

ADMINISTRATIVE PANEL DECISION

Carvana, LLC v. Demis Terrell

Case No. D2022-1553

1. The Parties

The Complainant is Carvana, LLC, United States of America (“United States”), represented by Bryan Cave Leighton Paisner LLP, United States.

The Respondent is Demis Terrell, Germany.

2. The Domain Name and Registrar

The disputed domain name (the “Domain Name”) <carvana-team.com> is registered with NameSilo, LLC (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on April 29, 2022. On April 29, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Name. On the same date, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the Domain Name which differed from the named Respondent and contact information in the Complaint. The Center sent an email communication to the Complainant on May 4, 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 amended Complaint on May 6, 2022.

The Center verified that the Complaint together with 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 June 13, 2022. In accordance with the Rules, paragraph 5, the due date for the Response was July 3, 2022. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on July 7, 2022.

The Center appointed Jon Lang as the sole panelist in this matter on July 15, 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

The Complainant, a Fortune 500 company, is an e-commerce platform for buying and selling used cars. (Hereafter, the term "Complainant" shall also refer to its licensees and related companies). The Complainant holds several trademark registrations for the CARVANA mark and variations thereof (together referred to as the CARVANA marks) in the United States. By way of example, the Complainant owns (together with corresponding common law marks): CARVANA (U.S. Registration No. 4,328,785), filed on April 11, 2011, and registered on April 30, 2013, and CARVANA (U.S. Registration No. 5,022,315), filed on January 7, 2016, and registered on August 16, 2016.

The Complainant promotes its online vehicle dealership and financing services throughout the United States under its CARVANA marks and through its primary website "www.carvana.com", which hosts its e-commerce platform. In 2021, the Complainant sold more than 425,000 vehicles to retail customers with used vehicle sales revenue exceeding USD 12.8 billion. The Complainant's website averages more than 17.8 million unique visitors each month.

The Domain Name was registered on February 3, 2022, and presently resolves to an inactive webpage.

5. Parties' Contentions

A. Complainant

The following is a summary of the main assertions of the Complainant.

The Domain Name Wholly Incorporates and Is Confusingly Similar to the Complainant's Well-Established CARVANA Trademarks

The Complainant has expended, and continues to expend, a substantial amount of resources, money, time and effort promoting, marketing, advertising, and building consumer recognition and goodwill in its extremely valuable and famous CARVANA brand, goods and services under and in connection with its highly recognized and famous CARVANA marks.

Previous UDRP panels have recognized that the CARVANA mark "is a distinctive, coined term that is heavily advertised and well-known"; that the CARVANA mark is "fanciful and inherently distinctive," and "a distinctive identifier of [the Complainant's] products and services".

The Domain Name incorporates the CARVANA mark in its entirety which is generally sufficient to establish confusing similarity for the purposes of the Policy.

The Domain Name is identical to the CARVANA mark, except that it adds a hyphen followed by the descriptive term "team". The addition of the term "team" does not distinguish the Domain Name but instead increases confusing similarity because the word "team" is a descriptive commercial term used in relation to employment offers and career opportunities. UDRP Panels have previously ordered the transfer of domain names that merely add the term "team" to a complainant's mark.

Several other UDRP Panels have found that similar domain names adding descriptive terms to the Complainant's CARVANA mark are confusingly similar.

Unlike consumers in a traditional retail context, who must travel to a physical location to purchase goods and services, Internet consumers are more likely to be misled into visiting virtual locations by the use of a confusingly similar domain name.

The Respondent seeks to exploit consumer confusion and the Complainant's fame and goodwill by fully incorporating the Complainant's CARVANA mark in to the Domain Name. This problem is of particular concern to the Complainant because the Complainant operates its core business online.

Respondent Has No Legitimate Rights or Interests in the Domain Name

The Respondent is not in any way associated with the Complainant and has never sought nor received authorization or a license to use the Complainant's valuable, famous and distinctive CARVANA marks.

The Complainant's CARVANA marks are well known and the Respondent would have been aware of them when registering the Domain Name.

The Respondent has no means to establish that it is or ever has been commonly known as "Carvana" or any variation thereof. The Respondent has not sought nor procured any registrations for any tradenames, corporations or trademarks with any governmental or business authority for "Carvana" or any variation thereof. The Respondent does not appear to have any legitimate trademark, service mark or other intellectual property rights in or to the CARVANA marks (or any similar marks).

The Domain Name wholly incorporates the CARVANA mark and simply adds the descriptive term "team." As such, it is registered and used to lure consumers to a site for commercial gain.

The Respondent is not making any legitimate noncommercial use of the Domain Name. The Respondent's use of the Domain Name is purely commercial and is not legitimate. The Complainant has not permitted the Respondent to apply for or use any domain name incorporating any of the Complainant's marks.

The Respondent adopted and continues to use the Domain Name that wholly incorporates the Complainant's CARVANA mark for the illegal and improper purpose of: (i) illegally trading upon the Complainant's goodwill to confuse, mislead, deceive and divert customers; and (ii) intentionally tarnishing and diluting the Complainant's valuable and well-known trademarks.

The CARVANA mark is an invented and inherently distinctive English word and, as such, third parties would not legitimately choose that name unless seeking to create an impression of an association with the Complainant. It is unlikely that the Respondent registered the Domain Name for its semantic value as opposed to the attractive brand value of the Complainant's mark.

The Domain Name is being used as bait to lure consumers to the Respondent's commercial site.

The Domain Name Was Registered and Is Being Used in Bad Faith

The Respondent earlier registered the domain names <carvanamarkt.com> and <carvanamarkts.com>, both of which were transferred to the Complainant in an earlier Panel decision *Carvana, LLC v. Domain Administrator, See PrivacyGuardian.org / Flaunt7, Vikhyat Singh and Demis Terel*, WIPO Case No. [D2021-2523](#)). The fact that the Respondent has now registered the Domain Name in February 2022 - months after he lost a UDRP case regarding another domain name incorporating the Complainant's mark - is clear evidence of bad faith.

The Domain Name is plainly designed to trade on the reputation and goodwill of the Complainant and its CARVANA marks for financial gain. The Respondent utilizes the Domain Name to divert potential users (a) away from the Complainant's primary website at the domain name <carvana.com>, (b) away from the Complainant's authentic CARVANA brand services and (c), towards the Respondent's website.

The Domain Name is passively held and numerous UDRP decisions have found bad faith in similar circumstances.

The Respondent's complete lack of intellectual property rights in any trademark corresponding to the Domain Name further demonstrates bad faith in adopting and using it. Where a domain name is so obviously connected to a particular product or service and the registrant is found to have "no connection" to that product or service, Panels will find a registrant guilty of "opportunistic bad faith."

The Respondent plainly knew of the Complainant's established and continuous use of its CARVANA marks at the time of registration of the Domain Name. He also knew that he had no right, title or interest in these marks or the Domain Name. The Respondent registered the Domain Name years after the Complainant began using its CARVANA trademarks. Past WIPO panels have found (by way of example) that "it is clear beyond cavil that the Respondent would have been aware of the Complainant's CARVANA mark when registering the disputed domain name" (*Carvana, LLC v. Nick Dillman*, WIPO Case No. [D2020-1483](#)), further finding that the "Respondent's non-use of the disputed domain name [did] not preclude a finding of bad faith registration and use"; that the Complainant's marks are so distinctive that an inference of bad faith is required (*Carvana, LLC v. Domain Admin, Privacy Protect, LLC (PrivacyProtect.org) / Ferdit Jemelk*, WIPO Case No. [D2020-2274](#)); that the Complainant is well-established, the mark is well-known, and thus the respondent knew of the Complainant's trademarks and deliberately registered a disputed domain name, (*Carvana, LLC v. Domain Administrator, Fundacion Privacy Services Ltd*, WIPO Case No. [D2020-2348](#)); that "given the distinctiveness of Complainant's trademarks and reputation at the time of the registration of the Disputed Domain Name, it is reasonable to infer that Respondent has registered the Disputed Domain Name with full knowledge of Complainant's trademarks, constituting opportunistic bad faith" (*Carvana, LLC v. Domain Administrator, Fundacion Privacy Services LTD*, WIPO Case No. [D2020-3403](#)); and finally, that the Carvana trademarks are "fanciful and inherently distinctive," are "widely known trademarks" and are "a distinctive identifier of [Carvana's] products and services" (*Carvana, LLC v. Paul Warnert*, WIPO Case No. [D2021-0605](#)).

The Respondent continues to wrongfully use the Complainant's CARVANA marks to draw users to the Respondent's website, create confusion, and improperly reap commercial profit through diverted sales. The Respondent's use of the CARVANA marks is illegal and improper under the Policy.

B. Respondent

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

6. Discussion and Findings

Paragraph 4(a) of the Policy requires a complainant to prove: (i) that a respondent has registered a domain name which is identical or confusingly similar to a trademark or service mark in which a complainant has rights; (ii) that the respondent has no rights or legitimate interests in respect of the domain name; (iii) that the domain name has been registered and is being used in bad faith. A complainant must prove each of these three elements to succeed.

A. Identical or Confusingly Similar

The Complainant is the owner of the CARVANA marks and thus clearly has rights in them.

Ignoring the generic Top-Level Domain “.com” (as the Panel may do for comparison purposes), the Domain Name comprises the CARVANA mark followed by a hyphen and then the word “team”. Accordingly, the CARVANA mark and the Domain Name are not identical and thus the issue of confusing similarity must be considered. Application of the confusing similarity test under the UDRP typically involves “a side-by-side comparison of the domain name and the textual components of the relevant trademark to assess whether the mark is recognizable within the disputed domain name” (section 1.7 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition (“[WIPO Overview 3.0](#)”). Section 1.7 of the [WIPO Overview 3.0](#) goes on to provide “...in cases where a domain name incorporates the entirety of a trademark, the domain name will normally be considered confusingly similar to that mark for purposes of UDRP standing”.

The CARVANA mark is incorporated in its entirety within the Domain Name. It is clearly recognizable within the Domain Name. The addition of “-team” does not prevent a finding of confusing similarity.

The Panel finds that the Domain Name is confusingly similar to the CARVANA mark for the purposes of the Policy and thus paragraph 4(a)(i) of the Policy has been established.

B. Rights or Legitimate Interests

By its allegations, the Complainant has made out a *prima facie* case that the Respondent lacks rights or legitimate interests in the Domain Name.

Accordingly, the burden of production shifts to the Respondent to come forward with arguments or evidence demonstrating that it does in fact have such rights or legitimate interests. The Respondent has not done so and accordingly, the Panel is entitled to find, given the *prima facie* case made out by the Complainant, that the Respondent indeed lacks rights or legitimate interests in the Domain Name. Despite the lack of any answer to the Complaint, the Panel is entitled to consider whether there would be anything inappropriate in such a finding.

A respondent can show it has rights or legitimate interests in a domain name in various ways even where, as is the case here, it is not licensed by or affiliated with a complainant. For instance, it can show that it has been commonly known by the domain name or that it 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. Here, however, there is no evidence to suggest that the Respondent is commonly known by the Domain Name. Further, it cannot be said, given the Respondent’s choice of a confusingly similar Domain Name that creates a risk of implied affiliation, that there was an absence of an intent to mislead, or anything fair or legitimate about its registration.

A respondent can also show that it is using a domain name in connection with a *bona fide* offering of goods or services, which of course the Respondent would be unable to do given that the Domain Name is inherently misleading (suggesting that it is owned by the Complainant or at least has an association with it) and, in any

event, resolves to an inactive page with no “offering” at all.

The Panel finds that the Complainant has fulfilled the requirements of paragraph 4(a)(ii) of the Policy.

C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy provides a number of non-exclusive scenarios which may evidence a respondent's bad faith. They include, for instance, a respondent registering a domain name in order to prevent an owner of the trademark or service mark to which it is said to be confusingly similar or identical, from reflecting the mark in question in a corresponding domain name (provided that the respondent has engaged in a pattern of such conduct). A respondent registering a domain name primarily for the purposes of disrupting the business of a competitor is another scenario, as is a respondent intentionally attempting to attract, for commercial gain, Internet users to its website by creating a likelihood of confusion with a complainant's mark as to the source, sponsorship, affiliation or endorsement of its website or of products or services on it.

Sometimes, particularly in cases where it appears no use is being made of a domain name, as is the case here, it is not possible for a complainant to demonstrate a precise literal application of one of the paragraph 4(b) scenarios.

However, the paragraph 4(b) scenarios are non-exclusive and simply illustrative, and thus other circumstances demonstrating that a respondent seeks to take unfair advantage of, or to abuse a complainant's trademark (such behaviour being broadly understood to constitute bad faith for the purposes of the Policy) are usually enough to establish this third limb of paragraph 4(a) of the Policy (even if not falling within one of the paragraph 4(b) scenarios).

The Respondent clearly knew of the Complainant and its CARVANA mark. The CARVANA mark is an invented word. There is little room for coincidence of choice. In any event, the Respondent has previously targeted the CARVANA mark with domain name registrations and has previously been on the wrong end of a UDRP proceeding. The Respondent is well aware that the Complainant has rights in its well-known CARVANA mark.

It is difficult to see how the Respondent would not appreciate that any use by it of the Domain Name would be anything other than inherently deceptive, and likely to mislead Internet users into believing that the Domain Name or any website or email address associated with it, was that of (or associated with) the Complainant. The addition of the term “team” (separated by a hyphen) would hardly ameliorate the risk of Internet users being deceived, as the Respondent must well have known. Indeed, the configuration might well enhance the risk of deception and is suggestive of a possible future phishing scam or other similar activity.

The fact that no active use is being made of the Domain Name at present (and hence currently can be treated only as being passively held), does not prevent a finding of bad faith registration and use. Indeed, a passive holding of a domain name can support a finding of bad faith. UDRP panels must examine all the circumstances of the case.

Section 3.3 of the [WIPO Overview 3.0](#), provides:

“While panelists will look at the totality of the circumstances in each case, factors that have been considered relevant in applying the passive holding doctrine include: (i) the degree of distinctiveness or reputation of the complainant's mark, (ii) the failure of the respondent to submit a response or to provide any evidence of actual or contemplated good-faith use, (iii) the respondent's concealing its identity or use of false contact details (noted to be in breach of its registration agreement), and (iv) the implausibility of any good faith use to which the domain name may be put.”

The Domain Name is confusingly similar to the well-known and distinctive CARVANA mark. No Response was filed or evidence of actual or contemplated good faith use provided. Indeed, any good faith use of the confusingly similar, inherently deceptive Domain Name would seem highly implausible. Lastly, the Respondent provided false or incomplete contact details that prevented the courier from delivering the Center's written communication.

The Panel finds that there are circumstances suggesting that the Respondent has sought to take unfair advantage of the Complainant's CARVANA mark and/or abuse its mark and thus, for the purposes of the Policy, there is evidence of both registration and use of the Domain Name in bad faith. The passive holding of the Domain Name in the circumstances of this Complaint supports a finding of 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 Domain Name <carvana-team.com> be transferred to the Complainant.

/Jon Lang/

Jon Lang

Sole Panelist

Date: July 29, 2022