

ADMINISTRATIVE PANEL DECISION

FC2, Inc. v. David Chan

Case No. D2022-5006

1. The Parties

The Complainant is FC2, Inc., United States of America (“United States”), represented by Corsearch B.V., Netherlands.

The Respondent is David Chan, Canada.

2. The Domain Name and Registrar

The disputed domain name <freefc3.com> is registered with NameCheap, Inc. (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on December 28, 2022. On December 28, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On December 28, 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 (Privacy service provided by Withheld for Privacy ehf) and contact information in the Complaint. The Center sent an email communication to the Complainant on January 5, 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 January 7, 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 January 16, 2023. In accordance with the Rules, paragraph 5, the due date for Response was February 5, 2023. The Respondent did not submit any response. Accordingly, the Center notified the Respondent’s default on February 13, 2023.

The Center appointed Assen Alexiev as the sole panelist in this matter on February 20, 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 one of the most popular video hosting services in Japan. It was established in the United States in 1999 and provides various free and paid web services in various languages such as Japanese, English and Chinese, including domain names, blogs, chats, rental servers, video hosting, paid adult content, *etc.*, to over 25 million active users. The Complainant's main website at "www.fc2.com" is currently ranked 11th in Japan and 107th globally in terms of website visitors, and receives 326 million visitors on average per month.

The Complainant is the owner of the following trademark registrations of the sign "FC2" (the "FC2 trademark"):

- the trademark FC2 (stylized) with registration No.4964857, registered in Japan on June 30, 2006 for services in International Classes 35 and 42;
- the International trademark FC2 with registration No.1275290, registered on March 16, 2015 for services in International Classes 38, 41 and 42;
- the trademark FC2 with registration No.5823261, registered in Japan on January 29, 2016 for services in International Classes 38, 41 and 42; and
- the United States trademark FC2 with registration No.5046126, registered on September 20, 2016 for services in International Classes 38, 41, 42 and 45.

The Complainant is also the owner of the following registrations of a figurative trademark representing a stylized unicorn (the "Complainant's Unicorn trademark"):

- the International trademark with registration No.1275291, registered on March 16, 2015 for services in International Classes 38, 41, 42, and 45; and
- the United States trademark with registration No. 5046147, registered on September 20, 2016 for services in International Classes 38, 41, 42 and 45.

The Complainant also owns the domain names <fc2.com>, <fc2.net>, <fc2.xxx>, <fc2.me>, <fc2.to>, <fc2.nu> and <fc2.us>.

The disputed domain name was registered on January 2, 2021. It resolves to a website that displays adult content, features the heading "Free FC2 Content" and displays the Complainant's Unicorn trademark on its homepage.

5. Parties' Contentions

A. Complainant

The Complainant submits that the disputed domain name is confusingly similar to the FC2 trademark, of which it is an obvious or common typo coupled with the word "free". According to the Complainant, the alteration of the digit "2" in the Complainant's trademark with the digit "3" in the disputed domain name and the addition of the dictionary word "free" does not dispel the confusing similarity between the disputed domain name and the Complainant's FC2 trademark.

The Complainant maintains that the Respondent has no rights or legitimate interests in respect of the disputed domain name, as the Complainant has not authorized the Respondent to use the FC2 trademark or to offer its products or services, and the Respondent is not commonly known by the disputed domain name and has no registered trademarks or trade names corresponding to it.

The Complainant points out that the disputed domain name resolves to a website that features the Complainant's Unicorn trademark and offers copyrighted adult content from the Complainant's website through unauthorized download links, which represents copyright infringement. When visiting the download links, Internet users are prompted to purchase a premium account to download the content, and the Respondent presumably receives an affiliate commission from such premium account purchases. The Complainant submits that the Respondent thus creates confusion as to the source, authorization, affiliation or endorsement of the services on the website at the disputed domain name, for financial gain.

The Complainant contends that the disputed domain name was registered and is being used in bad faith. It was registered in 2021, long after the registration of the FC2 trademark, which has been used by the Complainant for many years in the online video hosting industry. It points out that the Respondent uses the disputed domain name for a website that offers copyrighted content from the Complainant's website for download without authorization, explicitly refers to the Complainant's adult content website and makes prominent use of the Complainant's Unicorn trademark. According to the Complainant, this shows that the Respondent was aware of the Complainant and of the FC2 trademark at the time of registration of the disputed domain name, and that it takes unfair advantage of the Complainant's FC2 trademark by attracting Internet users to its website and generating revenue from copyrighted videos by receiving an affiliate fee for each user that signs up for a premium account to access the copyrighted content.

Lastly, the Complainant submits that the Respondent has engaged in a pattern of bad faith conduct of registering four other domain names containing the Complainant's FC2 trademark.

B. Respondent

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

6. Discussion and Findings

Pursuant to the Policy, paragraph 4(a), the Complainant must prove each of the following to justify the transfer of the disputed domain name:

- (i) the disputed domain name is identical 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 respect of the disputed domain name; and
- (iii) the Respondent has registered and is using the disputed domain name in bad faith.

By the Rules, paragraph 5(c)(i), it is expected of a respondent to: "[r]espond specifically to the statements and allegations contained in the complaint and include any and all bases for the Respondent (domain name holder) to retain registration and use of the disputed domain name [...]."

The Respondent has however not submitted a Response and has not disputed the Complainant's contentions and evidence in this proceeding.

A. Identical or Confusingly Similar

The Complainant has provided evidence for the registration of the FC2 trademark, which satisfies the Panel that it has established its trademark rights for the purposes of the present proceeding.

The Panel notes that a common practice has emerged under the Policy to disregard in appropriate circumstances the generic Top-Level Domain ("gTLD") section of domain names for the purposes of the comparison under the Policy, paragraph 4(a)(i). See section 1.11.1 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("[WIPO Overview 3.0](#)"). The Panel sees no reason not to follow the same approach here, so it will disregard the ".com" gTLD of the disputed domain name.

The relevant section of the disputed domain name is therefore “freefc3”, which consists of the dictionary word “free” and the sequence “fc3”. The sequence “fc3” incorporates the letters “f” and “c” of the FC2 trademark, which are its dominant feature, while the digit “2” in the trademark is replaced by the digit “3”. The FC2 trademark is recognizable in the disputed domain name. As discussed in sections 1.7 and 1.8 of the [WIPO Overview 3.0](#), in cases where a domain name incorporates the entirety of a trademark, or where at least a dominant feature of the relevant mark is recognizable in the domain name, the domain name will normally be considered confusingly similar to that mark for purposes of UDRP standing. 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.

As mentioned in section 1.7 of the [WIPO Overview 3.0](#), panels have also found that the overall facts and circumstances of a case (including relevant website content) may support a finding of confusing similarity, particularly where it appears that the respondent registered the domain name precisely because it believed that the domain name was confusingly similar to a mark held by the complainant. This is a relevant consideration in the present proceeding, since the Respondent, as discussed in the sections on rights and legitimate interests and bad faith, appears to have targeted the Complainant and its FC2 trademark with the registration and use of the disputed domain name, which supports a conclusion that the Respondent is likely to have believed that the disputed domain name was confusingly similar to the Complainant’s FC2 trademark.

Taking the above into account, the Panel finds that the disputed domain name is confusingly similar to the FC2 trademark in which the Complainant has rights.

B. Rights or Legitimate Interests

While the overall burden of proof in UDRP proceedings is on the complainant, UDRP 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. See section 2.1 of the [WIPO Overview 3.0](#).

The Complainant contends that the Respondent has no rights or legitimate interests in the disputed domain name, because it is not commonly known by the disputed domain name, has no registered trademarks corresponding to it, and has not been authorized to use the FC2 trademark. The Complainant adds that the website associated to the disputed domain name features the Complainant’s Unicorn trademark and offers copyrighted adult content from the Complainant’s website through unauthorized download links, and this represents copyright infringement. When visiting the download links, Internet users are prompted to purchase a premium account to download the content, and the Respondent presumably receives an affiliate commission from such premium account purchases. The Complainant submits that the Respondent thus creates confusion as to the source, authorization, affiliation or endorsement of the services on the website at the disputed domain name, for financial gain. Thus, the Complainant has established a *prima facie* case that the Respondent lacks rights or legitimate interests in the disputed domain name.

The Respondent had a fair opportunity to present its case and to address the arguments and evidence of the Complainant and explain why it should be considered as having rights or legitimate interests in the disputed domain name, but refrained from doing so.

The disputed domain name is confusingly similar to the FC2 trademark, and the evidence shows that it has resolved to a website that offers adult content, features the heading “Free FC2 Content” and displays the Complainant’s Unicorn trademark on the homepage. The Respondent’s website mentions in Japanese: “We will introduce popular adult videos of fc2 videos with more than 1000 added albums. This blog and links contain adult content, so please refrain from viewing if you are under the age of 18.” The website offers

download links and prompts visitors to choose for a free download or to purchase a premium account. The Complainant submits that the Respondent may be receiving commission for each premium account purchase, and there is nothing in the evidence before the Panel to suggest otherwise.

In view of the above, it appears to the Panel that it is more likely than not that the Respondent, being well aware of the goodwill of the Complainant and of its FC2 trademark, has registered and used the disputed domain name in an attempt to attract Internet users to the website at the disputed domain name and to offer them to download copyrighted adult content from the Complainant's website for financial gain without the Complainant's authorization. To the Panel, such conduct does not appear to be fair or giving rise to rights or legitimate interests of the Respondent in the disputed domain name.

Therefore, the Panel finds that the Respondent does not have rights or legitimate interests in the disputed domain name.

C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy lists four illustrative alternative circumstances that shall be evidence of the registration and use of a domain name in bad faith by a respondent, namely:

“(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 website or other online location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of your website or location or of a product or service on your website or location.”

The disputed domain name is confusingly similar to the Complainant's FC2 trademark and the associated website offers adult content from the Complainant's website, mentions the FC2 trademark and displays the Complainant's Unicorn trademark on the homepage. The Respondent's website offers download links through paid premium accounts. There is no disclaimer for the lack of affiliation with the Complainant, and the Respondent has not alleged having any authorization for its activities from the Complainant.

The above is sufficient to satisfy the Panel that the Respondent must have been well aware of the Complainant and of the FC2 trademark when it registered the disputed domain name and that it has targeted this trademark with the registration and use of the disputed domain name in an attempt to attract Internet users for financial gain as to the source and affiliation of the services offered on the Respondent's website.

As noted by the Complainant, the Respondent has already been found to have acted in bad faith in four previous UDRP proceedings between the Parties: *FC2, Inc. v. WhoisGuard, Inc. / David Chan*, WIPO Case No. [D2021-0833](#), *FC2, Inc. v. WhoisGuard, Inc. / David Chan*, WIPO Case No. [D2021-0832](#), *FC2, Inc. v. David Chan*, WIPO Case No. [D2020-3375](#), and *FC2, Inc. v. WhoisGuard Protected, WhoisGuard, Inc. / David Chan*, WIPO Case No. [D2019-1701](#). This supports a conclusion that the Respondent has engaged in a pattern of bad faith conduct.

The above considerations support a finding that the disputed domain name was registered and is being used in bad faith.

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, <freefc3.com>, be transferred to the Complainant.

/Assen Alexiev/

Assen Alexiev

Sole Panelist

Date: February 28, 2023