

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Prime Hydration, LLC v. Registration Private, Domains By Proxy, LLC / Amman Ahmed
Case No. D2022-1918

1. The Parties

The Complainant is Prime Hydration, LLC, United States of America ("United States" or "US"), represented by Frost Brown Todd LLC, United States.

The Respondent is Registration Private, Domains By Proxy, LLC, United States / Amman Ahmed, United Arab Emirates.

2. The Domain Name and Registrar

The disputed domain name <drinkprimeuae.store> (the "Disputed Domain Name") is registered with GoDaddy.com, LLC (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on May 27, 2022. On May 28, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Disputed Domain Name. On May 31, 2022, 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 and contact information in the Complaint. The Center sent an email communication to the Complainant on June 14, 2022, 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 amended Complaint on June 19, 2022.

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 June 20, 2022. In accordance with the Rules, paragraph 5, the due date for Response was July 10, 2022. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on July 11, 2022.

The Center appointed Nick J. Gardner as the sole panelist in this matter on August 3, 2022. 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 US company. It was founded in 2021 by "social media influencers" and boxers Logan Paul and KSI, who wanted to build a "lifestyle beverage" that people could enjoy on any occasion – not just a beverage marketed solely to athletes. The Complainant announced the launch of a range of "lifestyle beverages" in January 2022 under the brand name PRIME and various PRIME-variants and taglines such as PRIME HYDRATION and DRINK PRIME. Because both Logan Paul and KSI have built a large following over the last decade, with millions of fans all around the world, this announcement received significant publicity.

Today, the Complainant's PRIME branded lifestyle beverages are sold throughout the United States in brick-and-mortar retailers such as Kroger, GNC, and Walmart. The sale and promotion of the Complainant's PRIME branded lifestyle beverages also extends beyond brick-and-mortar retailers and includes the Complainant's e-commerce platform linked to the domain name <drinkprime.com>.

The Complainant's lifestyle beverage and its website are branded prominently with the PRIME, PRIME HYDRATION, and DRINK PRIME marks (the "PRIME Marks"). The Complainant has pending trademark applications in the United States for PRIME HYDRATION and DRINK PRIME.

The Disputed Domain Name was registered on March 1, 2022. It is linked to a website (the "Respondent's Website") which on its landing page carries an image of KSI and the text "Now in UAE! Everyone wants to try it but few can get their hands on it. Logan Paul & KSI's Prime Hydration will soon be available in the UAE" together with a "buy now" button which leads to a page which purports to offer the Complainant's drinks for sale. Text in the footer present on the website states "About Us We are not affiliated with Logan Paul, KSI or Prime in any way shape or form. We import our products from the United States".

5. Parties' Contentions

A. Complainant

The Complainant's case can be summarized as follows.

The Disputed Domain Name is confusingly similar to the PRIME Marks. The Complainant relies upon its pending trademark applications and also says it has unregistered trademark rights in the PRIME Marks since at least as early as January 2022.

The Respondent does not have any rights or legitimate interests in the Disputed Domain Name. The Respondent cannot claim that it is merely a legitimate reseller of the Complainant's products nor that it is making a nominative fair use of the PRIME Marks under the well know *Oki Data* requirements. As noted in *Abbott Diabetes Care Inc. v. Privacy Protection, Hosting Ukraaine LLC / Виталий Броцман (Vitalii Brocman)*, WIPO Case No. DPW2017-0003:

"...although the Respondent's [...] website contained the statements that it "is not representative of [the Complainant]" and that "[the Respondent's website has] nothing to do with the company of [the Complainant]", the statements appeared towards the bottom of the page, either under the "Question Answer" section or in very faint, fine print."

The Complainant says the same is true in this case. While the Respondent has a statement at the footer of the website that it is not affiliated with Logan Paul, KSI, or Prime, it is in smaller print at the bottom of the

page. Conversely, what is displayed prominently is the following statement at the header of the website: "NOW IN UAE! Everyone wants to try it but few can get their hands on it. Logan Paul & KSI's Prime Hydration will soon be available in the UAE". The prominent usage of PRIME in large font on the top of website and the use of DRINK PRIME in the domain name implies that there is some type of business connection or affiliation with the Complainant. Indeed, the content at the Respondent's Website goes so far as to use a photo with the image and likeness of KSI, co-founder of the Complainant, which only serves to exacerbate the implication that there is some type of business connection or affiliation with the Complainant, which is false.

The Respondent has registered and used the Disputed Domain Name in bad faith. The Complainant says the Respondent has intentionally attempted to attract, for commercial gain, Internet users to its website by use of the Disputed Domain Name confusingly similar to the Complainant's PRIME Marks. It says the Respondent has unfairly tried to take advantage of the PRIME Marks by giving the impression the Respondent's Website is that of the Complainant or is authorised or approved by the Complainant. It says that it is apparent from the Respondent's Website that the Respondent set up the website to make money, by selling either grey market goods or counterfeit goods. It says the Respondent's Website is a near mirror image of the Complainant's website.

It also says that genuine PRIME branded beverages are not available in the UAE as the Complainant's PRIME branded beverages currently only adhere to the regulatory labeling requirements of the United States. It says that a beverage could contain ingredients prohibited in certain markets or could have omitted certain labeling requirements in given jurisdictions because it was not intended for sale in that given jurisdiction. As such, the sale of PRIME branded beverages in a different jurisdiction than the jurisdiction intended could cause irreparable damage to the Complainant.

B. Respondent

No Response has been filed.

6. Discussion and Findings

6.1. Preliminary Matters

The Panel notes that no communication has been received from the Respondent. However, given the Complaint and Written Notice were sent to the relevant addresses disclosed by the Registrar, then the Panel considers that this satisfies the requirement in paragraph 2(a) of the Rules to "employ reasonably available means calculated to achieve actual notice". Accordingly, the Panel considers it is able to proceed to determine this Complaint and to draw inferences from the Respondent's failure to file any Response. While the Respondent's failure to file a Response does not automatically result in a decision in favor of the Complainant, the Panel may draw appropriate inferences from the Respondent's default (see, e.g., Verner Panton Design v. Fontana di Luce Corp, WIPO Case No. D2012-1909).

The Panel also notes this is a case where the one Respondent (Registration Private, Domains By Proxy, LLC) appears to be a privacy or proxy service. The Panel in this case adopts the approach of most UDRP panels, as outlined in <u>WIPO Overview 3.0</u> at section 4.4.5, as follows:

"Panel discretion In all cases involving a privacy or proxy service and irrespective of the disclosure of any underlying registrant, the appointed panel retains discretion to determine the respondent against which the case should proceed. Depending on the facts and circumstances of a particular case, e.g., where a timely disclosure is made, and there is no indication of a relationship beyond the provision of privacy or proxy registration services, a panel may find it appropriate to apply its discretion to record only the underlying registrant as the named respondent. On the other hand, e.g., where there is no clear disclosure, or there is some indication that the privacy or proxy provider is somehow related to the underlying registrant or use of the particular domain name, a panel may find it appropriate to record both the privacy or proxy service and any nominally underlying registrant as the named respondent."

In the present case, the Panel considers the substantive Respondent to be Amman Ahmed, and references to the Respondent are to that person.

6.2. Substantive Matters

Paragraph 4(a) of the Policy states that the Complainant must prove each of the three following elements in respect of the Disputed Domain Name: (i) the Disputed Domain Name is identical to or confusingly similar to a trademark or service mark in which the Complainant has rights; (ii) the Respondent has no rights or legitimate interests in the Disputed Domain Name; (iii) the Disputed Domain Name has been registered and is being used in bad faith.

A. Identical or Confusingly Similar

A preliminary question arises on the facts of this case as to whether "PRIME" is "a trademark or service mark in which the Complainant has rights". Whilst the Complainant has pending trademark applications for PRIME HYDRATION and DRINK PRIME, both including the term "PRIME", it is well established that such pending applications are not in themselves sufficient to establish trademark rights within the meaning of paragraph 4(a)(i) of the Policy – see <u>WIPO Overview 3.0</u> at section 1.1.4.

The Complainant also says it has unregistered trademark rights in the term "PRIME". It does not matter for the purposes of this element that the date the relevant trademark rights existed may post-date the date of registration of the Disputed Domain Name – the Panel agrees with the consensus approach as explained in <u>WIPO Overview 3.0</u> at section 1.1.3:

"While the UDRP makes no specific reference to the date on which the holder of the trademark or service mark acquired its rights, such rights must be in existence at the time the complaint is filed."

Registration of a domain name before a complainant acquires trademark rights in a name does not prevent a finding of identity or confusing similarity under the UDRP. The UDRP makes no specific reference to the date on which the holder of the trademark or service mark acquired rights. However, in such circumstances it may be difficult to prove that the domain name was registered in bad faith under the third element of the UDRP. See below as to bad faith issues.

Accordingly the question is whether the Complainant has shown that by the date the Complaint was filed it had unregistered trademark rights in the term "PRIME". So far as unregistered trademark rights are concerned the Panel agrees with the approach in WIPO Overview 3.0 concerning this issue at section 1.3:

"What does a complainant need to show to successfully assert unregistered or common law trademark rights?

To establish unregistered or common law trademark rights for purposes of the UDRP, the complainant must show that its mark has become a distinctive identifier which consumers associate with the complainant's goods and/or services.

Relevant evidence demonstrating such acquired distinctiveness (also referred to as secondary meaning)

includes a range of factors such as (i) the duration and nature of use of the mark, (ii) the amount of sales under the mark, (iii) the nature and extent of advertising using the mark, (iv) the degree of actual public (e.g., consumer, industry, media) recognition, and (v) consumer surveys.

(Particularly with regard to brands acquiring relatively rapid recognition due to a significant Internet presence, panels have also been considering factors such as the type and scope of market activities and the nature of the complainant's goods and/or services.)

Specific evidence supporting assertions of acquired distinctiveness should be included in the complaint; conclusory allegations of unregistered or common law rights, even if undisputed in the particular UDRP case, would not normally suffice to show secondary meaning. In cases involving unregistered or common law marks that are comprised solely of descriptive terms which are not inherently distinctive, there is a greater onus on the complainant to present evidence of acquired distinctiveness/secondary meaning".

The Panel is satisfied on the evidence as filed that the Complainant has shown it has unregistered trademark rights in the term "PRIME" in relation to a range of lifestyle beverages. The founders of the Complainant are clearly famous individuals with a very large social media following and the evidence establishes the Complainant's PRIME beverage range has as a result attracted substantial publicity. It is also on the evidence widely sold throughout the US. The Panel concludes it is likely to be well recognised by at least a proportion of the relevant public. This suffices to establish unregistered trademark rights.

Furthermore the Respondent clearly thought it worthwhile to adopt a confusingly similar domain name in order to attract potential customers the Respondent's Website. As the Panel noted in *NEOVIA*, *Hi-Nutrients International Ltd. v. WhoisGuard Protected, WhoisGuard, Inc. / Deniz Hus,* WIPO Case No. D2019-0600: "The Respondent did not provide arguments to the contrary; rather, in the Panel's view, the Respondent cannot dispute that, given it deliberately targeted the source identifier in an apparent fraud attempt. Such targeting of the Complainants is sufficient to establish limited trademark rights in the HI-NUTRIENTS trademark for the purposes of the Policy. See *PEMF Supply, LLC v. Domain Administrator,* see *PrivacyGuardian.org / Gregory Lewis, American Healthcare Foundation,* WIPO Case No. D2019-0235 ("in light of the use of the PEMF SUPPLY mark that was submitted in this proceeding, the targeting of Complainant by Respondent is sufficient to establish Complainant has limited unregistered trademark rights in the PEMF SUPPLY mark for the purposes of the Policy"). See also *Greenspring Associates, Inc. v. Lisa Knowles, Victoria capital pty,* WIPO Case No. D2019-0265: "To that extent, Complainant has in fact used the domain name <gspring.com> as a source identifier for its services. One person who cannot dispute that fact is Respondent, who (as is discussed below) deliberately targeted that source identifier (<gspring.com>) to attempt to perpetrate a fraud via confusion".

Applying the principle set out in the above mentioned cases the Panel considers the use by the Respondent of the Disputed Domain Name confirms the Panel's own conclusion that unregistered trademark rights subsist in the term "PRIME" in relation to beverages.

The Complainant's unregistered trademark rights in the term "PRIME" are referred to below as the "PRIME trademark".

The Panel has no doubt that "drinkprimeuae" is a term which is (and which is intended to be) confusingly similar to the term "PRIME". It simply adds a term relevant to the Complainant's products ("drink") and a geographic identifier ("uae"). Previous UDRP panels have consistently held that domain names are identical or confusingly similar to a trademark for purposes of the Policy "when the domain name includes the trademark, or a confusingly similar approximation, regardless of the other terms in the domain name" (*Wal-Mart Stores, Inc. v. Richard MacLeod d/b/a For Sale,* WIPO Case No. D2000-0662). It is established that, where a mark is the distinctive part of a disputed domain name, the disputed domain name is considered to be confusingly similar to the registered mark (*DHL Operations B.V. v. DHL Packers*, WIPO Case No. D2008-1694).

It is also well established that the gTLD, in this case ".store", does not affect the Disputed Domain Name for

the purpose of determining whether it is identical or confusingly similar to the PRIME trademark. See, for example, *Rollerblade, Inc. v. Chris McCrady*, WIPO Case No. <u>D2000-0429</u>.

Accordingly, the Panel finds that the Disputed Domain Name is confusingly similar to the Complainant's trademark and hence the first condition of paragraph 4(a) of the Policy has been fulfilled.

B. Rights or Legitimate Interests

Paragraph 4(c) of the Policy non-exhaustively lists three circumstances that demonstrate a right or legitimate interest in a domain name:

- "(i) before any notice to you 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 (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 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."

None of these apply in the present circumstances. The Complainant has not authorized, licensed, or permitted the Respondent to register or use the Disputed Domain Name or to use the PRIME trademark.

The Complainant's well publicized announcement of the launch of its PRIME range of beverages preceded the Respondent's registration of the Disputed Domain Name. The Complainant has in the Panel's view established a *prima facie* case that the Respondent has no rights or legitimate interests in the Disputed Domain Name and thereby the burden of production shifts to the Respondent to produce relevant evidence demonstrating rights or legitimate interests in respect of the Disputed Domain Name (see for example *Do The Hustle, LLC v. Tropic Web*, WIPO Case No. <u>D2000-0624</u>; *Croatia Airlines d.d. v. Modern Empire Internet Ltd.*, WIPO Case No. <u>D2003-0455</u>).

The Panel finds that the Respondent has failed to produce any evidence to establish any rights or legitimate interests in the Disputed Domain Name.

The Panel has considered the fact that the Respondent's Website appears to involve the resale of the Complainant's products (assuming that such products are genuine). Panels have recognized that resellers, distributors, or service providers using a domain name containing the complainant's trademark to promote or undertake sales related to the complainant's services may be making a *bona fide* offering of services and thus have a legitimate interest in such domain name. This principle is outlined in the well-known "Oki Data test" – see *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. <u>D2001-0903</u> which outlines factors that will be applied to assess whether a legitimate interest can be shown. This is also discussed in section 2.5.1 of the WIPO Overview:

"Generally speaking, UDRP panels have found that domain names identical to a complainant's trademark carry a high risk of implied affiliation.

Even where a domain name consists of a trademark plus an additional term (at the second- or top-level), UDRP panels have largely held that such composition cannot constitute fair use if it effectively impersonates or suggests sponsorship or endorsement by the trademark owner.

As described in more detail below and in sections 2.6 through section 2.8, UDRP panels have articulated a broad continuum of factors useful in assessing possible implied sponsorship or endorsement.

At one end, certain geographic terms (e.g., <trademark-usa.com>, or <trademark.nyc>), or terms with an "inherent Internet connotation" (e.g., <e-trademark.com>, <buy-trademark.com>, or <trademark.online>) are seen as tending to suggest sponsorship or endorsement by the trademark owner."

In the present case the Panel views the Disputed Domain Name as seen as tending to suggest sponsorship or endorsement by the trademark owner. The Panel has also considered the fact that (as described above) the Respondent's Website carries a disclaimer. This does not alter the analysis – see discussion below in relation to bad faith – which overall points to an unfair attempt to capitalize on the Complainant's reputation and trademark rights.

The Panel finds that the Respondent has failed to produce any evidence to establish any rights or legitimate interests in the Disputed Domain Name. Accordingly, the Panel finds that the second condition of paragraph 4(a) of the Policy has been fulfilled.

C. Registered and Used in Bad Faith

In the present circumstances, the Panel concludes that the Respondent chose to register the Disputed Domain Name confusingly similar to the Complainant's PRIME trademark in order to facilitate a business where the Respondent's Website could offer for sale branded PRIME drinks. Manifestly the choice of a confusingly similar name was not coincidental.

Under paragraph 4(b) of the Policy a non-exhaustive list of factors evidencing registration and use in bad faith comprises:

- "(i) circumstances indicating that you have registered or you have acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name; or (ii) you have registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that you have engaged in a pattern of such conduct; or
- (iii) you have registered the domain name primarily for the purpose of disrupting the business of a competitor; or (iv) by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your web site or other on-line location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of your web site or location or of a product or service on your web site or location."

In the present circumstances the Panel agrees with the Complainant that factor (iv) applies as the Respondent was seeking to attract potential customers by creating a likelihood of confusion with the Complainant's PRIME trademark. It does not matter that at the date the Respondent registered the Disputed Domain Name the Complainant had only recently launched its range of PRIME branded beverages and may not at that stage have had any trademark rights. See <u>WIPO Overview 3.0</u>, section 3.8.2:

"Domain names registered in anticipation of trademark rights

As an exception to the general proposition described above in 3.8.1, in certain limited circumstances where the facts of the case establish that the respondent's intent in registering the domain name was to unfairly capitalize on the complainant's nascent (typically as yet unregistered) trademark rights, panels have been prepared to find that the respondent has acted in bad faith.

Such scenarios include registration of a domain name: (i) shortly before or after announcement of a corporate merger, (ii) further to the respondent's insider knowledge (e.g., a former employee), (iii) further to significant media attention (e.g., in connection with a product launch or prominent event), or (iv) following the complainant's filing of a trademark application".

In the present case the relevant timing and evidence leads to a clear inference that (iii) above applies.

In sum, all the evidence clearly points to bad faith on the part of the Respondent. The Respondent's Website gives the impression that it is a website operated by or with the authority of the Complainant when

that is not the case. The Disputed Domain Name is clearly intended to assist in that deception. The Panel does not consider that the disclaimer on the Respondent's Websites alters this analysis. It is not particularly prominent and a visitor has to scroll down to find it. This issue is discussed in WIPO Overview 3.0 at paragraph 3.7: "How does a disclaimer on the webpage to which a disputed domain name resolves impact a panel's assessment of bad faith?"

"In cases where the respondent appears to otherwise have a right or legitimate interest in a disputed domain name, a clear and sufficiently prominent disclaimer would lend support to circumstances suggesting its good faith. For example, where a respondent is legitimately providing goods or services related to the complainant's mark only (see *Oki Data* and its progeny discussed at 2.8), the presence of a clear and sufficiently prominent disclaimer can support a finding that the respondent has undertaken reasonable steps to avoid unfairly passing itself off as related to the complainant, or to otherwise confuse users.

On the other hand, where the overall circumstances of a case point to the respondent's bad faith, the mere existence of a disclaimer cannot cure such bad faith. In such cases, panels may consider the respondent's use of a disclaimer as an admission by the respondent that users may be confused."

For the reasons discussed above the Panel does not consider the Respondent has a right or legitimate interest in the Disputed Domain Name. It also considers that the overall circumstances of a case point to the respondent's bad faith and accordingly the Panel does not consider the disclaimer, even if it was more prominent, assists the Respondent.

The Panel also notes that the Respondent has not filed a Response and hence has not availed himself of the opportunity to present any case of good faith that he might have. The Panel infers that none exists.

Accordingly, the Panel finds that the Disputed Domain Name has been registered and is being used in bad faith and the third condition of paragraph 4(a) of the Policy has been fulfilled.

7. Decision

For all the foregoing reasons, in accordance with paragraphs 4 of the Policy and 15 of the Rules, the Panel orders that the Disputed Domain Name, <drinkprimeuae.store>, be transferred to the Complainant.

/Nick J. Gardner/
Nick J. Gardner
Sole Panelist

Date: August 17, 2022