

ADMINISTRATIVE PANEL DECISION

PayPal, Inc. v. Ben Arledge, Clouowl Inc.
Case No. DIO2023-0033

1. The Parties

Complainant is PayPal, Inc., United States of America (“United States”), represented Fenwick & West, LLP, United States.

Respondent is Ben Arledge, Clouowl Inc., France.

2. The Domain Name and Registrar

The disputed domain name <paypal.io> is registered with Porkbun LLC (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on September 7, 2023. On September 7, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On September 7, 2023, 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 (Private by Design, LLC) and contact information in the Complaint. The Center sent an email communication to Complainant on September 8, 2023, providing the registrant and contact information disclosed by the Registrar, and inviting Complainant to submit an amendment to the Complaint. Complainant filed an amended Complaint on September 13, 2023.

The Center verified that the Complaint together with the amended Complaint satisfied the formal requirements of the .IO Domain Name Dispute Resolution Policy (the “Policy”), the Rules for .IO Domain Name Dispute Resolution Policy (the “Rules”), and the WIPO Supplemental Rules for .IO Domain Name Dispute Resolution Policy (the “Supplemental Rules”).

In accordance with the Rules, paragraphs 2 and 4, the Center formally notified Respondent of the Complaint, and the proceedings commenced on September 15, 2023. In accordance with the Rules, paragraph 5, the due date for Response was October 5, 2023. Respondent did not submit any response. Accordingly, the Center notified Respondent’s default on October 9, 2023.

The Center appointed Torsten Bettinger as the sole panelist in this matter on October 11, 2023. 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

Complainant is a worldwide provider of digital and mobile payment and money transfer services with legal domicile in the United States.

Complainant has provided evidence that it is the owner of numerous registered trademarks worldwide relating to the designation PAYPAL, e.g.:

- Word Mark PAYPAL, United States Patent and Trademark Office (“USPTO”), registration No. 2646490, registered on November 5, 2002; and
- Word Mark PAYPAL, European Union Intellectual Property Office (“EUIPO”), registration No. 001362565, registered on December 4, 2000.

Complainant’s official website is at the domain name <paypal.com>, which Complainant has owned and operated since 1999.

The disputed domain name was created on May 22, 2017. The disputed domain name redirects to a parked page operated by the domain auction service <Park.io>.

The website at the disputed domain name displays the text “A really cool domain parked on <park.io>” and “INTERESTED IN THIS DOMAIN? GET IN TOUCH.” The text “GET IN TOUCH” contains an embedded link that leads to a contact form on the website of <Park.io>, which can be used to contact Respondent to offer to purchase the disputed domain name.

5. Parties’ Contentions

A. Complainant

Complainant contends that as of the end of 2016, Complainant’s platform was available in more than 200 markets around the world, with approximately 197 million active customer accounts, and Complainant’s annual revenue was over USD 10.8 billion. As a result Complainant’s continuous use of the PAYPAL mark and success, the PAYPAL mark was well known around the world well before the registration of the disputed domain name.

With regard to the requirement of identity or confusing similarity between the trademark and the disputed domain name pursuant to paragraph 4(a)(i) of the Policy, Complainant argues that there are no elements in the disputed domain name that distinguishes it from Complainant’s PAYPAL mark and the country code Top-Level Domain (“ccTLD”) “.io”, which is viewed as a standard registration requirement, is to be disregarded when considering whether the domain name is confusingly similar.

With regards to Respondent having no rights or legitimate interests in the disputed domain name, Complainant submits that:

- Respondent is not commonly known by the disputed domain name nor has Complainant authorized or licensed to Respondent any rights in the PAYPAL mark;
- there is no evidence or reason to suggest Respondent is commonly known by Complainant’s PAYPAL mark or affiliated with Complainant in any way;
- Respondent is not licensed by Complainant to use Complainant’s PAYPAL mark;

- Respondent is not an authorized vendor, supplier, or distributor of Complainant's goods and services;
- Respondent has failed to use the disputed domain name in connection with a *bona fide* offering of goods or services or legitimate noncommercial or fair use, given that Respondent uses the disputed domain name to direct Internet users to a parked page that is operated by domain auction website <Park.io>; and
- Respondent's use is not a *bona fide* offering of goods or services or legitimate noncommercial or fair use because the parked page solicits users to contact Respondent if they are interested in the disputed domain name and provides links to the <Park.io> website that provides domain purchase and auction services.

Finally, with regards to the disputed domain name having been registered or used in bad faith, Complainant argues that:

- Respondent's bad faith is clear, given that Respondent has only used the disputed domain name to redirect users to a parked page, operated by domain sale and auction website <Park.io>, which solicits users to make an offer to purchase the disputed domain name from Respondent;
- the disputed domain name is connected to a well-known trademark, Respondent's choice to retain a privacy protection service to conceal Respondent's identity, and failure to provide complete and accurate contact information to the Registrar also points to Respondent acting in bad faith;
- a finding of bad faith is appropriate here because Respondent's unauthorized registration and use of the disputed domain name prevents Complainant from registering a ccTLD ".io" domain name with their PAYPAL mark; and
- companies routinely purchase domain names consisting entirely of their trademarks, so it is reasonable for the relevant public to believe that the disputed domain name, which is identical to Complainant's well-known PAYPAL mark, would resolve to a website owned or operated by Complainant.

B. Respondent

Respondent did not reply to Complainant's contentions.

6. Discussion and Findings

Paragraph 4(a) of the Policy states that Complainant must prove each of the three following elements:

- (i) the disputed domain name is identical or confusingly similar to a trademark or service mark in which Complainant has rights; and
- (ii) Respondent has no rights or legitimate interests in respect of the disputed domain name; and
- (iii) the disputed domain name has been registered or is being used in bad faith.

A. Identical or Confusingly Similar

Complainant has demonstrated that it owns multiple trademark registrations for the mark PAYPAL prior to the registration of the disputed domain name.

It is well-established that the test of identity or confusing similarity under the Policy is confined to a comparison of the disputed domain name and the trademark alone, independent of the products for which the trademark is used or other marketing and use factors usually considered in trademark infringement cases. See sections 1.1.2 and 1.7 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("[WIPO Overview 3.0](#)")¹.

¹ Given the similarities between the ioDRP and the Uniform Domain Name Resolution Policy ("UDRP"), the Panel finds it appropriate to refer to UDRP jurisprudence, including reference to the [WIPO Overview 3.0](#).

As set forth in section 1.7 of the [WIPO Overview 3.0](#): “[...] in cases where a domain name incorporates the entirety of a trademark [...] the domain name will normally be considered confusingly similar to that mark.” (See, e.g., *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. [D2001-0903](#) (“the fact that a domain name wholly incorporates a complainant’s registered mark is sufficient to establish identity or confusing similarity for purposes of the Policy”)).

In this case, the disputed domain contains Complainant’s PAYPAL trademark in its entirety without any alteration or additional terms.

Finally, it is well accepted in past decisions that the gTLD, such as (e.g., “.com”, “.club”, “.nyc”, “.tech” etc.), is typically to be disregarded for the purposes of consideration of confusing similarity between a trademark and a domain name (see section 1.11 of the [WIPO Overview 3.0](#)).

The Panel therefore concludes that the disputed domain name is confusingly similar to Complainant’s PAYPAL trademark in which Complainant has rights.

B. Rights or Legitimate Interests

Pursuant to paragraph 4(c) of the Policy, a respondent may establish its rights or legitimate interests in the domain name, among other circumstances, by showing any of the following elements:

“(i) before any notice to you [Respondent] of the dispute, your use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a *bona fide* offering of goods or services; or

(ii) you [Respondent] (as an individual, business, or other organization) have been commonly known by the domain name, even if you have acquired no trademark or service mark rights; or

(iii) you [Respondent] are making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.”

Complainant *inter alia* stated that it has never given its consent for Respondent to use its PAYPAL trademark in a domain name registration or in any other manner, and that Respondent uses the disputed domain name to direct to a parked page that is operated by domain auction website <Park.io>. These assertions and the fact that the disputed domain name incorporates Complainant’s famous PAYPAL trademark in its entirety, are sufficient to establish a *prima facie* case that Respondent lacks rights or legitimate interests in the disputed domain name.

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 disputed domain name. If the respondent fails to come forward with such relevant evidence, the complainant is deemed to have satisfied the second element. See section 2.1 of the [WIPO Overview 3.0](#).

Respondent chose not to contest Complainant’s allegations and has failed to come forward with any evidence to refute Complainant’s *prima facie* showing that Respondent lacks rights or legitimate interests. The Panel therefore accepts these allegations as undisputed facts.

From the record in this case, the disputed domain name does not resolve to an active website, and there is no other evidence to support the assumption that Respondent has used the disputed domain name in connection with a *bona fide* offering of goods or services or a legitimate noncommercial or fair use. Moreover, the Panel finds that the disputed domain name is inherently misleading. See section 2.5.1 of the [WIPO Overview 3.0](#).

The Panel therefore concludes that Respondent lacks rights or legitimate interests in the disputed domain name and that, accordingly, Complainant has satisfied the requirements of paragraph 4(a)(ii) of the Policy.

C. Registered or Used in Bad Faith

Complainant holds multiple trademark registrations for the PAYPAL mark in various jurisdictions that predate the registration of the disputed domain name.

Given that Complainant's PAYPAL marks were well known around the world long before the registration of the disputed domain and that the disputed domain name contains the PAYPAL mark in its entirety, it is more than likely that Respondent did not coincidentally register the disputed domain name but had previous knowledge of Complainant's PAYPAL marks when registering the disputed domain name.

The fact that there is no evidence that the disputed domain name has been actively used but resolves to a parked page operated by the domain auction service <Park.io>. does not prevent a finding of bad faith use.

Although the circumstances listed in paragraph 4(b) are all phrased in terms of affirmative actions by the Respondent, it is by now well accepted that the passive holding of a domain name, in certain circumstances, can constitute bad faith use under the Policy. (See, e.g., *Teachers Insurance and Annuity Association of America v. Wreaks Communications Group*, WIPO Case No. [D2006-0483](#); *Telstra Corporation Limited v. Nuclear Marshmallows*, WIPO Case No. [D2000-0003](#); see also [WIPO Overview 3.0](#), section 3.3.)

While panels will look at the totality of the circumstances in each case, factors that have been considered relevant in applying the passive holding doctrine include:

- (i) the degree of distinctiveness or reputation of the complainant's mark;
- (ii) the failure of the respondent to submit a response or to provide any evidence of actual or contemplated good-faith use; and
- (iii) the implausibility of any good faith use to which the domain name may be put.

The circumstances of the present case are sufficiently similar to those present in *Telstra* to establish bad faith passive holding of the disputed domain name.

Based on the record in this proceeding, the Panel is satisfied that the Complainant's PAYPAL mark is well known worldwide.

Given that the Complainant's PAYPAL mark is solely connected with the Complainant and does not have any generic or descriptive meaning, the disputed domain name is also not susceptible to be used in a good faith generic or descriptive sense.

In addition, noting that the disputed domain name resolves to a parked page which contains an embedded link that leads to a contact form on the website of <Park.io>, which can be used to contact Respondent to offer to purchase the disputed domain name, the Panel accepts the Complainant's contention that the disputed domain name was registered to sell the disputed domain name for Respondent's commercial gain.

Furthermore, the Respondent has not replied to the Complaint nor provided any evidence of actual or contemplated good faith use of the disputed domain name.

The Panel therefore finds that Respondent has registered and used the disputed domain name in bad faith and therefore Complainant also 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 <paypal.io> be transferred to Complainant.

/Torsten Bettinger/

Torsten Bettinger

Sole Panelist

Date: October 25, 2023