

ARBITRATION AND MEDIATION CENTER

## ADMINISTRATIVE PANEL DECISION

Tracy Lolita Healy and Designs By Lolita, Inc. v. Dede Sukmana Case No. D2023-3421

#### 1. The Parties

The Complainants are Tracy Lolita Healy, and Designs By Lolita, Inc., United States of America ("United States"), represented by Hinckley, Allen & Snyder, LLP, United States.

The Respondent is Dede Sukmana, Indonesia.

### 2. The Domain Name and Registrar

The disputed domain name <designsbylolita.com> 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 August 10, 2023. On August 11, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On August 14, 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 (Domains By Proxy, LLC) and contact information in the Complaint. The Center sent an email communication to the Complainant on August 17, 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 on August 18, 2023.

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 of the Complaint, and the proceedings commenced on August 28, 2023. In accordance with the Rules, paragraph 5, the due date for Response was September 17, 2023. The Respondent did not submit any response but sent three informal emails on September 15, 2023 and one on September 18, 2023. The Center notified the Parties on September 21, 2023, that it would proceed with the Panel Appointment process.

The Center appointed Adam Taylor 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 Tracey Lolita Healy is the founder and president of the Complainant, Designs By Lolita, Inc. The Complainants are collectively referred to hereafter as "the Complainant", unless it is necessary to refer to them separately.

For over two decades, the Complainant (including its licensees) have sold hand-painted drinkware, as well as kitchenware and other products, in the United States and worldwide under the sign DESIGNS BY LOLITA.

The Complainant owns a number of registered trade marks for LOLITA, including United States trade mark No. 2,522,727, registered on December 25, 2001, in classes 21 and 28.

Since 1998, the Complainant and/or its licensees have offered the Complainant's products for sale via a website at the disputed domain name.

The disputed domain name expired accidentally in January 2023, following which it was registered by the Respondent.

Thereafter the Respondent used the disputed domain name for a website branded "Designs By Lolita", including a copy of the Complainant's "Lolita" logo, and which purported to offer the Complainant's products for sale, including its painted glassware.

### 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 Respondent's website is "fake" in that it falsely purports to offer products for sale that the Respondent is in no position to sell.

### **B.** Respondent

The Respondent did not file a formal Response but sent a number of informal emails to the Center asserting that:

- the Respondent had removed all content from the website to demonstrate the Respondent's goodwill to resolve the dispute;
- the Respondent never intended to steal the Complainant's customers or content;
- the Respondent registered the disputed domain name "for SEO purposes"; and
- the Respondent is unwilling to transfer the disputed domain name to the Complainant without compensation because the Respondent bought it in a GoDaddy auction in February 2023 and it was for the Complainant to explain why the disputed domain name was listed in that auction.

#### 6. Discussion and Findings

Under the Policy, the Complainant is required to prove on the balance of probabilities that:

- the disputed domain name is identical or confusingly similar to a trade mark in which the Complainant has rights;
- the Respondent has no rights or legitimate interests in respect of the disputed domain name; and
- the disputed domain name has been registered and is being used in bad faith.

### A. Consolidation of Complainants - Preliminary Issue

The principles governing the question of whether a complaint may be brought by multiple complainants or against multiple respondents are set out in section 4.11 of WIPO Overview 3.0.

The Panel is satisfied that (a) the Complainants have a specific common grievance against the Respondent and that the Respondent has engaged in common conduct that has affected the Complainants in similar fashion and (b) it would be equitable and procedurally efficient to permit the consolidation.

### **B.** 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 trade mark and the disputed domain name. WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition, ("<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 trade mark 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 registered mark LOLITA and identical to the unregistered mark DESIGNS BY LOLITA 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.

#### C. 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 recognised 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. For reasons explained below, the Respondent has not rebutted the Complainant's *prima facie* by providing any relevant evidence demonstrating rights or legitimate interests in the disputed domain name such as those enumerated in the Policy or otherwise.

Paragraph 4(c) of the Policy gives examples of circumstances which, if proved, suffice to demonstrate that a respondent possesses rights or legitimate interests.

As to paragraph 4(c)(i) of the Policy, the Respondent purports to resell the Complainant's own goods. The consensus view of UDRP panels is that to establish a *bona fide* offering of goods or services in such circumstances, a respondent must comply with certain conditions (the "Oki Data requirements"). WIPO Overview 3.0, section 2.8.

In this case, the Panel considers that the Respondent has failed to comply with the Oki Data requirement to accurately and prominently disclose the Respondent's relationship with the trade mark holder, as explained in section 6D below. Also, the Respondent has failed to counter the Complainant's assertion that the Respondent is either not actually selling, or not in a position to legitimately sell, the Complainant's goods.

Furthermore, the disputed domain name carries a high risk of implied affiliation as it is identical to the Complainant's unregistered trade mark DESIGNS BY LOLITA. WIPO Overview 3.0, section 2.5.1.

Accordingly, the Panel considers that the Respondent's use of the disputed domain name cannot be said to be *bona fide*.

Nor is there any evidence that paragraphs 4(c)(ii) or (iii) of the Policy are relevant in the circumstances of this case.

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

### D. 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, given the evidence of use of the disputed domain name, which comprises the Complainant's distinctive mark, for a website impersonating the Complainant, including use of the Complainant's logo, and which purported to offer the Complainant's products, which the Respondent was either not actually selling or in a position to sell legitimately, the Panel readily concludes that the Respondent has intentionally created a likelihood of confusion with the Complainant's trade mark in accordance with paragraph 4(b)(iv) of the Policy.

The following claims by the Respondent do not assist it for the following reasons:

- That the Respondent allegedly never intended to steal the Complainant's customers or content. Such assertions are belied by the fact that the Respondent registered the disputed domain name, comprising the Complainant's highly distinctive mark, and used it for a website designed to look like a Complainant site, including unauthorised use of the Complainant's logo, and which purported to offer sale products which, most likely, it was either not selling, or had no right to sell.
- That the Respondent registered the disputed domain name "for SEO purposes". The Respondent has not suggested, let alone established, that such alleged SEO purposes were for anything other than to support the Respondent's illicit activities as explained above.
- That the Respondent bought the disputed domain name in an auction. Insofar as the Respondent has "lost" the unspecified sum that it spent buying the disputed domain name in auction, that is a consequence of the fact that the Respondent acquired and used the disputed domain name in bad faith, as explained above, and the fact that the Respondent opted to incur this cost is not a reason for the Panel to desist from making the usual transfer order.

- That the Complainant has not explained how the disputed domain name came to be listed in the auction. The circumstances whereby the disputed domain name expired and ended up in the auction are not relevant. What matters are the motives and actions of the Respondent in opting to buy the disputed domain name in the auction, and in using it thereafter in the manner in that it has.
- That the Respondent removed the content at the website following the filing of the Complaint. The Respondent cannot evade the consequences of its previous bad faith use by simply removing the website.

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 <designs by lolita.com> be transferred to the Complainant.

/Adam Taylor/
Adam Taylor
Sole Panelist

Date: October 20, 2023