

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Canva Pty Ltd v. Robson Fernandes Case No. D2022-3913

1. The Parties

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

Respondent is Robson Fernandes, Brazil.

2. The Domain Name and Registrar

The disputed domain name <socialcanva.com> is registered with Hosting Concepts B.V. d/b/a Registrar.eu. (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on October 18, 2022. On October 19, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On October 27, 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 Complainant on October 27, 2022, 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 November 3, 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 Respondent of the Complaint, and the proceedings commenced on November 3, 2022. In accordance with the Rules, paragraph 5, the due date for Response was November 23, 2022. Respondent did not submit any response. Accordingly, the Center notified Respondent's default on November 24, 2022.

The Center appointed Scott R. Austin as the sole panelist in this matter on December 2, 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

Complainant states in its Complaint (as amended) and provides evidence in the respective Annexes sufficient to support that Complainant, Canva Pty Ltd, operates an online graphic design platform which provides users thousands of images and templates to choose from for its online graphic design services under the service mark CANVA (the "CANVA Mark"). Complainant's online platform is easy-to-use, intuitive, and utilizes a "drag-and-drop" methodology to support many uses and contexts, including presentations, social media posts, and a range of print products. Complainant launched a mobile app for the iPad in 2014 under the CANVA Mark, which grew access to its services and the app is now available on mobile phone devices. As a result, since its founding in 2012 by Melanie Perkins, Cliff Obrecht, and Cameron Adams, Complainant's services have grown to achieve significant reputation and acclaim, its business was valued at USD 6 billion as of June 2020, and Complainant currently serves more than 60 million active users per month as customers in 190 countries. It is frequently featured in third-party lists ranking the best online graphic design tools available. Complainant's online platform is available in approximately 100 languages and markets its graphic design services to users in numerous jurisdictions worldwide through country-specific sites such as "www.canva.com/pt_br/" for Brazil.

Complainant has also established a strong social media presence using the CANVA Mark to promote its graphic design services, with millions of followers and subscribers on Facebook, Instagram, Twitter, and Pinterest.

Complainant owns the official domain name of <canva.com> which it uses to access its official website at "www.canva.com" (the "Official CANVA Mark Website") which Complainant uses to offer and promote its services, and for which Similarweb traffic statistics indicate it received an average of more than 300 million visits per month between May and July 2022.

Complainant has used the CANVA Mark for online graphic design software goods and services for over 10 years and owns numerous trademark registrations around the world, including Australia Trademark Registration No. 1483138, CANVA, registered on March 29, 2012, for goods in International Class 9; U.S. Trademark Registration No. 4316655, CANVA, registered on April 9, 2013, for services in International Class 42; International Trademark Registration No. 1204604, CANVA, registered on October 1, 2013, for goods in International Class 9; and Brazil Trademark Registration No 914660462, CANVA, registered April 30, 2019, for goods in International Class 9.

The disputed domain name was registered on February 18, 2022, and resolves to a site which, without authorization, displays the CANVA mark and logo and purports to sell editable graphic design templates of Complainant as well as the goods and services of Complainant's competitors in the graphic design software products industry.

5. Parties' Contentions

A. Complainant

Complainant contends that the disputed domain name is identical or confusingly similar to Complainant's trademark; that Respondent has no rights or legitimate interests in respect of the disputed domain name; and that the disputed domain name was registered and is being used in bad faith.

B. Respondent

Respondent did not reply to Complainant's contentions.

6. Discussion and Findings

There are no exceptional circumstances within paragraph 5(e) of the Rules to prevent this Panel from determining the present dispute based upon the Complaint (as amended), notwithstanding the failure of any person to lodge a substantive formal Response in compliance with the Rules. Under paragraph 14 of the Rules, where a party does not comply with any provision of the Rules, the Panel shall "draw such inferences therefrom as it considers appropriate".

Where no substantive Response is filed, however, Complainant must still make out its case in all respects under paragraph 4(a) of the Policy. To succeed, Complainant must demonstrate that the requirements for each of the elements listed in paragraph 4(a) of the Policy have been satisfied.

The Panel will address its findings on each of these elements in more detail below.

The standard of proof under the Policy is often expressed as the "balance of the probabilities" or "preponderance of the evidence" standard. Under this standard, an asserting party needs to establish that it is more likely than not that the claimed fact is true. See, WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 4.2.

A. Identical or Confusingly Similar

Ownership of a nationally registered trademark constitutes *prima facie* evidence that the complainant has the requisite rights in a mark for purposes of paragraph 4(a)(i) of the Policy. <u>WIPO Overview 3.0</u>, section 1.2.1. Complainant claims trademark rights in the CANVA Mark for its graphics design software products and online retail graphic design services platform in its registrations for the CANVA Mark, registered as early as 2013 and claiming use dating back to 2012. Sufficient evidence has been submitted in the form of electronic copies of valid and subsisting trademark registration documents in the name of Complainant. Complainant has demonstrated, therefore, that it has rights in the CANVA Mark. See *Advance Magazine Publishers Inc.*, *Les Publications Conde Nast S.A. v. Voguechen*, WIPO Case No. <u>D2014-0657</u>.

With Complainant's rights in the CANVA Mark established, the remaining question under the first element of the Policy is whether the disputed domain name is identical or confusingly similar to Complainant's CANVA Mark. It is well accepted that the first element functions primarily as a standing requirement and that the threshold test for confusing similarity involves a "reasoned but relatively straightforward comparison between the complainant's trademark and the disputed domain name". WIPO Overview 3.0, section 1.7.

Prior UDRP panels have held 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 despite the addition of other words to such marks. WIPO Overview 3.0, section 1.8 ("Where the relevant trademark is recognizable within the disputed domain name, the addition of other terms (whether descriptive, geographical, pejorative, meaningless, or otherwise) would not prevent a finding of confusing similarity under the first element"); see also Wal-Mart Stores, Inc. v. MacLeod d/b/a/ For Sale, WIPO Case No. D2000-0662.

A side-by-side comparison between the disputed domain name and Complainant's CANVA Mark shows the CANVA Mark is incorporated in its entirety and recognizable as the domain distinctive feature of the disputed domain name as well as the domain name used for Complainant's "www.canva.com" Official CANVA Mark Website. The rterm that precedes the CANVA Mark, "social" does not prevent a finding of confusing similarity between the disputed domain name and the CANVA Mark. See, *L'Oréal, Lancôme Parfums et Beauté & Cie v. Jack Yang,* WIPO Case No. <u>D2011-1627</u>.

The addition of the TLD ".com" is irrelevant in determining whether the disputed domain name is confusingly similar. See, *Research in Motion Limited v thamer Ahmed Alfarshooti,* WIPO Case No. <u>D2012-1146</u>; <u>WIPO Overview 3.0</u>, section 1.11.

Complainant's well-known CANVA Mark is fully recognizable as it is incorporated into the disputed domain name in its entirety. Accordingly, the Panel finds the disputed domain name confusingly similar to the CANVA Mark in which Complainant has rights and Complainant has thus satisfied its burden under Paragraph 4(a)(i) of the Policy.

B. Rights or Legitimate Interests

Under the second element of the Policy, the complainant has to make out a *prima facie* case that the respondent does not have rights or legitimate interests in the disputed domain name, upon which the burden of production on this element shifts to the respondent to come forward with relevant evidence demonstrating rights to or legitimate interests in the disputed domain name. If the respondent fails to come forward with such evidence, a complainant is deemed to have satisfied the second element. <u>WIPO Overview 3.0</u>, section 2.1. See also *The American Automobile Association, Inc. v. Privacy--Protect.org et al.*, WIPO Case No. <u>D2011-2069</u>.

Paragraph 4(a)(ii) of the Policy also directs an examination of the facts to determine whether a respondent has rights or legitimate interests in a domain name. Paragraph 4(c) lists a number of ways in which a respondent may demonstrate that it does have such rights or interests.

The first example, under paragraph 4(c)(i), is where "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".

Here, the annex to the Complaint shows the disputed domain name resolves to a page targeting Complainant's field of activity, design graphics software, advertising not only the unauthorized sale of "Canva" branded graphic design templates, but also design software of Complainant's competitors. Complainant contends Respondent's configuration of the disputed domain name incorporating the well-known CANVA Mark was to capitalize on the goodwill of the CANVA mark and attract Internet users to its own site for the purpose of deriving commercial gain.

Prior UDRP panels have specifically found use of a disputed domain name to resolve to a commercial website competing with or capitalizing on a complainant's trademark does not represent a *bona fide* use of the disputed domain name pursuant to paragraph 4(c)(i) nor a legitimate noncommercial or fair use pursuant to paragraph 4(c)(iii). <u>WIPO Overview 3.0</u>, section 2.5.3.

Based on the foregoing decisions and evidence submitted, this Panel finds the disputed domain name is not being used in connection with a *bona fide* offering of goods or services nor a legitimate noncommercial or fair use of the disputed domain name without intent for commercial gain sufficient to demonstrate Respondent has any rights or legitimate interests in the disputed domain name under the factors specified by paragraphs 4(c)(i) or (c)(iii) of the Policy.

Prior UDRP panels have also found that "use which intentionally trades on the fame of another cannot constitute a *bona fide* offering of goods or services. To conclude otherwise would mean that a Respondent could rely on intentional infringement to demonstrate a legitimate interest, an interpretation that is obviously contrary to the intent of the Policy." *Ciccone v. Parisi*, WIPO Case No. D2000-0847; see also, *Advance Magazine Publishers, Inc. v. Lisa Whaley*, WIPO Case No. D2001-0248 (finding that "intentionally infringing use should not be viewed as *bona fide* use"). The disputed domain name clearly features unauthorized use of terms that are confusingly similar to Complainant's CANVA Mark and its domain name used for the Official CANVA Mark Website which infringing use is further exploited at Respondent's website featuring infringing and competing design software products.

Complainant's evidence of use in the Complaint as amended also supports Complainant's contention that Respondent cannot claim prior rights or legitimate interest in the disputed domain name because Complainant's use of the CANVA Mark precedes the registration of the disputed domain name by over 10 years.

The second example, under paragraph 4(c)(ii), is a scenario in which a respondent is commonly known by the disputed domain name. Complainant states that it has no knowledge of any registered or unregistered mark used by Respondent incorporating the term "canva", that Respondent is not connected or affiliated with Complainant, has not received authorization, license or consent to commercially use the CANVA Mark (in a domain name or otherwise), and its conduct contravenes Complainant's Terms of Use. Complainant also shows that Respondent is not commonly known by the disputed domain name because the Registrar identified the underlying registrant information in its verification process as Robson Fernandes, of Brazil, which Complainant named as Respondent in its amended Complaint. Respondent does not bear any resemblance to the disputed domain name whatsoever. Thus, there is no evidence in this case to suggest that Respondent is commonly known by the disputed domain name, that it is licensed or otherwise authorized to use Complainant's trademark, or that it has acquired any trademark rights relevant thereto. As such, the Panel finds this sub-section of the Policy is of no help to Respondent and the facts presented here support a finding of a lack of rights or legitimate interests in the disputed domain name. See *Confédération nationale du crédit mutuel v. Yu Ke Rong*, WIPO Case No. D2018-0948; Expedia, Inc. v. Dot Liban, Hanna El Hinn, WIPO Case No. D2002-0433.

In light of the above, and with no Response in this case to rebut Complainant's assertions and evidence, the Panel finds that the facts of this case demonstrate that Respondent has no rights or legitimate interests in the disputed domain name. Complainant has successfully met its burden under paragraph 4(a)(ii) of the Policy.

C. Registered and Used in Bad Faith

Finally, Complainant must prove, by a preponderance of the evidence, that the disputed domain name has been registered and used in bad faith under paragraph 4(a)(iii) of the Policy. See, e.g., Hallmark Licensing, LLC v. EWebMall, Inc., WIPO Case No. D2015-2202.

Paragraph 4(b) of the Policy sets out a non-exhaustive list of circumstances that point to bad faith conduct on the part of a respondent. The panel may, however, consider the totality of the circumstances when analyzing bad faith under Policy, paragraph 4(a)(iii) and may make a finding of bad faith that is not limited to the enumerated factors in Policy, paragraph 4(b). See *Do the Hustle, LLC v. Tropic Web*, WIPO Case No. D2000-0624.

Complainant contends that there is no other explanation for Respondent to register the disputed domain name other than to target Complainant and its well-known CANVA Mark. Complainant also contends the CANVA Mark to be "well-known". The Panel finds Complainant has provided sufficient evidence in the Annexes submitted for the Panel to reasonably conclude the CANVA Mark is well known based on the substantial worldwide trademark registrations and recognition of Complainant in leading national and international trade and general consumer publications featuring articles on Complainant's products and global online design services platform identified by the CANVA Mark. Further, given its registration and use in Brazil, where Respondent is located, almost 3 years before registration of the disputed domain name, and the disputed domain name incorporates the CANVA Mark in its entirety, the Panel finds bad faith registration based on Respondent's actual knowledge of the CANVA Mark. Moreover, panels have consistently found that the mere registration of a domain name that is identical or confusingly similar to a famous or widely known trademark by an unaffiliated entity can by itself create a presumption of bad faith. See WIPO Overview 3.0, section 3.1.4.

Prior UDRP panels have also found where a respondent's actions indicate that respondent's primary intent with respect to the disputed domain name is to trade off the value of Complainant's Marks, constitutes bad faith. See *Herbalife International, Inc. v. Surinder S. Farmaha*, WIPO Case No. <u>D2005-0765</u>.

Given the widespread recognition of Complainant's CANVA Mark including where Respondent is located, and over 10 years of use globally of the CANVA Mark prior to Respondent's registration of the disputed domain name on February 18, 2022, the use of the disputed domain name has been to cause confusion with Complainant and therefore, the use and registration of the disputed domain name must be considered to be

in bad faith. See *Empresa Brasileira de Telecomunicações S.A. Embratel v. Kevin McCarthy*, WIPO Case No. <u>D2000-0164</u>. See also *Canva Pty Ltd v. Varinder Rajoria, KnotSync Ltd*, WIPO Case No. <u>D2021-2577</u>.

As found by prior UDRP panels, use of the disputed domain name for a web page competing with or capitalizing on Complainant's trademark demonstrates an indication that Respondent intentionally attempted to attract, for commercial gain, Internet users to its disputed domain name, by creating a likelihood of confusion with Complainant's CANVA Mark as to the source, sponsorship, affiliation or endorsement of Respondent, and, therefore is evidence of registration and use of the disputed domain name in bad faith under paragraph 4(b)(iv) of the Policy. See Association des Centres Distributeurs E. Leclerc - A.C.D Lec v. Milen Radumilo, WIPO Case No. D2017-2003.

The Panel finds Complainant's arguments and evidence persuasive and has received no formal Response or arguments or evidence from Respondent to the contrary. Considering all the circumstances, the Panel concludes that Respondent has registered and used the disputed domain name in bad faith and Complainant has satisfied paragraph 4(a)(iii) 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, <socialcanva.com> be transferred to Complainant.

/Scott R. Austin/ Scott R. Austin Sole Panelist

Date: December 18, 2022