

ARBITRATION
AND
MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Canva Pty Ltd v. jose de souza silva, abc do canva 1 Case No. D2022-1316

1. The Parties

Complainant is Canva Pty Ltd, Australia, represented by SafeNames Ltd., United Kingdom.

Respondent is jose de souza silva, abc do canva 1, Brazil.

2. The Domain Name and Registrar

The disputed domain name <abcdocanva1.com> (the "Domain Name") is registered with Wix.com Ltd. (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on April 12, 2022. On April 13, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Name. On April 25, 2022, the Registrar transmitted by email to the Center its verification response confirming that Respondent is listed as the registrant and providing the contact details.

The Center verified that 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 Respondent of the Complaint, and the proceedings commenced on April 26, 2022. In accordance with the Rules, paragraph 5, the due date for Response was May 16, 2022. Respondent did not submit any response. Accordingly, the Center notified Respondent's default on May 23, 2022.

The Center appointed Marina Perraki as the sole panelist in this matter on May 27, 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.

4. Factual Background

Complainant maintains an online graphic design platform founded in 2012. Complainant's Canva platform offers uses and contexts for, *e.g.*, presentations and social media posts, as well as a range of print products. Within its first year, Complainant had 750,000 users, and had raised USD 3 million in seed funding, while venture capitalist Guy Kawasaki joined the company in 2014. Complainant has been valued at USD 6 billion as of June 2020 and currently has more than 60 million active users per month (MAUs) with customers in 190 countries. Complainant's online platform is available in approximately 100 languages, including Portuguese. Complainant has also established a strong social media presence, with millions of followers and subscribers. Complainant offers its services, as a basic package, for free. It also offers a paid version named "Canva Pro" which, used by millions, has many more features and design capabilities.

Complainant's services are offered exclusively online, through its main website at "www.canva.com", which currently has an Alexa ranking of 37 and similar web traffic statistics indicate it received an average of more than 276 million visits per month between December 2021 and February 2022. Complainant markets its goods and services to users based in various jurisdictions, through the use of country-specific sites (e.g., "www.canva.com/pt br/").

Complainant also offers a "design school", which provides tutorials, courses, and events and maintains blogs and learning resources on design, marketing, branding, and photography. The Canva platform is frequently featured in third-party lists collating the best online graphic design tools.

Complainant holds a number of registered trademarks for CANVA including:

- Australian trademark registration No. 1483138, CANVA (word), filed and registered on March 29, 2012, for goods in international class 9;
- United States trademark registration No. 4316655, CANVA (word), filed with priority from April 9, 2013, and registered on April 9, 2013, for services in international class 42;
- International trademark registration No. 1204604, CANVA (word), registered on October 1, 2013, for services in international class 42; and
- Brazilian trademark registration No. 914660462, CANVA (word), filed on May 10, 2018, and registered on April 30, 2019, for goods in international class 9.

Complainant is also the holder of numerous "canva" domain name registrations, including <canva.biz>, registered on March 19, 2012, and <canva.us> registered on January 7, 2013.

The Domain Name was registered on August 24, 2021, and resolves to a website (the "Website") which displays Complainant's trademarks and logos and purports to provide offerings in connection with Complainant's CANVA mark, namely to advertise the sale of, *inter alia*, Canva templates. Internet users that click on the "QUERO COMPRAR COM DESCONTO" button (meaning "I wish to buy with discount" in English) are directed to a third-party platform where users are asked to provide personal details for making a purchase.

5. Parties' Contentions

A. Complainant

Complainant asserts that it has established all three elements required under paragraph 4(a) of the Policy for a transfer of the Domain Name.

B. Respondent

Respondent did not reply to Complainant's contentions.

6. Discussion and Findings

Paragraph 4(a) of the Policy lists the three elements which Complainant must satisfy with respect to the Domain Name:

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

A. Identical or Confusingly Similar

Complainant has demonstrated rights through registration and use on the CANVA mark.

The Domain Name incorporates the said trademark of Complainant in its entirety. This is sufficient to establish confusing similarity (*Magnum Piering, Inc. v. The Mudjackers and Garwood S. Wilson, Sr.*, WIPO Case No. <u>D2000-1525</u>).

The letters "abcdo" and the number "1" which are added in the Domain Name do not alter the above, as the CANVA trademark of Complainant remains clearly recognizable within the Domain Name (*Nintendo of America Inc. v. Fernando Sascha Gutierrez*, WIPO Case No. <u>D2009-0434</u>; WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("<u>WIPO Overview 3.0</u>"), section 1.8).

The generic Top-Level Domain ("gTLD") ".com" is also disregarded, as gTLDs typically do not form part of the comparison on the grounds that they are required for technical reasons only (*Rexel Developpements SAS v. Zhan Yequn*, WIPO Case No. <u>D2017-0275</u>; *Hay & Robertson InternationalLicensing AG v. C. J. Lovik*, WIPO Case No. <u>D2002-0122</u>).

The Panel finds that the Domain Name is confusingly similar to the CANVA trademark of Complainant.

Complainant has established Policy, paragraph 4(a)(i).

B. Rights or Legitimate Interests

Pursuant to paragraph 4(c) of the Policy, Respondent may establish its rights or legitimate interests in the Domain Name, among other circumstances, by showing any of the following elements:

- (i) before any notice to Respondent of the dispute, 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) Respondent (as an individual, business, or other organization) has been commonly known by the Domain Name, even if it has acquired no trademark or service mark rights; or
- (iii) 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.

The Panel concludes that Respondent lacks rights or legitimate interests in respect of the Domain Name.

Respondent has not submitted any formal response and has not claimed any such rights or legitimate interests with respect to the Domain Name. As per Complaint, Respondent was not authorized to register the Domain Name.

Prior to the notice of the dispute, Respondent did not demonstrate any use of the Domain Name or a trademark corresponding to the Domain Name in connection with a *bona fide* offering of goods or services.

On the contrary, as Complainant demonstrated, the Domain Name resolved at the time of filing of the Complaint to the Website, which suggested falsely that it is of an affiliated entity or of an authorized partner of Complainant.

Per Complaint, Respondent is not an affiliated entity or an authorized distributor or reseller of Complainant and no agreement, express or otherwise, exists allowing the use of Complainant's trademarks on the Website and the use of the Domain Name by Respondent.

A distributor or reseller can be making a *bona fide* offering of goods and thus have a legitimate interest in a domain name only if the following cumulative requirements are met (*Oki Data Americas, Inc. v. ASD, Inc.,* WIPO Case No. <u>D2001-0903</u>; <u>WIPO Overview 3.0</u>, section 2.8.1: (i) respondent must actually be offering the goods at issue; (ii) respondent must use the site to sell only the trademarked goods; (iii) the site must accurately and prominently disclose the registrant's relationship with the trademark holder; and (iv) respondent must not try to "corner the market" in domain names that reflect the trademark.)

These requirements are not cumulatively fulfilled in the present case. The Domain Name falsely suggests that the Website is an official site of Complainant or of an entity affiliated to or endorsed by Complainant. The Website reproduces, without authorization by Complainant, Complainant's trademark, without any disclaimer of association (or lack thereof) with Complainant.

In addition, the nature of the Domain Name, comprising Complainant's trademark in its entirety, carries a risk of implied affiliation (<u>WIPO Overview 3.0</u>, section 2.5.1). The use of a domain name which intentionally trades on the fame of another and suggests affiliation with the trademark owner cannot constitute a *bona fide* offering of goods or services (*Madonna Ciccone, p/k/a Madonna v. Dan Parisi and "Madonna.com"*, WIPO Case No. <u>D2000-0847</u>; *AB Electrolux v. Handi Sofian, Service Electrolux Lampung*, WIPO Case No. D2016-2416; WIPO Overview 3.0, section 2.5.3).

The Panel finds that these circumstances do not confer upon Respondent any rights or legitimate interests in respect of the Domain Name.

Complainant has established Policy, paragraph 4(a)(ii).

C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy provides that the following circumstances, "in particular but without limitation", are evidence of the registration and use of the Domain Name in "bad faith":

- (i) circumstances indicating that Respondent has registered or has acquired the Domain Name primarily for the purpose of selling, renting, or otherwise transferring the Domain Name registration to Complainant who is the owner of the trademark or service mark or to a competitor of that Complainant, for valuable consideration in excess of its documented out of pocket costs directly related to the Domain Name; or
- (ii) Respondent has 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 Respondent has engaged in a pattern of such conduct; or

- (iii) Respondent has registered the Domain Name primarily for the purpose of disrupting the business of a competitor; or
- (iv) by using the Domain Name, Respondent has intentionally attempted to attract, for commercial gain, Internet users to Respondent's website or other online location, by creating a likelihood of confusion with Complainant's mark as to the source, sponsorship, affiliation, or endorsement of Respondent's website or location or of a product or service on Respondent's website or location.

The Panel concludes that Respondent has registered and used the Domain Name in bad faith. As per Complaint, Complainant's CANVA trademark is known in the field of graphic design platforms. Because the CANVA mark had been used and registered at the time of the Domain Name registration by Respondent, the Panel finds it more likely than not that Respondent had Complainant's mark in mind when registering the Domain Name (*Tudor Games, Inc. v. Domain Hostmaster, Customer ID No. 09382953107339 dba Whois Privacy Services Pty Ltd / Domain Administrator, Vertical Axis Inc.*, WIPO Case No. <u>D2014-1754</u>; *Parfums Christian Dior v. Javier Garcia Quintas and Christiandior.net*, WIPO Case No. <u>D2000-0226</u>). This is also in view of the nature of Complainant's business, namely online platform.

As regards bad faith use of the Domain Name, Complainant has demonstrated that the Domain Name was used to create the Website, which displays Complainant's registered trademarks and logos, thereby giving the false impression that it is operated by Complainant or a company affiliated to Complainant. The Domain Name operates therefore by intentionally creating a likelihood of confusion with Complainant's trademark and business as to the source, sponsorship, affiliation, or endorsement of the website it resolves to. This can be used in support of bad faith registration and use (*Booking.com BV v. Chen Guo Long*, WIPO Case No. D2017-0311; *Ebel International Limited v. Alan Brashear*, WIPO Case No. D2017-0001; *Walgreen Co. v. Muhammad Azeem / Wang Zheng, Nicenic International Group Co., Limited*, WIPO Case No. D2016-1607; *Oculus VR, LLC v. Sean Lin*, WIPO Case No. DCO2016-0034; and WIPO Overview 3.0, section 3.1.4). Furthermore, Internet users when clicking on the "QUERO COMPRAR COM DESCONTO" ("I wish to buy with discount") button are redirected to a third-party payment platform, where they are invited to insert personal details for the purposes of purchasing the advertised Canva templates.

Last, on October 19, 2021, and October 26, 2021, Complainant sent a cease and desist letter to Respondent, to which Respondent did not reply.

Under these circumstances and on this record, the Panel finds that Respondent has registered and is using the Domain Name in bad faith.

Complainant has established Policy, paragraph 4(a)(iii).

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 Domain Name, <abcdocanva1.com> be transferred to Complainant.

/Marina Perraki/
Marina Perraki
Sole Panelist
Date: June 10, 2022