

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Xiaomi Inc. v. Renzo Cruz Case No. D2023-3045

1. The Parties

The Complainant is Xiaomi Inc., China, represented by CSC Digital Brand Services Group AB, Sweden.

The Respondent is Renzo Cruz, Peru.

2. The Domain Name and Registrar

The disputed domain name <xiaomitiendaperu.com> (the "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 July 17, 2023. On July 17, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Name. On July 18, 2023, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the Domain Name, which differed from the named Respondent (Registration Private, Domains By Proxy, LLC) and contact information in the Complaint. The Center sent an email communication to the Complainant on July 19, 2023, 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 July 20, 2023.

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 July 27, 2023. In accordance with the Rules, paragraph 5, the due date for Response was August 16, 2023. Per the Respondent's extension request dated August 16, 2023, the due date for Response was extended to August 20, 2023 pursuant to paragraph 5(b) of the Rules. The Center did not receive any further communication from the Respondent. The Center informed the Parties that it would proceed with panel appointment on August 24, 2023.

The Center appointed Olga Zalomiy as the sole panelist in this matter on August 28, 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

The Complainant is a manufacturer of consumer electronics, which includes among other things smartphones and smart hardware connected by an Internet of Things platform at its core. The Complainant owns several trademark registrations for the XIAOMI and MI trademarks, such as:

- Peru Trademark Registration No. S00089018 for XIAOMI, registered on July 23, 2015;
- International Trademark Registration No. 1177611 for XIAOMI, registered on November 28, 2012;
- Chile Trademark Registration No. 1115836 for XIAOMI, registered on July 30, 2014; and
- International Trademark Registration No. 1173649 for MI, registered on November 28, 2012.

The Respondent registered the Domain Name on July 2, 2018. The Domain Name directs to an online store offering for sale purported Complainant's products along with third party products. The website under the Domain Name, which displays the Complainant's trademark, does not provide any information about its owner, apart from referring to the website as "XIAOMI TIENDA PERU" along with a map to its purported location. The "About us" section of the website states "Nosotros somos Xiaomi Tienda Perú una empresa dedicada a la importación, distribución y venta de productos Xiaomi", which may be translated into English as "We are Xiaomi Peru Store, a business dedicated to the import, distribution and sale of Xiaomi products".

5. Parties' Contentions

A. Complainant

The Complainant's contentions are summarized as follows:

The Domain Name is identical or confusingly similar to the Complainant's XIAOMI trademarks because the only difference between the Domain Name and the trademark is the insertion of the generic terms "tienda peru", which means "Peru shop" in English, after the Complainant's trademark. The addition of such terms to the Complainant's mark does not prevent a finding of confusing similarity. The use of the generic Top-Level Domain ("gTLD") ".com" does not change the result because the gTLD is viewed as a standard registration requirement and as such is disregarded under the first element confusing similarity test.

The Respondent has neither rights nor legitimate interests in the Domain Name because the Respondent has no connection to or affiliation with the Complainant. Neither did the Respondent receive a permission to use the Complainant's trademarks in the Domain Name or in any other manner. The Respondent is not commonly known by the XIAOMI trademarks. The Respondent used a privacy service at the time the Complaint was filed, which shows lack of legitimate interest. The Respondent is not making a noncommercial or fair use of the Domain Name because the Respondent is using the Domain Name to direct to a website designed to create an impression of an affiliation between the Complainant and the Respondent by displaying the Complainant's logos and offering for sale a range of Complainant's products.

The Domain Name was registered and is being used in bad faith due to the following reasons:

- 1) the Domain Name was registered long after the Complainant registered its trademarks;
- 2) it is likely that the Respondent was aware of the Complainant's highly distinctive XIAOMI trademark when he registered the Domain Name;

- 3) the Domain Name directs to a website that offers for sale the purported Complainant's products along with goods of the Complainant's competitors, which shows that the Respondent is using the Domain Name to attract for commercial gain, Internet users to his website by created a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation or endorsement of his website; and
- 4) the Respondent's use of the Domain Name disrupts the Complainant's business.

B. Respondent

On August 16, 2023, the Respondent sent to the Center two emails requesting an extension of time for filing a Response. While the extension was granted, the Respondent did not reply to the Complainant's contentions.

6. Discussion and Findings

Pursuant to paragraph 4(a) of the UDRP, to succeed in this proceeding, the Complainant must prove each of the following elements with respect to the Domain Name:

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

A. Identical or Confusingly Similar

Pursuant to paragraph 4(a)(i) of the UDRP, the Complainant must prove that the Domain Name is identical or confusingly similar to the trademark or service mark in which the Complainant has rights.

The submitted evidence shows that the Complainant owns multiple trademark registrations for the XIAOMI trademark. Pursuant to section 1.2.1 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), this satisfies the threshold requirement of having trademark rights for purposes of standing to file a UDRP case.

"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." It is well-established that the applicable gTLD should be disregarded under the confusing similarity test as a standard registration requirement.²

The Domain Name consists of the Complainant's XIAOMI trademark, the term "tienda peru" that can be translated into English as "Peru shop" and the gTLD ".com". Because the Complainant's XIAOMI trademark is recognizable within the Domain Name, the addition of the term "tienda peru" does not prevent a finding of confusing similarity. The gTLD ".com" is disregarded from the assessment of confusing similarity. Therefore, the Domain Name is confusingly similar to the Complainant's XIAOMI trademark.

The Complainant has satisfied the first element of the UDRP.

¹ Section 1.8, WIPO Overview 3.0.

² Section 1.11, WIPO Overview 3.0.

B. Rights or Legitimate Interests

Pursuant to paragraph 4(c) of the Policy, any of the following circumstances, in particular but without limitation, if found by the Panel to be proved based on the evidence, shall demonstrate a respondent's rights or legitimate interests in a domain name for the purposes of paragraph 4(a)(ii) of the Policy:

- (i) before any notice of the dispute, the respondent's 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) the respondent (as an individual, business, or other organization) has been commonly known by the domain name, even if the respondent has acquired no trademark or service mark rights; or
- (iii) the respondent is 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.

To prove the second UDRP element, the Complainant must make out a *prima facie* case³ in respect of the lack of rights or legitimate interests of the Respondent.

The Panel finds that the Complainant satisfied its burden of proof for the following reasons. First, the evidence on file shows that the Respondent has not been commonly known by the Domain Name because the Respondent's name is reportedly Renzo Cruz. Second, the Complainant contends, and the Respondent does not deny that the Complainant did not authorize the Respondent's use of the Complainant's trademark in the Domain Name. Third, the Respondent is not making a legitimate noncommercial or fair use of the Domain Name, because the Respondent is using the Domain Name, which to direct to an online store selling purported XIAOMI products and using the Complainant's trademarks. The Respondent's use of the Domain Name does not satisfy requirements of a *bona fide* offering of goods and services. Previous UDRP panels have recognized that resellers or distributors using domain names containing the complainant's trademark to undertake sales of the complainant's goods may be making a *bona fide* offering of goods and thus have a right or legitimate interest in such domain names in some situations. Outlined in the *Oki Data* case⁴, the following cumulative requirements must be satisfied for the respondent to make a *bona fide* offering of goods and services:

- "(i) the respondent must actually be offering the goods or services at issue;
- (ii) the respondent must use the site to sell only the trademarked goods or services;
- (iii) 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 Panel finds the Respondent has failed to meet the *Oki Data* test outlined above. The website, which displays the Complainant's logo, offers for sale purported XIAOMI products along with products of Complainant's competitors. No specific information as to lack of affiliation between the Complainant and the Respondent is provided, let alone accurately and prominently disclaimer on the website under the Domain Name. Instead, the "About us" section of the website states: "Nosotros somos Xiaomi Tienda Perú una empresa dedicada a la importación, distribución y venta de productos Xiaomi", which may be translated into English as "We are Xiaomi Peru Store, a business dedicated to the import, distribution and sale of Xiaomi products". Such statement coupled with the absence of a disclaimer, which creates an impression of an affiliation between the Complainant and the Respondent.

³ Section 2.1, WIPO Overview 3.0.

⁴ Oki Data Americas, Inc. v. ASD, Inc., WIPO Case No. <u>D2001-0903</u>.

For the reasons stated, the Panel finds that the Complainant has made a *prima facie* case in respect to the lack of rights or legitimate interests of the Respondent in the Domain Name. Once a complainant makes a *prima facie* case, the burden of production shifts to the respondent to come forward with appropriate allegations or evidence demonstrating rights or legitimate interests in the Domain Name.⁵ The Respondent has failed to do so.

Therefore, the Complainant has satisfied the second element of the UDRP.

C. Registered and Used in Bad Faith

Pursuant to paragraph 4(a)(iii) of the Policy, the Complainant must prove that the Domain Name was registered and is being used in bad faith.

The UDRP establishes that, for purposes of paragraph 4(a)(iii) of the Policy, "bad faith" registration and use of a domain name can be established by a showing of circumstances indicating that the respondent is using the domain name to intentionally attempt to attract, for commercial gain, Internet users to the respondent's website or other online location, by creating a likelihood of confusion with the complainant's mark as to source, sponsorship, affiliation or endorsement of the respondent's website or location, or of a product or service on the respondent's website or location. See Policy, paragraph 4(b)(iv).

Prior UDRP panels have found "the following types of evidence to support a finding that a respondent has registered a domain name to attract, for commercial gain, Internet users to its website by creating a likelihood of confusion with the complainant's mark: [...] (ii) seeking to cause confusion (including by technical means beyond the domain name itself) for the respondent's commercial benefit, even if unsuccessful, (iii) the lack of a respondent's own rights to or legitimate interests in a domain name, [...] (vi) absence of any conceivable good faith use".6

Here, the website at the Domain Name has been designed to look like a website of an official or authorized reseller of the Complainant's products in Peru. The Respondent's website prominently displays the Complainant's XIAOMI trademark. The website at the Domain Name offers for sale the purported Complainant's goods and third party products. The "About Us" section of the website under the Domain Name states "Nosotros somos Xiaomi Tienda Perú una empresa dedicada a la importación, distribución y venta de productos Xiaomi", which may be translated into English as "We are Xiaomi Peru Store, a business dedicated to the import, distribution and sale of Xiaomi products". It has been established that the Respondent does not own rights or legitimate interests in the Domain Name. There are no facts supporting a finding of any conceivable good faith use. Therefore, the Panel concludes that the Respondent registered and is using the Domain Name to intentionally attempt to attract, for commercial gain, Internet users to the Respondent's website, by creating a likelihood of confusion with the Complainant's mark as to source, sponsorship, affiliation or endorsement of the Respondent's website, or of a product or service on the Respondent's website.

Finally, the Panel notes additional facts that support a finding of bad faith, such as the Respondent's failure to submit a Response and his registration of the Domain Name incorporating the distinctive Complainant's trademark and descriptive terms that mean "Peru Store" in English. Such facts have been found to support a finding of bad faith by prior UDRP panels.⁷ Therefore, the totality of circumstances of this case indicate that the Respondent registered and is using the Domain Name in bad faith.

The Complainant has satisfied the third element of the UDRP.

⁵ Section 2.1, WIPO Overview 3.0.

⁶ Section 3.1.4, WIPO Overview 3.0.

⁷ Section 3.2.1, WIPO Overview 3.0.

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 Domain Name <xiaomitiendaperu.com> be transferred to the Complainant.

/Olga Zalomiy/
Olga Zalomiy
Sole Panelist

Date: September 11, 2023