

ARBITRATION
AND
MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Cirkul, Inc. v. 卢剑锋 (Jianfeng Lu) Case No. D2023-3136

1. The Parties

The Complainant is Cirkul, Inc., United States of America ("United States"), represented by Wolf, Greenfield & Sacks, P.C., United States.

The Respondent is 卢剑锋 (Jianfeng Lu), China.

2. The Domain Name and Registrar

The disputed domain name <cirkuls.com> is registered with Jiangsu Bangning Science & technology Co. Ltd. (the "Registrar").

3. Procedural History

The Complaint in English was filed with the WIPO Arbitration and Mediation Center (the "Center") on July 20, 2023. On July 21, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On July 22, 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 (Redacted for Privacy) and contact information in the Complaint. The Center sent an email communication to the Complainant on August 1, 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 amendment to the Complaint in English on August 2, 2023.

On August 3, 2023 the Center informed the parties in Chinese and English, that the language of the registration agreement for the disputed domain name is Chinese. On the same day, the Complainant requested English to be the language of the proceeding. The Respondent did not submit any comment on the Complainant's submission.

The Center verified that the Complaint together with the amendment to the 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 in English and Chinese of the Complaint, and the proceedings commenced on August 15, 2023. In accordance with the Rules, paragraph 5, the due date for Response was September 4, 2023. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on September 14, 2023.

The Center appointed Deanna Wong Wai Man as the sole panelist in this matter on October 9, 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 company headquartered in the United States and specialized in manufacturing and selling proprietary water bottles and flavor cartridges to add flavors and nutrients to water. The Complainant was established in October 2015, and has operated continuously under the CIRKUL mark since November 2017. The Complainant's water bottles and flavor cartridges are all offered for sale under the CIRKUL mark. Since its company launch, the Complainant has enjoyed millions of dollars in annual sales under and in conjunction with the CIRKUL mark, and has invested substantially in the advertising and promotion of the CIRKUL mark and the associated goods and services.

The Complainant provides evidence that it owns a portfolio of trademark registrations and applications for CIRKUL. These registrations include, but are not limited to, United States Trademark Registration No. 5,675,703 for CIRKUL registered on February 12, 2019, and United States Trademark Registration No. 5,878,002 for INNER CIRKUL registered on October 8, 2019. The Complainant also has a strong online presence and provides its products via its official websites hosted at various official domain names including <drinkcirkul.com>, which currently resolves to a website from which the Complainant's products can be purchased.

The disputed domain name was registered on June 20, 2023. The Complainant submits evidence that the disputed domain name previously resolved to an active webpage impersonating the Complainant by using the Complainant's trademarks and product images. However, the Panel notes that on the date of this Decision, the disputed domain name resolves to an inactive webpage.

5. Parties' Contentions

A. Complainant

The Complainant contends that it has satisfied each of the elements required under the Policy for a transfer of the disputed domain name.

Notably, the Complainant contends that the disputed domain name is confusingly similar to its registered trademark for CIRKUL, that the 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 to divert Internet users to the Respondent's webpage which impersonates the Complainant and offers for sale counterfeit products.

The Complainant essentially contends that the disputed domain name is confusingly similar to the Complainant's famous trademarks as it incorporates the Complainant's CIRKUL trademark in its entirety, with the only differing element being the addition of the letter "s" to the disputed domain name.

The Complainant also argues that the disputed domain name was diverting Internet traffic to a website that impersonated the Complainant's website. The Complainant particularly contends that the Respondent misrepresents itself as "Cirkuls LLC" and that the website at the disputed domain name uses the

Complainant's trademark and product images to create the same commercial impression as the Complainant's, which, the Complainant argues, confers no rights or legitimate interests in the disputed domain name on the Respondent, and which means that the Respondent is gaining a commercial benefit through such use of the Complainant's marks. The Complainant also argues that the Respondent had or can be expected to have had prior notice of the Complainant's trademarks at the time the disputed domain name was registered, since the Complainant registered its trademarks for CIRKUL five years prior to the registration of the disputed domain name and since these marks are well known. The Complainant essentially contends that the Respondent has acted to disrupt the Complainant's business by confusing or misleading consumers, and argues that the registration and use of the disputed domain name in such circumstances constitutes registration and use in bad faith.

The Complainant requests the transfer of the disputed domain name.

B. Respondent

The Respondent did not reply to the Complainant's contentions.

6. Discussion and Findings

Preliminary Issue: Language of the Proceeding

The language of the Registration Agreement for the disputed domain name is Chinese. Pursuant to the Rules, paragraph 11(a), in the absence of an agreement between the parties, or unless specified otherwise in the registration agreement, the language of the administrative proceeding shall be the language of the registration agreement.

The Complaint was filed in English. The Complainant requested that the language of the proceeding be English for several reasons, including the fact that the Registrar's and the Respondent's websites are written in English and the fact that the Respondent claims on its website to operate a business in Hong Kong, China where the official languages are Chinese and English.

The Respondent did not make any specific submissions with respect to the language of the proceeding.

In exercising its discretion to use a language other than that of the registration agreement, the Panel has to exercise such discretion judicially in the spirit of fairness and justice to both parties, taking into account all relevant circumstances of the case, including matters such as the parties' ability to understand and use the proposed language, time and costs (see WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 4.5.1).

Having considered all the matters above, the Panel determines under paragraph 11(a) of the Rules that the language of the proceeding shall be English.

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, <u>WIPO Overview 3.0</u>, section 1.7.

Based on the available record, the Panel finds the Complainant has shown rights in respect of a trademark or service mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.2.1.

The Panel finds the entirety of the mark is reproduced within the disputed domain name. Accordingly, the disputed domain name is confusingly similar to the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.7.

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

Based on the available record, 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.

While 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 often impossible 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. 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 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 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.

Moreover, the Panel notes that, based on the evidence submitted by the Complainant, the Respondent used the disputed domain name to connect it to a website impersonating the Complainant by using the Complainant's trademarks and product images and by misrepresenting itself as "Cirkuls LLC". In this case, the Panel also accepts that, given the unclear origin, the lack of any accurate and prominent disclaimer and false suggestions of affiliation on the website linked to the disputed domain name and given the heavily discounted product prices, it is very likely that the products offered by the Respondent on such website are counterfeit products.

However, the Panel notes that on the date of this Decision, the disputed domain name resolves to an inactive webpage. In this regard, the Panel finds that holding a domain name passively, without making any use of it, also does not confer any rights or legitimate interests in the disputed domain name on the Respondent (see in this regard earlier UDRP decisions such as *Bollore SE v. 赵竹飞 (Zhao Zhu Fei)*, WIPO Case No. D2020-0691 and *Vente-Privee.Com and Vente-Privee.com IP S.à.r.I. v. 崔郡 (jun cui)*, WIPO Case No. D2021-1685).

Based on the available record, the Panel 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.

In the present case, the Panel notes that the Respondent has registered the disputed domain name which is confusingly similar to the Complainant's intensely used and distinctive trademark. The Panel deducts from this fact that by registering the disputed domain name, the Respondent deliberately and consciously targeted the Complainant's prior trademarks for CIRKUL. The Panel finds that this creates a presumption of bad faith. In this regard, the Panel refers to the WIPO Overview 3.0, section 3.1.4, which states "[p]anels have consistently found that the mere registration of a domain name that is identical or confusingly similar

(particularly domain names comprising typos or incorporating the mark plus a descriptive term) to a famous or widely-known trademark by an unaffiliated entity can by itself create a presumption of bad faith".

Furthermore, the Panel also notes that the Complainant's trademarks for CIRKUL were registered several years before the registration date of the disputed domain name. The Panel deducts from these elements that the Respondent knew of the existence of the Complainant's trademarks at the time of registering the disputed domain name. In the Panel's view, these elements indicate bad faith on the part of the Respondent, and the Panel therefore finds that it has been demonstrated that the Respondent registered the disputed domain name in bad faith.

As to use of the disputed domain name in bad faith, the Panel notes that, based on the evidence submitted by the Complainant, the Respondent used the disputed domain name to connect it to a website impersonating the Complainant by using the Complainant's trademarks and product images and by misrepresenting itself as "Cirkuls LLC". In this case, the Panel also accepts that, given the unclear origin, the lack of any accurate and prominent disclaimer and false suggestions of affiliation on the website linked to the disputed domain name and given the heavily discounted product prices, it is very likely that the products offered by the Respondent on such website are counterfeit products. This constitutes evidence of the Respondent's bad faith under paragraph 4(b)(iv) of the Policy.

However, on the date of this Decision, the disputed domain name links to an inactive website.

Panels have found that the non-use of a domain name (including a blank or "coming soon" page) would not prevent a finding of bad faith under the doctrine of passive holding. Having reviewed the record, the Panel finds the current non-use of the disputed domain name does not prevent a finding of bad faith in the circumstances of this proceeding. While panelists 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; (iii) the respondent's concealing its identity or use of false contact details (noted to be in breach of its registration agreement); and (iv) the implausibility of any good faith use to which the domain name may be put. WIPO Overview 3.0, section 3.3. Having reviewed the record, the Panel notes the distinctiveness and reputation of the Complainant's trademark, the misleading use made of the disputed domain name by the Respondent, the composition of the disputed domain name, and finds that in the circumstances of this case the passive holding of the disputed domain name does not prevent a finding of bad faith under the Policy.

Based on the available record, the Panel finds the third element of the Policy has been established.

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 <cirkuls.com> be transferred to the Complainant.

/Deanna Wong Wai Man/ Deanna Wong Wai Man Sole Panelist Date: October 23, 2023