

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Donald A. Chiusa, Jr., Color Copper, LLC, Ultraclear Epoxy, LLC v. Fred Stubenrauch, Copper Ventures, LLC Case No. D2022-0616

1. The Parties

The Complainants are Donald A. Chiusa, Jr., Color Copper, LLC, and Ultraclear Epoxy, LLC, United States of America ("United States"), represented by Shrum Hicks & Associates, PC, United States.

The Respondents are Fred Stubenrauch, United States, and Copper Ventures, LLC, United States, represented by Rick G. Sanders, United States.

2. The Domain Names and Registrar

The disputed domain names <coloredcopper.com>, and <duraclearepoxy.com> (the "Domain Names") are registered with GoDaddy.com, LLC (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on February 21, 2022. On February 22, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Names. On February 23, 2022, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the Domain Names, which differed from the named Respondent and contact information in the Complaint. The Center sent an email communication to the Complainant on February 28, 2022, 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 March 2, 2022. In response to a notification by the Center that the Complaint was administratively deficient, the Complainant filed an amended Complaint on March 7, 2022.

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 March 8, 2022. In accordance with the Rules, paragraph 5, the due date for Response was March 28, 2022. On March 18, 2022, the Respondent requested an extension of the Response due date. In accordance with the Rules, paragraph 5(b), the Response due date was extended to April 1, 2022. The Response was filed with the Center on April 1, 2022.

The Center appointed W. Scott Blackmer as the sole panelist in this matter on April 6, 2022. 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.

On April 7, 2022, the Complainant filed a reply to the Response, to which the Respondent objected and responded on April 13, 2022.

4. Factual Background

The Complainant Donald Chiusa, Jr. ("Mr. Chiusa") is a resident of Tennessee, United States, who is the managing member of the Complainant Color Copper, LLC ("CC"), a Tennessee limited liability company. Mr. Chiusa and CC registered the domain name <colorcopper.com> in October 2007. The current website at "www.colorcopper.com" (the "Complainant's website") describes the Complainant CC's business as offering copper sheets "ideal for countertops, bartops, backsplashes, and more".

Mr. Chiusa is also the sole managing member of the Complainant Ultraclear Epoxy, LLC ("UE"), also a Tennessee limited liability company. Mr. Chiusa registered the domain name <ultraclearepoxy.com> in May 2014. UE uses that domain name for its website at "www.ultraclearexpoxy.com" (the "UE website") promoting its business of producing and selling epoxy resins used in "residential as well as commercial settings, construction projects, DIY projects, art and craft works".

Mr. Chiusa and CC designed etched copper fixtures and sold them to the public beginning in the "late 2000s" through the "old CC website" operated at "www.colorcopper.com". The Complainants entered into a relationship with the Respondent Fred Stubenrauch of Arizona, United States, and the Respondent Copper Ventures, LLC ("CV"), the Missouri (United States) limited liability company of which Mr. Stubenrauch is the founder and sole member. Under this arrangement, the Respondents manufactured the copper fixtures to fulfill orders placed through the old CC website. The Parties agree that this relationship ended unhappily in late December 2019 or early 2020 and that the Respondents continued the business on their own. The Complainants declined to sell the domain name <colorcopper.com> and the associated website (the "old CC website") to the Respondents, and the Respondents created a new, similar website of their own using the Domain Name <coloredcopper.com>.

The Complainant CC applied in January 2020 for United States trademark registration of a design mark featuring the words COLOR COPPER.COM. This was registered on January 12, 2021, registration number 6247189, disclaiming the exclusive right to use the words "copper.com".

The Complaint also cites pending applications for United States trademark registrations by the Complainant CC. CC has a pending application for COLOR COPPER as a standard character mark, disclaiming exclusive right to use the term "copper". The Respondent CV has been granted an extension of time to file an opposition to that application.

CC also has two pending applications to register ULTRA CLEAR EPOXY, one as a standard character mark and one as a design mark featuring those words, in both cases disclaiming exclusive use of the term "clear epoxy". A non-final action letter from the trademark examiner dated January 26, 2022, refused registration of the standard character mark on the ground that ULTRA CLEAR EPOXY is merely descriptive. The application for a design mark has been opposed by a third party.

The Registrar reports that the Domain Name <coloredcopper.com> was created on January 8, 2014, and is registered to the Respondent Mr. Stubenrauch. The Declaration of Fred Stubenrauch attached to the Response indicates that Mr. Stubenrauch registered that Domain Name in 2014 "to make sure a competitor didn't get a domain name that described what I was making and selling". After the Complainants stopped selling copper products through the old CC website, the Respondents created a website associated with the Domain Name (the "Respondent's CC website"), which they have since used to advertise and sell colored copper sheets and epoxy coatings online as well as through the Respondent's retail store in Kansas City, Missouri, United States. The home page of the Respondent's CC website displays a photo of the Respondent Mr. Stubenrauch alongside a photo of one of his creations, a bar backsplash, with the following text:

"FOR OVER 20 YEARS PROFESSIONAL ARTIST FREDERICK STUBENRAUCH HAS BEEN CREATING & MANUFACTURING THE MOST BEAUTIFUL COLORED COPPER FINISHES ON EARTH. THIS IS HIS OFFICIAL WEBSITE!"

The Registrar also reports that the Respondent Mr. Stubenrauch registered the Domain Name duraclearepoxy.com on May 5, 2020. A screenshot attached to the Complaint shows that the Respondents formerly used this Domain Name for a website (the "Respondent's Duraclear Website") that offered epoxy products similar to those that the Complainants sold on their UE website. However, at the time of this Decision, the Domain Name duraclearepoxy.com resolves to a landing page headed with the Domain Name and the tag line, "parked free, courtesy of GoDaddy.com". The parking page displays a link for those interested in purchasing the Domain Name, followed by a list of pay-per-click ("PPC"), third-party advertising links, mostly related to epoxy products.

On October 4, 2021, the Complainants filed a civil action against the Respondents and another party in the United States District Court for the Middle District of Tennessee (civil case number 3:21-cv-00545) with claims, *inter alia*, of trademark and copyright infringement. The litigation (the "federal civil action") is pending at the time of this Decision.

5. Parties' Contentions

A. Complainants

The Complainants assert that the Domain Name <coloredcopper.com> is confusingly similar to their trademarks COLOR COPPER.COM and COLOR COPPER. The former is a registered mark, while the Complainants claim common law rights in the latter, which is the subject of a pending application for registration. The Complainants attach a January 7, 2022, affidavit from Mr. Chiusa stating that that he began using "the common law trade name 'Color Copper'" in 2010 for the business of selling colored copper products manufactured by the Respondents, and that he has maintained a website to sell copper (and later epoxy) products for over ten years. The affidavit indicates that from 2010 to 2020 the website generated sales of approximately USD 12 million, while the Complainants spent approximately USD 2.4 million for online advertising. The affidavit reports instances of media recognition and online reviews of the Complainant's COLOR COPPER products.

The Complainants assert that the Domain Name <duraclearepoxy.com> is confusingly similar to their currently unregistered mark ULTRA CLEAR EPOXY, in which they claim common law rights:

"The word and design marks for ULTRA CLEAR EPOXY have become distinctive identifiers which consumers associate with the Complainants' goods and services of epoxy and epoxy-related products. Complainants have been using the ULTRA CLEAR EPOXY marks commercially since February 16, 2013, on the ultraclearepoxy.com website, in advertisements on the Internet and via social media platforms, and on the epoxy products themselves."

To support this claim, the Complainants attach a February 11, 2022, affidavit from Mr. Chiusa regarding sales and advertising under the ULTRA CLEAR EPOXY mark since 2013. This business was conducted first as a sole proprietorship by Mr. Chiusa and then by UE from 2017. Mr. Chiusa reports cumulative sales exceeding USD 20 million and advertising expenditures of approximately USD 5.4 million, as well as media recognition on broadcast and cable television shows. The affidavit attaches samples of online reviews and social media links to the UE website.

The Complainants argue that the Respondents have no rights or legitimate interests in Domain Names deliberately designed to be confusingly similar to the Complainants' marks.

The Complainants infer bad faith in the Respondents' registration and use of the Domain Names after the Parties ended their relationship on unfriendly terms and the Complainants declined to sell the Domain Name <colorcopper.com> and the associated website to the Respondents. The Respondents compete with the Complainants since the rupture of the business relationship. The Complainants claim that the Respondents' CC website and former Duraclear Website mimicked the look and feel of the Complainants' old CC website and the Complainants' UE website, respectively, and included some of the Complainant's copyrighted photos and text. Mr. Chiusa's January 7, 2022, affidavit attaches two emails from customers demonstrating actual confusion concerning which party was operating the Respondents' CC website.

B. Respondents

The Respondents challenge all of the Complainants' trademark claims, as indeed they have in the pending federal civil action and in the Complainant's pending trademark application to register COLOR COPPER as a standard character mark. The Respondents' trademark arguments can be summarized as follows:

The Complainants' trademark COLOR COPPER.COM has merely descriptive textual elements. It is a composite mark, and the Complainants do not explain why the design elements should be disregarded. Moreover, as the exclusive manufacturer of the colored copper sold through the old CC website, the Respondents would be presumed to be the trademark owner under United States law, not the Complainants. The Complaint does not furnish sufficient evidence to establish common law rights in the mark prior to registration, nor to establish actual customer confusion.

The Complainants' trademark COLOR COPPER suffers from the same defects as a purported mark owned by the Complainants and in addition is not registered. It is only the subject of an application for registration and so is not relevant for UDRP purposes.

ULTRA CLEAR EPOXY is not a registered mark. The earlier of the Complainants' two applications to register the mark is being opposed by the owner of several ULTRA-formative marks. It is also for a composite mark, and the Complainants have not explained why the design element should be disregarded. The later application, for a standard character mark, has been refused by the examiner on the ground that it is merely descriptive of "very" (ultra) clear epoxy resins. The Complaint does not furnish sufficient evidence of secondary meaning to establish common law protection for ULTRA CLEAR EPOXY as a common law word mark. In any event, the Domain Name <duraclearepoxy.com> is not confusingly similar in sight, sound, or connotation to ULTRA CLEAR EPOXY, especially given that the Complainants disclaim exclusive rights to the words "clear" and "epoxy" in their trademark applications and "ultra" is not found in the Domain Name.

The Respondents claim a legitimate interest in both Domain Names based on their use for *bona fide* commercial offerings before the current dispute arose. Since April 2020 the Respondents have used the Domain Name <coloredcopper.com> for the Respondents' CC website selling the colored copper products they formerly sold through the Complainants' old CC website, after the Complainants unilaterally announced on that website that they were going out of business after thirteen years. The Respondents argue that they continue to do business in good faith and never intended to disrupt the Complainant's business, citing the Complainant's unilateral decision to close the old CC website and end its supply arrangement with the Respondents. The Declaration of Fred Stubenrauch attaches a copy of the announcement that the Complainant's posted on the old CC website in December 2019:

"Down for Maintenance. It is with sincere regret that we inform you that Color Copper LLC is now closed permanently. This decision did not come lightly. However, our supplier has conducted extremely unethical business practices that has left us no other choice. We at Color Copper wish to THANK YOU for your support over the last 13 years. It has been an absolute please [sic] serving you! [...]"

Subsequently, the Respondents learned that the Complainants have resumed selling colored copper products through the Complainant's current Shopify website. But the Respondents argue that they could not have intended to "disrupt" a business that was being discontinued by its owner, and they never tried to sell the Domain Name <coloredcopper.com> to the Complainants. Instead, the Respondents used this Domain Name, which they had acquired in 2014, for their own website when the Complainants discontinued the old CC website.

The Respondents registered the Domain Name <duraclearepoxy.com> and launched an associated website selling Dura Clear Epoxy products in August 2020. The Declaration of Fred Stubenrauch attaches a photo of epoxy products sold through that website. The Declaration acknowledges that the Respondents never invested in website marketing and failed to develop that business. They took down the website in December 2021 "as a show of good faith" while negotiating with the Complainants after the Complainants initiated the federal civil action, although the complaint in that action is focused on the colored copper business and does not mention the Domain Name <duraclearepoxy.com>. The Respondents argue that they registered and used the Domain Name <duraclearepoxy.com> in good faith, intending to do sell products under that name and believing that it was dissimilar to the Complainant's "Ultra Clear Epoxy" product name. The Respondents observe that both names are descriptive and attach evidence showing that other companies were selling similar products online at that time under names such as "Super Clear Epoxy" and "Crystal Clear Epoxy". All of these are descriptive of clear epoxy resin products. The Respondents challenge the Complainants' claims to common law trademarks and in any event deny any intention to exploit such marks.

6. Discussion and Findings

Paragraph 4(a) of the Policy provides that in order to divest a respondent of a domain name, a complainant must demonstrate each of the following:

- (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.

Under paragraph 15(a) of the Rules, "[a] Panel shall decide a complaint on the basis of the statements and documents submitted and in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable".

6.1. Preliminary Matter: Consolidation and Multiple Parties

In the Amended Complaint, the Complainants request consolidation of their complaints regarding the two Domain Names and three Complainants into a single Complaint against two Respondents, the registrant Mr. Stubenrauch and CV, the limited liability company of which he is the sole member.

Panels regularly consolidate complaints in the interests of equity and efficiency in cases where there are common interests and factual circumstances, and consolidation is permitted under the Rules, Paragraph 10(e). See WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 4.11.1. Here, the facts are intertwined, including trademark registration and applications. The individual Complainant and Respondent are controlling members of the respective limited

liability companies named as Parties, and the Parties are involved in the same federal civil action. None of the Parties object to consolidation. The Panel finds that consolidation serves the interests of equity and efficiency and proceeds on that basis.

6.2. Preliminary Matter: Supplemental Filings

The Complainant and the Respondent each submitted supplemental filings. Neither the Rules nor the Supplemental Rules make provision for supplemental filings, except at the request of the panel (see Rules, paragraph 12). Paragraph 10 of the Rules enjoins the panel to conduct the proceeding "with due expedition". Therefore, UDRP panels are typically reluctant to countenance delay through additional rounds of pleading and normally accept supplemental filings only to consider material new evidence or provide a fair opportunity to respond to arguments that could not reasonably have been anticipated. See WIPO Overview 3.0, section 4.6.

The Complainant's supplemental filing largely reasserts arguments made in the Complaint but includes replies to the Respondents' factual contentions concerning the trademarks, the manufacturing of the copper products and fulfillment of orders, and the copying of material from the old CC website. The Panel will take the supplemental filings from both Parties into account for the limited purpose of addressing these issues.

6.3. Substantive Issues

A. Identical or Confusingly Similar

The first element of a UDRP complaint "functions primarily as a standing requirement" and entails "a straightforward comparison between the complainant's trademark and the domain name". See WIPO Overview, section 1.7.

The Respondents may object in other fora to the ownership of the Complainants' marks, but the Complainant CC inarguably holds a United States registration for a composite trademark in which the textual element "color copper.com" is prominent and arguably dominant. See WIPO Overview 3.0, section 1.9. This is similar in sight, sound, and meaning to the Domain Name <coloredcopper.com>. The Panel finds that this Domain Name is confusingly similar to the Complainant's registered COLOR COPPER.COM trademark for the purposes of the Policy, and has established the first element of the Complaint with respect to that Domain Name.

It is not necessary, therefore, to address the Complainants' asserted common law rights in COLOR COPPER under the first element of the Complaint.

With respect to the Domain Name <duraclearepoxy.com>, the Complainants base their claim on asserted common law rights in ULTRA CLEAR EPOXY. This is the subject of pending applications for trademark registration as a standard character mark, rejected by the trademark examiner as merely descriptive, and as a composite mark that is being opposed by the holder of various registered ULTRA-formative marks. The Complaint attaches substantial evidence of the duration and volume of sales and advertising under the mark and of public recognition. This is important, as the WIPO Overview 3.0, section 1.3, observes that "[i]n cases involving unregistered or common law marks that are comprised solely of descriptive terms which are not inherently distinctive, there is a greater onus on the complainant to present evidence of acquired distinctiveness/secondary meaning". In this case, the nature of the mark may be taken into account in connection with the second and third elements of the Complaint, but the Panel finds that the Complainants meet the standard for providing evidence of acquired distinctiveness in online sales, advertising, and recognition over a period of several years.

Even granting that the Complainants have protectable rights in ULTRA CLEAR EPOXY, however, for purposes of the first element of the UDRP Complaint the question remains whether the Domain Name <duraclearepoxy.com> is confusingly similar to that mark. The terms comprising the mark are all dictionary words. The Domain Name uses the term "dura", meaning "hard", while the Complainants' mark uses the

term "ultra", meaning "extreme", to modify the terms "clear epoxy", to which the Complainants have disclaimed exclusive rights. Disclaimers are generally considered more relevant to the element of bad faith rather than the element of standing. See <u>WIPO Overview 3.0</u>, section 1.10. Overall, the Domain Name differs by one word from the Complainants' asserted common law mark, and the sense is similar for Internet users seeking quality clear epoxy products. The Panel finds confusing similarity for purposes of meeting the threshold standing requirement of the first element of the Policy. As usual, the Top-Level Domain ".com" is disregarded as a standard registration requirement. See <u>WIPO Overview 3.0</u>, section 1.11.2.

The Panel concludes, therefore, that the Complainants have established the first element of the Complaint with respect to both Domain Names.

B. Rights or Legitimate Interests

Paragraph 4(c) of the Policy gives non-exclusive examples of instances in which a respondent may establish rights or legitimate interests in a domain name, by demonstrating any of the following:

- (i) before any notice to it 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) that the respondent has been commonly known by the domain name, even if it 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.

Because a respondent in a UDRP proceeding is in the best position to assert rights or legitimate interests in a domain name, it is well established that after a complainant makes a *prima facie* case, the burden of production on this element shifts to the respondent to come forward with relevant evidence of its rights or legitimate interests in the domain name. See WIPO Overview 3.0, section 2.1.

The Complainants have established trademark rights, a lack of permissive use, and the Respondents' use of the Domain Names to compete with the Complainants and then allow the Domain Name <duraclearepoxy.com> to be parked with PPC advertising. Thus, the Complainants have made a *prima facie* case, and the burden of production shifts to the Respondents.

The Respondents have established that they use the Domain Name <coloredcopper.com> in their business of producing and selling their colored copper products and have done so since April 2020, before the UDRP dispute arose. The Panel has insufficient evidence on this record to address the Complainants' claim based on copyright infringement, and to determine whether the Respondents infringed the Complainants' copyright on text and images in publishing the Respondents' new website advertising the same items produced by the Respondents that were formerly advertised on the old CC website. But the fact remains that the Respondents were and are using the Domain Name for a website selling goods that they produce, and the Domain Name, which they registered in 2014, is descriptive of those goods. The Panel finds that the Respondents have established legitimate interests in the Domain Name <coloredcopper.com>.

With respect to the Domain Name <duraclearepoxy.com>, there is evidence that the Respondents initially mounted an associated website offering relevant epoxy products but later took it down. According to the Declaration of Mr. Stubenrauch, the Respondents' webmaster thereafter parked the Domain Name on his own initiative, but of course the Respondents remain responsible for its use. As noted in the WIPO Overview 3.0, section 2.11, "[p]anels tend to assess claimed respondent rights or legitimate interests in the present, i.e., with a view to the circumstances prevailing at the time of the filing of the complaint". The Panel is in accord with this view. Parking a domain name for third-party PPC advertising is not generally considered a bona fide offering of goods and services representing a respondent's rights or legitimate interests. See WIPO Overview 3.0, section 2.9. Therefore, the Panel finds that the Respondents have not met the burden

of production for the Domain Name <duraclearepoxy.com> and concludes that the Complainant prevails on the second element of the Complaint for that Domain Name.

C. Registered and Used in Bad Faith

The Policy, paragraph 4(b), furnishes a non-exhaustive list of circumstances that "shall be evidence of the registration and use of a domain name in bad faith", including the following cited by the Complainants (in which "you" refers to the registrant of the domain name):

- "(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 web site or other on-line location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of your web site or location or of a product or service on your web site or location."

The Complainant cites these examples of bad faith as apposite. They are not, with respect to the Domain Name <coloredcopper.com>. Although it is not necessary to reach findings on bad faith with respect to this Domain Name, given the Panel's conclusion on the second element of the Complaint, the Panel observes that the Respondents' reasons for registering the Domain Name in 2014 are plausible, and the Respondents did not begin using the Domain Name until 2020 after the Complainants announced publicly that they were discontinuing their relevant business and shutting down their own colored copper website.

With respect to the Domain Name <duraclearepoxy.com>, it is evident that the Respondents planned to enter what was for them a new business and compete with the Complainants, launching a commercial website in August 2020 that they subsequently took down. But the Respondents deny any intent to exploit a trademark or engender customer confusion. They point out that other firms use the descriptive terms "clear epoxy" to describe products similar to what they and the Complainants were selling and that the Complainants disclaim exclusive rights to the terms "clear" and "epoxy" in their pending trademark applications. Indeed, the United States trademark examiner has rejected the Complainants' application for registration of ULTRA CLEAR EPOXY as a standard character mark on the ground that it is merely descriptive, and a third party with ULTRA-formative marks has objected to the Complainants' application to register a composite mark. While the Panel finds sufficient evidence of acquired distinctiveness for the Complainants to assert standing under the UDRP, it is plausible that the Respondents selected the Domain Name <duraclearepoxy.com> for its descriptive value rather than for its claimed trademark value. The Complainants may be able to explore these issues further in other fora such as the pending federal civil action that are more suitable for evidentiary discovery. But on the limited record in this proceeding, where the Complainants have the burden of proof, the Panel finds that the Complainants have not established bad faith in the registration and use of the Domain Name <duraclearepoxy.com>.

The Panel concludes that the Complaint fails on the third element, bad faith.

7. Decision

For the foregoing reasons, the Complaint is denied.

/W. Scott Blackmer/
W. Scott Blackmer
Sole Panelist
Date: April 20, 2022