

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

ZO Skin Health, Inc. v. Куцепалов Михаил Викторович / Kucepalov Mihail Viktorovic Case No. DCC2023-0003

1. The Parties

The Complainant is ZO Skin Health, Inc., United States of America ("United States"), represented by ZwillGen PLLC, United States.

The Respondent is Куцепалов Михаил Викторович / Kucepalov Mihail Viktorovic, Ukraine.

2. The Domain Name and Registrar

The disputed domain name <zoskin.cc> is registered with Hosting Ukraine LLC (ua.ukraine) (the "Registrar").

3. Procedural History

The Complaint was filed in English with the WIPO Arbitration and Mediation Center (the "Center") on April 13, 2023. On April 19, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On April 20 and 25, 2023, the Registrar transmitted by email to the Center its verification responses, disclosing registrant and contact information for the disputed domain name which differed from the named Respondent (Unknown / Privacy Protection, Hosting Ukraine LLC) and contact information in the Complaint. The Center sent an email communication to the Complainant on April 27, 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 in English on April 28, 2023.

The Registrar also indicated that the language of the Registration Agreement is Russian. On April 27, 2023, the Center sent an email communication to the Parties in both Russian and English inviting the Complainant to submit satisfactory evidence of an agreement between the Complainant and the Respondent to the effect that the proceedings should be in English; or submit the Complaint translated into Russian; or submit a request for English to be the language of the proceedings. On April 27, 2023, the Complainant filed a request for English to be the language of the proceedings. The Respondent did not comment on the language of the proceedings.

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 in Russian and English of the Complaint, and the proceedings commenced on May 4, 2023. In accordance with the Rules, paragraph 5, the due date for Response was May 24, 2023. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on May 31, 2023.

The Center appointed Luca Barbero as the sole panelist in this matter on June 22, 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 high-end medical-grade skincare company. Founded by the dermatologist Zein Obagi MD in 2006, the Complainant currently sells its products in over 100 countries.

The Complainant is the owner, amongst others, of the following trademark registrations, as per trademark registration certificates submitted as annexes from 4 to 9 to the Complaint:

- United States trademark registration No. 5252365 for 0, filed on July 25, 2016 and registered on July 25, 2017, in international class 44;
- United States trademark registration No. 4688942 for ZO (word mark), filed on April 20, 2011 and registered on February 17, 2015, in international class 44;
- United States trademark registration No. 4786332 for ZO SKIN CENTRE (word mark), filed on May 29, 2013 and registered on August 4, 2015, in international class 44;
- European Union trademark registration No. 008708711 for ZO SKIN HEALTH (word mark), filed on November 24, 2009 and registered on May 27, 2010, in classes 3, 5 and 44.

The Complainant operates a website at the domain name <zoskinhealth.com>, registered on February 19, 2007, used by the Complainant to promote its products and services under the trademarks ZO and ZO SKIN HEALTH.

The disputed domain name was registered on September 10, 2020 and is currently pointed to a webpage in Ukrainian indicating that the website is under maintenance but products can be ordered via Viber. According to the screenshots submitted by the Complainant – which have not been contested by the Respondent – at the time of filing of the Complaint, the disputed domain name was pointed to a website publishing the Complainant's word and figurative trademarks, information on the Complainant and an image of the Complainant's founder and offering purported Complainant's products for sale.

5. Parties' Contentions

A. Complainant

The Complainant contends that the disputed domain name is confusingly similar to the trademark ZO in which the Complainant has rights as it reproduces the trademark in its entirety with the mere addition of the word "skin" (also used in the Complainant's trademarks ZO SKIN CENTRE and ZO SKIN HEALTH).

With reference to rights or legitimate interests in respect of the disputed domain name, the Complainant states that the Respondent has neither used nor prepared to use the disputed domain name in connection

with a *bona fide* offering of goods or services, that the Respondent is not commonly known by the disputed domain name and has made no legitimate noncommercial or fair use of the disputed domain name without intent to misleadingly divert consumers for commercial gain or to tarnish the Complainant's trademarks.

The Complainant contends that, while the website appears to be a Complainant's website directed to consumers in the Russian Federation, it is not affiliated with the Complainant's exclusive distributor for the Russian Federation, which is Maruga, LLC. The Complainant also asserts that the website appears to be a scam, designed to trick consumers into providing payment information, either in exchange for inferior products or for nothing at all.

With reference to the circumstances evidencing bad faith, the Complainant asserts that the Respondent is using the disputed domain name in bad faith by intentionally attempting to attract web traffic for commercial gain, which it seeks to accomplish by creating a likelihood of confusion with the Complainant's name.

The Complainant emphasizes that the disputed domain name is pointed to a website that holds itself out as an official site of the Complainant even though it is not a Complainant's authorized retailer and the Respondent's website appears to be a scam website that attempts to profit off the success and good name of the Complainant.

B. Respondent

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

6. Discussion and Findings

6.1. Preliminary Procedural Considerations

Under paragraph 10 of the Rules, the Panel needs to ensure that the Parties are treated with equality, that each Party is given a fair opportunity to present its case, and that the administrative proceeding takes place with due expedition.

The Panel notes that, according to the Whols records, the Respondent is based in Ukraine, which is subject to an international conflict at the date of this Decision that may impact case notification.

The Panel notes that the Center sent the Notification of the Complaint, both in Russian and English, by email to the Respondent at his email address as disclosed by the Registrar, to an email address shown in the publicly accessible Whols database, to an email address available on the website associated with the disputed domain name, and to a postmaster email address, as specified by the Rules. According to the case file, it appears that the case notification was successfully delivered to above-mentioned email addresses apart from the postmaster email address. The Written Notice was apparently not successfully delivered to the Respondent's postal address disclosed by the Registrar, most likely due to the incomplete information provided by the Respondent at the time of registering the disputed domain name (only a city name, a country name and a postal code). The Notification of the Complaint was also sent by the Center in both Russian and English via the contact form available at that time on the website to which the disputed domain name resolved and the notification was apparently delivered.

As further detailed below, according to the screenshots submitted by the Complainant and the ones available on the Internet Archive ("www.archive.org")¹, the disputed domain name was pointed, at least until May 29,

¹ As indicated in section 4.8 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("<u>WIPO Overview</u> <u>3.0</u>"), "Noting in particular the general powers of a panel articulated inter alia in paragraphs 10 and 12 of the UDRP Rules, it has been accepted that a panel may undertake limited factual research into matters of public record if it would consider such information useful to assessing the case merits and reaching a decision. This may include visiting the website linked to the disputed domain name in order to obtain more information about the respondent or its use of the domain name, consulting historical resources such as the Internet

2023, *i.e.*, after notification of the Complaint, to a website in Ukrainian and Russian displaying information on the Complainant and an image of its founder and offering purported Complainant's products for sale, without apparently publishing any disclaimer of non-affiliation with the Complainant and thus generating the impression that the website was managed by the Complainant or one of its affiliated entities.

Moreover, shortly before the Panel appointment, the Respondent has changed the use of the disputed domain name, as it is currently pointed to a website under construction where it is stated that purchases of the products can still be made by contacting the Respondent via Viber.

The Panel notes that the Respondent appears to be capable of controlling the disputed domain name and its content and that, having apparently received notification of the Complaint by email and the website contact form, he would have been able to formulate and file a Response in the administrative proceeding in case he wished to do so.

The Panel concludes that the Parties have been given a fair opportunity to present their case and, in order to ensure that the administrative proceeding takes place with due expedition, will now proceed to a Decision.

6.2. Language of the Proceedings

Pursuant to paragraph 11(a) of the Rules, "unless otherwise agreed by the Parties, or specified otherwise in the Registration Agreement, the language of the administrative proceeding shall be the language of the Registration Agreement, subject to the authority of the Panel to determine otherwise, having regard to the circumstances of the administrative proceeding".

In the case at hand, the language of the Registration Agreement of the disputed domain name is Russian. The Complaint was filed in English. Upon receipt of the Registrar's verification, the Center sent an email communication to the parties about the language of the proceedings requesting them to comment on the issue.

The Complainant submitted a request for English to be the language of the proceedings based on the following grounds:

- the Complainant is a United States-based corporation, and the Complainant would need to incur additional expense and delay in order to have its submissions translated into Russian;
- the disputed domain name and the corresponding website feature the Complainant's registered trademarks (such as ZO SKIN CENTRE and ZO SKIN HEALTH), which include English words;
- the Respondent's IP location is Dublin, Ireland, suggesting that the Respondent can understand English.

The Respondent, despite the communications sent by the Center in both Russian and English to its known addresses and apparently delivered at least via email, did not submit any comment about the language of the proceedings and did not file a Response.

In view of the circumstances of the case, in exercising its powers under paragraph 11(a) of the Rules, the Panel finds that English is the appropriate language of this proceeding and will thus proceed to render the Decision in English.

6.3. Substantive Issues

According to paragraph 15(a) of the Rules: "A Panel shall decide a complaint on the basis of the statements

Archive ("www.archive.org") in order to obtain an indication of how a domain name may have been used in the relevant past, reviewing dictionaries or encyclopedias (e.g., Wikipedia), or accessing trademark registration databases".

and documents submitted and in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable." Paragraph 4(a) of the Policy directs that the Complainant must prove each of the following:

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

A. Identical or Confusingly Similar

The Panel finds that the Complainant has established rights over the trademark ZO based on the United States trademark registration No. 4688942 and the related trademark registration certificate submitted as annex 6 to the Complaint.

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 a complainant's trademark and the disputed domain name to assess whether the trademark is recognizable within the disputed domain name (section 1.7 of the <u>WIPO Overview 3.0</u>. Moreover, as found in a number of prior cases decided under the Policy, where a trademark is recognizable within a domain name, the addition of other terms does not prevent a finding of confusing similarity under the first element. See section 1.8 of the <u>WIPO Overview 3.0</u>.

The Panel finds that the disputed domain name is confusingly similar to the trademark ZO as it reproduces the trademark with the mere addition of the term "skin" and of the country code Top-Level Domain ".cc", which can be disregarded when comparing the similarities between a domain name and a trademark (see section 1.11.1 of the <u>WIPO Overview 3.0</u>). Moreover, the Complainant has provided evidence of ownership of trademark registrations for ZO SKIN CENTRE and ZO SKIN HEALTH (annexes 7 and 8 to the Complaint).

The Panel finds that the disputed domain name is also confusingly similar to the trademarks ZO SKIN CENTRE and ZO SKIN HEALTH since it reproduces the two words "zo" and "skin", which can be considered the dominant features of the Complainant's trademarks.

Therefore, the Panel finds that the Complainant has proven that the disputed domain name is confusingly similar to the trademarks in which the Complainant has established rights according to paragraph 4(a)(i) of the Policy.

B. Rights or Legitimate Interests

It is well established that the burden of proof lies on the Complainant. However, satisfying the burden of proving a lack of the respondent's rights or legitimate interests in respect of the disputed domain name according to paragraph 4(a)(ii) of the Policy is potentially onerous, since proving a negative can be difficult considering such information is often primarily within the knowledge or control of the respondent.

Accordingly, in line with previous UDRP decisions, it is sufficient that the Complainant shows a *prima facie* case that the respondent lacks rights or legitimate interests in the disputed domain name in order to shift the burden of production on the Respondent. If the Respondent fails to demonstrate rights or legitimate interests in the disputed domain name in accordance with paragraph 4(c) of the Policy or on any other basis, the complainant is deemed to have satisfied paragraph 4(a)(ii) of the Policy.

The Panel finds that the Complainant has made a *prima facie* case and that the Respondent, by not having submitted a Response, has failed to demonstrate rights or legitimate interests in the disputed domain name in accordance with paragraph 4(c) of the Policy for the following reasons.

The Panel notes that there is no relation, disclosed to the Panel or otherwise apparent from the record, between the Respondent and the Complainant. The Respondent is not a licensee of the Complainant, nor has the Respondent otherwise obtained an authorization to use the Complainant's trademarks.

Moreover, there is no element from which the Panel could infer the Respondent's rights or legitimate interests over the disputed domain name, or that the Respondent might be commonly known by the disputed domain name.

Based on the screenshots provided by the Complainant, which have not been contested by the Respondent, the disputed domain name was pointed to a website in Russian featuring the Complainant's trademarks and product images and offering purported Complainant's skin care products, without a prominent and accurate disclaimer of lack of relationship between the Parties. The website also included images of, and information about, the founder of the Complainant, Dr. Zein Obagi, with the apparent intent of passing off as an official website of the Complainant. The Panel finds that such use of the disputed domain name, in the circumstances of the case, does not amount to a *bona fide* offering of goods or services or a legitimate noncommercial or fair use without intent for commercial gain to misleadingly divert consumers or to tarnish the Complainant's trademark.

As to the current use of the disputed domain name, as mentioned above, it is pointed to a website under maintenance. In view of the Respondent's default, the Panel shares the view held in *Teachers Insurance and Annuity Association of America v. Wreaks Communications Group*, WIPO Case No. <u>D2006-0483</u>, where the Panel found that, absent some contrary evidence from the Respondent, passive holding of a domain name does not constitute legitimate noncommercial or fair use. See also *Euromarket Designs, Inc. v. Domain For Sale VMI*, WIPO Case No. <u>D2000-1195</u>.

Therefore, the Panel finds that the Complainant has proven that the Respondent has no rights or legitimate interests in the disputed domain name according to paragraph 4(a)(ii) of the Policy.

C. Registered and Used in Bad Faith

Paragraph 4(a)(iii) of the Policy requires that the Complainant prove that the disputed domain name was registered and is being used by the Respondent in bad faith.

As to bad faith at the time of the registration, the Panel finds that, in light of the prior registration and use of the Complainant's trademarks in connection with the Complainant's skin care products and services, promoted also online via the website available at the domain name <zoskinhealth.com>, the Respondent was or could have been aware of the Complainant's trademarks.

Indeed, the fact that the Respondent referred to the Complainant's trademarks and products as well as to the Complainant's founder on the website to which the disputed domain name resolved, clearly suggests that the Respondent was indeed well aware of the Complainant and its trademark.

The Panel also finds that, by initially pointing the disputed domain name to a website promoting and offering for sale purported Complainant's products and publishing information and images of the Complainant's founder, whilst apparently failing to accurately and prominently disclose the relationship with the trademark owner, the Respondent has intentionally attempted to attract Internet users to his website for commercial gain, by causing a likelihood of confusion with the Complainant's trademarks as to the source, sponsorship, affiliation or endorsement of his website and the products promoted thereon according to paragraph 4(b)(iv) of the Policy.

At the time of the drafting of this Decision, the disputed domain name is pointed to a website under maintenance. It is well established that passive holding of a domain name could amount to bad faith under certain circumstances as decided in *Telstra Corporation Limited v. Nuclear Marshmallows*, WIPO Case No. D2000-0003.

In the case at hand, in view of i) the widely known character of the Complainant's trademarks and the reputation of the Complainant's founder in the skin care sector; ii) the confusing similarity of the disputed domain name with the Complainant's prior trademarks; iii) the failure of the Respondent to submit a Response or to provide any evidence of actual or contemplated good faith use; and iv) the implausibility of any good faith use to which the disputed domain name may be put, the Panel finds that the current passive holding of the disputed domain name by the Respondent does not prevent a finding of bad faith. See section 3.3 of the <u>WIPO Overview 3.0</u>.

Therefore, the Panel finds that the Complainant has also proven that the Respondent registered and is using the disputed domain name in bad faith according to 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 <zoskin.cc> be transferred to the Complainant.

/Luca Barbero/ Luca Barbero Sole Panelist Date: July 6, 2023