANVA trademark for the purposes of the Policy. WIPO Overview 3.0, section 1.7.

Although the addition of other terms (here, "templates") may bear on assessment of the second and third elements, the Panel finds the addition of such term does not prevent a finding of confusing similarity between the disputed domain name and the CANVA trademark 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 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 will first consider the issue of control over the disputed domain name and the associated website. The historical Whols records for the disputed domain name show that it was originally registered by a third party in 2019. The evidence submitted by the Complainant, in particular the correspondence it exchanged with ["Former Owner"] in 2023, shows that ["Former Owner"] controlled the disputed domain name and the associated website at that time, although this was not reflected in the historical Whols records for the disputed domain name, which listed a privacy service as the registrant. In that correspondence, ["Former Owner"] referred to the website at the disputed domain name as his own website and confirmed the Complainant's statement that he had previously been part of the Complainant's Affiliate Program. In the present proceeding, ["Former Owner"] denies that he is the owner of the disputed domain name and the related website. The Respondent states that the same were sold to it by ["Former Owner"] earlier in 2024, "potentially with the intention to avoid liability of trademark infringement issues", without providing any details or supporting evidence and without explaining how it came to know of ["Former Owner's"] motives for selling the disputed domain name to it. The Respondent does not deny any of the Complainant's allegations in this proceeding, including about the existence of any prior or ongoing relationship between it and ["Former Owner"], and given that the Respondent refers to ["Former Owner"] by his first name seems to confirm such a relationship. The Wayback Machine records of the website at the disputed domain name show that it has resolved to a website offering "Canva Templates" since at least January 27, 2022, and the only earlier record of that website shows that in November 2021 it redirected to a landing page where it was listed for sale. The Wayback Machine records do not show any significant change in the design and content of this website since 2023, and there is no sign that the control over it has changed.

In light of the foregoing, the Panel concludes that it is more likely than not that ["Former Owner"] acquired control and ownership of the disputed domain name and associated website in early 2022 and continues to exercise such control, and that ["Former Owner"] and the Respondent are acting in concert with respect to the disputed domain name and associated website. The Panel will therefore consider the conduct of both ["Former Owner"] and the Respondent in reaching his conclusions on the issues of rights and legitimate interests and bad faith.

The Complainant provides evidence that its Affiliate Program Terms and Conditions expressly prohibit the registration of domain names containing or confusingly similar to the CANVA trademark, and it is undisputed that ["Former Owner"] participated in that Affiliate Program between 2020 and 2023. At some point during that period, he acquired control of the disputed domain name and the associated website. In his pre-Complaint correspondence with the Complainant, ["Former Owner"] did not deny that he had accepted the Complainant's Affiliate Program Terms and Conditions, but asserted that members of the Complainant's team were aware of the disputed domain name and related website, did not object to it, and thanked him for his contributions. However, ["Former Owner's"] statements do not include any names, dates, or other details and are not supported by any evidence.

Considering the above, the Panel concludes that ["Former Owner"] was bound by the Complainant's Affiliate Program Terms and Conditions in the period of 2020 until 2023, when he participated in its Affiliate Program, including by its restrictions to the registration and acquisition of domain names similar to the CANVA trademark. Since the disputed domain name is confusingly similar to the CANVA trademark, it follows that its acquisition by ["Former Owner"] was made in violation of the Complainant's Affiliate Program Terms and Conditions.

As discussed in section 2.8.1 of the WIPO Overview 3.0, 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", see *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. D2001-0903, certain specific cumulative requirements are applied in the specific conditions of UDRP cases. The Oki Data test however does not apply where any prior agreement between the parties expressly prohibits the registration or use of domain names incorporating the complainant's trademark. The Panel considers that such is the case here, and ["Former Owner"] and the Respondent, which appear to be acting in concert in respect of the control over the disputed domain name and the associated website, cannot be regarded as making a bona fide offering of goods and services and thus having a legitimate interest in the disputed domain name on the basis of the Oki Data test.

Even if, for the sake of argument, it is accepted that the Respondent acts independently of ["Former Owner"] and is not bound by the terms and conditions of the Complainant's affiliate program and its restriction on the registration and purchase of domain names similar to the CANVA trademark, so that the Oki Data test could potentially apply, the Respondent's conduct would still fail to meet the cumulative requirements of the "Oki Data test" because the website at the disputed domain name does not prominently disclose its lack of affiliation with the Complainant and features competitors to the Complainant's products and services. As noted by the Complainant, the website contains a disclaimer that is only located at the bottom of the page, and there is a risk that visitors to this website will not notice the disclaimer and will consider the website to be affiliated with or endorsed by the Complainant, as suggested by the composition of the disputed domain name, which combines the CANVA trademark with the term describing the product offered by the Complainant, and by the other content of the related website.

The Panel therefore 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 disputed domain name is confusingly similar to the Complainant's CANVA trademark and to the name of the Complainant's platform and services, which have been used extensively by millions of online users for years before ["Former Owner"] and the Respondent acquired control of the disputed domain name. The content of the website at the disputed domain name demonstrates their knowledge of the Complainant's trademark and offerings, and the correspondence exchanged between the Complainant and ["Former Owner"] in 2023 confirms that ["Former Owner"] participated in the Complainant's Affiliate Program when he

acquired control of the disputed domain name and set up a website offering templates for the Complainant's platform, thereby competing with the Complainant without prominently disclosing the relationship with the same, and also offering visitors a list of "Canva Alternatives & Competitors". The Complainant's Affiliate Program Terms and Conditions expressly prohibit participants in the program from acquiring domain names similar to the Complainant's CANVA trademark, and ["Former Owner"] has not complied with this restriction; nor has he provided any evidence to support his claim that the Complainant authorized or consented to his acquisition of the disputed domain name. The evidence and circumstances of this case support the conclusion that ["Former Owner"] and the Respondent are acting in concert with respect to the disputed domain name and the related website.

Even if the Respondent is not acting in concert with ["Former Owner"], the Panel still finds that Respondent's conduct is in bad faith regardless of the applicability of the prohibition on domain name registration in the Complainant's terms and conditions (which, in any case, the Respondent was likely aware of given its connection to, and acquisition of the disputed domain name from, ["Former Owner"]). Given the composition of the disputed domain name and the use to which it has been put, the Respondent was aware of the Complainant when it acquired the disputed domain name and, the maintenance of the above-described website at the disputed domain name indicates a bad faith intention to mislead Internet users expecting to find Complainant for Respondent's commercial gain.

Taken together, the above leads the Panel to the conclusion that ["Former Owner"] and the Respondent, acting in concert or individually, have intentionally attempted to attract, for commercial gain, Internet users to the website at the disputed domain name by creating a likelihood of confusion with the Complainant's CANVA trademark as to the affiliation or endorsement by the Complainant of that website and of the products and services offered on the same website or by third parties. This supports a finding of bad faith registration and use of the disputed domain name.

The Panel therefore 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 <canvatemplates.com> be transferred to the Complainant.

/Assen Alexiev/
Assen Alexiev
Sole Panelist

Date: October 29, 2024