

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Canva Pty Ltd v. Domains By Proxy, LLC / Tiffari SatchellBucknor, Tiffari Essential Collections Case No. D2022-2126

1. The Parties

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

The Respondent is Domains By Proxy, LLC, United States of America ("United States") / Tiffari SatchellBucknor, Tiffari Essential Collections, United States.

2. The Domain Name and Registrar

The disputed domain name <creatingoncanva.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 June 13, 2022. On June 13, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On June 14, 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 and contact information in the Complaint. The Center sent an email communication to the Complainant on June 15, 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 June 16, 2022.

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 June 17, 2022. In accordance with the Rules, paragraph 5, the due date for Response was July 7, 2022. On June 13, 2022, the Center received an email communication from the Respondent. The Respondent did not submit any formal response. The Center indicated that it would proceed with panel appointment on July 8, 2022.

page 2

The Center appointed James Bridgeman as the sole panelist in this matter on July 12, 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 July 12, 2022, later on the day on which the Panel was appointed, the Respondent sent an email to the Center which was passed to the Panel. The Respondent denied ownership of the disputed domain name. The Panel has decided to admit this informal response and as the Complainant is not prejudiced, and the Panel has decided to proceed and make this decision, without requesting the Complainant to make any further submissions.

4. Factual Background

The Complainant is an Internet based business and is the owner of an online graphic design platform "www.canva.com" and is the registered owner of a portfolio of trademark and service mark registrations for the CANVA mark including the following:

- United States registered service mark CANVA, registration number 4,316,655, registered on the Principal Register on April 9, 2013 for services in international class 42;

- European Union Trade Mark CANVA, registration number 017056656, registered on December 15, 2017 for goods and services in classes 9 and 42;

- Australian Trademark CANVA, registration number 1483138, registered on September 9, 2013, for goods in class 9.

The disputed domain name <creatingoncanva.com> was registered on August 4, 2021 and presently resolves to a page provided by the Registrar which offers the disputed domain name for sale. It has previously resolved to a page providing pay-per-click ("PPC") links to third party websites.

There is no information available about the Respondent, except for that provided in the Complaint as amended, the Registrar's Whols, the information provided by the Registrar to the Center in response to the request for verification of the registration details of the disputed domain name in the course of this proceeding, and an email purporting to come from the Respondent simply denying that she is the owner of the disputed domain name.

The first named Respondent provides a proxy registration service and the Registrar has confirmed that the second named Respondent is the registrant of the disputed domain name.

5. Parties' Contentions

A. Complainant

The Complainant claims rights in the CANVA trademark and service mark established by its ownership of the portfolio of registrations described below and extensive use of the mark on its online graphic design platform at "www.canva.com" since it was established in 2012 and asserts that it has a global reach and within its first year, it had attracted 750,000 users, and raised AUD 3 million in seed funding.

The Complainant asserts that it has also enhanced its reputation by an established social media presence with accounts on Facebook, Twitter, and Instagram.

It is contended that the disputed domain name is identical or confusingly similar to the CANVA trademark and service mark in which the Complainant has rights, arguing that replicates the distinctive CANVA trademark, with the addition of the terms "creating" and "on".

The Complainant argues that given the nature of the Complainant's services offered under the CANVA mark, an online tool where users create graphic designs, the additional terms "creating" and "on" has clear connotations with the Complainant's mark. It is argued that the addition of generic or descriptive terms to a trademark is insufficient to negate confusing similarity. See, for example, *Canva Pty Ltd v. Super Privacy Service LTD c/o Dynadot /CapuzErnilyn Oboza, Capuz Ernilyn Oboza,* WIPO Case No. <u>D2022-0227</u>: "the Panel holds that the addition of the terms 'design' and 'with' (which are connected to the Complainant's business) to the Complainant's CANVA trademark does not prevent a finding of confusing similarity between the disputed domain name and the Complainant's trademark").

The Complainant adds that the Panel should disregard the generic Top-Level Domain ("gTLD") extension ".com" as it would be considered to be a standard registration requirement by Internet users as has been held in past decisions under the Policy such as *Facebook, Inc. v. S. Demir Cilingir,* WIPO Case No. <u>D2018-2746</u> ("the applicable gTLD '.com', may be disregarded for the purposes of assessment under the first element, as it is viewed as a standard registration requirement".)

It is next alleged that the Respondent has no rights or legitimate interests in respect of the disputed domain name arguing that to the best of the Complainant's knowledge, the Respondent is not commonly known by the distinctive term "canva", and there is no generic or common usage for the term "canva".

The Complainant adds that to the best of the Complainant's knowledge, the Respondent does not have any trademark rights to the term "canva" or any other terms used in the disputed domain name. There is also no evidence that the Respondent retains unregistered trademark rights to the term "canva" or any other terms used in the disputed domain name.

The Complainant asserts that the Respondent has not received any license from the Complainant to use domain names featuring the CANVA trademark.

The Complainant adds that there is no suggestion that before any notice to the Respondent of the dispute, the Respondent's use of, or demonstrable preparations to use, the disputed domain name or a name corresponding to the disputed domain name is in connection with a *bona fide* offering of goods or services

Referring to screen captures annexed to the Complaint, the Complainant submits that the disputed domain name currently resolves to a parking placeholder page which alerts users to the availability of the disputed domain name for sale. The screen captures also show that previously, the disputed domain name was used for PPC advertising links, some of which redirected users to related services, such as the provision of fonts or graphic design services. As per WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 2.9, parked pages "comprising PPC links [do] not represent a *bona fide* offering where such links compete with or capitalize on the reputation and goodwill of the complainant's mark".

This is confirmed by previous UDRP decisions such as *mVisible Technologies, Inc. v. Navigation Catalyst Systems, Inc.,* WIPO Case No. <u>D2007-1141</u> which stated that where "the links are based on the trademark value of the domain names, the trend in UDRP decisions is to recognize that such practices generally do constitute abusive cybersquatting."

The Complainant adds that the non-use of the disputed domain name does not confer rights or legitimate interests upon the Respondent pursuant to paragraph 4(c)(i) of the Policy.

The Complainant adds that the previous use of the disputed domain name to host a website with PPC links, some of which redirected users to similar services as those of the Complainant does not represent a legitimate noncommercial or fair use for the purposes of this element of the Policy.

The Complainant next alleges that the disputed domain name was registered in bad faith. The earliest trademark registration predates the creation date of the disputed domain name by eight years. In addition, substantial goodwill has accrued since the Complainant's establishment in 2012; the "Canva" name has become synonymous with online graphic design.

The Complainant has a strong global reputation with the trademark CANVA. Furthermore, the CANVA is itself distinctive, with no generic meaning and there is no plausible good faith use that can be conceived by the Respondent, who is not in any way affiliated with the Complainant, in registering the disputed domain name.

Additionally, the Complainant submits that it has been established by UDRP panels since the beginning of the Policy that "passive use" does not preclude a finding of bad faith use. There are "particular circumstances" that lead to a finding of bad faith use notwithstanding passive holding of a domain name (see *Telstra Corporation Limited v. Nuclear Marshmallows*, WIPO Case No. <u>D2000-0003</u>). This can be construed as a four-part test:

- The complainant's trademark had a strong reputation and was widely known;

- The respondent had provided no evidence of any actual or contemplated good faith use by it of the domain name;

- The respondent had taken active steps to conceal its true identity; and

- It was not possible to conceive any plausible actual or contemplate active use of the domain name by the respondent that would not be illegitimate, such as being a passing off, and infringement of consumer protection legislation, or an infringement of the complainant's rights under trademark law.

The previous use of PPC links by the Respondent on the disputed domain name also constituted an attempt to generate commercial gain by misleading online users, and subsequently redirecting these online users to third-party websites. This is particularly so given the likelihood of confusion caused by the composition of the disputed domain name and it is well established that such use constitutes bad faith under the Policy. See *Ustream.TV, Inc. v. Vertical Axis, Inc,* WIPO Case No. <u>D2008-0598</u> stated that "Respondent's use of the disputed domain name for a PPC parking page constitutes bad faith use because the Respondent is attracting Internet users to its website by causing confusion as to whether its website is, or is associated with, the Complainant or its services." The attempt to divert online traffic to the disputed domain name results in commercial gain "because the Respondent receives PPC revenue from those visitors to its website who click through".

In an annex to the Complaint, the Complainant has also furnished a copy of a cease and desist letter sent to the Respondent on September 1, 2021 together with an initial email response from the Respondent on the same day. The Respondent's email stated: "Hi, I am trying to get more information about this email please. I tried to contact the telephone number on file and it is not a working number. [number supplied] EXT 259. I had to call [number supplied] to try to get more information and they are not 100% sure as to what this email is trying to imply. Is there a phone number where I can contact the party responsible for this email?"

The Complainant states that the Respondent has subsequently chosen to ignore the Complainant's Representative's attempt to resolve the matter amicably and submits that the Respondent had the chance to explain her registration of the disputed domain name, but chose not to do so. Previous UDRP panels have decided that a failure to reply to a notification prior to commencing the proceedings infers bad faith behavior.

B. Respondent

Except for an email communication of June 13, 2022 indicating "Thank you for the update", no timely formal Response was received from the Respondent, however on the date on which the Panel was appointed the Respondent sent a one-line email to the Center merely stating that she does not own the disputed domain name.

page 5

Notwithstanding the informality of this communication, this Panel has considered this statement.

6. Discussion and Findings

Paragraph 4(a) of the Policy, requires the Complainant carries the burden of proving, on the balance of probabilities, each of the following three elements:

(i) that the disputed domain name is identical or confusingly similar to a trademark or service mark in which the Complainant holds rights;

(ii) that the Respondent has no rights or legitimate interests in respect of the disputed domain name; and

(iii) that the disputed domain name has been registered and is being used in bad faith by the Respondent.

6.1 Preliminary Issues: Late Communication from Respondent and Respondent Identity

On July 12, 2022, after the Panel was appointed, the Respondent sent a one-line email to the Center stating that she does not own the disputed domain name.

The Panel has decided that it is no prejudice to the Complainant if the Panel admits this informal response which is a mere bald assertion giving no supporting information and no details of the Respondent.

Paragraph 1 of the Rules defines respondent as "the holder of a domain-name registration against which a complaint is initiated". The Registrar has confirmed that the Respondent is the registrant of the disputed domain name.

In view of the above, the Panel will rely on the confirmation by the Registrar that the Respondent is the registrant of the disputed domain name and will proceed on this basis. The Panel notes that in any case, even if the registrant of the disputed domain name is different from the Respondent, the substantive issues to be considered are essentially the same, and all references to the Respondent in this decision shall be construed to include the actual registrant of the disputed domain name.

As the Respondent's statement has no evidential value, except that the Respondent has been served and is aware of this proceeding, and given that the record shows that the Respondent is the registrant of the disputed domain name and the weight of the evidence supports a finding that the Complainant should succeed in this Complaint, this Panel has decided that it is not necessary to delay this proceeding by requesting submissions from the Complainant on the Respondent's email.

6.2 Substantive Issue

A. Identical or Confusingly Similar

The Complainant has provided uncontested evidence to prove that on the balance of probabilities it has rights in the CANVA mark, established by its ownership of its portfolio of trademark- and service mark-registrations described above and extensive use of the mark in its online graphics design platform.

The disputed domain name <creatingoncanva.com> consists of the Complainant's CANVA mark in its entirety, preceded by the terms "creating" and "on" and followed by the gTLD extension ".com".

The Complainant's CANVA mark is the dominant and only distinctive element in the disputed domain name. The terms "creating" and "on" are, in combination descriptive of an activity and do not prevent a finding that the disputed domain name is confusingly similar to the CANVA mark.

Additionally, the gTLD extension ".com" would be considered by Internet users as a necessary technical requirement for a domain name and therefore does not prevent a finding of confusing similarity between the disputed domain name and the Complainant's CANVA mark.

This Panel finds therefore that the disputed domain name <creatingoncanva.com> is confusingly similar to the CANVA mark in which the Complainant has rights and the Complainant has therefore succeeded in the first element of the test in paragraph 4(a) of the Policy.

B. Rights or Legitimate Interests

The Complainant has made out a *prima facie* case that the Respondent has no rights legitimate interests in the disputed domain name arguing that:

- the Respondent is not commonly known by the distinctive term "canva";

- there is no evidence of any generic or common usage for the term "canva";

- to the best of the Complainant's knowledge, the Respondent does not have any registered or

unregistered trademark rights in the term "canva" or any other terms used in the disputed domain name; - the Respondent has not received any license from the Complainant to use any domain name featuring

the CANVA trademark; - there is no suggestion that before any notice to the Respondent of the dispute, the Respondent's use of, or demonstrable preparations to use, the disputed domain name or a name corresponding to the disputed domain name is in connection with a *bona fide* offering of goods or services, rather, the screen captures annexed to the Complaint, show that the disputed domain name currently resolves to a parking placeholder page which alerts users to the availability of the disputed domain name for sale; and that previously, the disputed domain name was used for hosting a website with PPC advertising links, some of which redirected users to related services, such as the provision of fonts or graphic design services and neither such use of the disputed domain name confers rights or legitimate interests upon the Respondent pursuant to paragraph 4(c)(i) of the Policy;

- neither does the non-use of the disputed domain name confer rights or legitimate interests upon the Respondent pursuant to paragraph 4(c)(i) of the Policy as there is no *bona fide* offering of goods or services in an inactive website;

- the previous use of the disputed domain name to host a website with PPC links, some of which redirected users to similar services as those of the Complainant does not represent a legitimate noncommercial or fair use for the purposes of this element of the Policy.

It is well established that once a complainant makes out a *prima facie* case that a respondent has no rights or legitimate interests in the domain name at issue, the burden of production shifts to the respondent to prove its rights or legitimate interests.

The Respondent has failed to discharge that burden and therefore this Panel must find that the Respondent has no rights or legitimate interests in the disputed domain name.

The Complainant has therefore succeeded in the second element of the test in paragraph 4(a) of the Policy.

C. Registered and Used in Bad Faith

It is implausible that the disputed domain name was registered without knowledge of the Complainant, its rights, and its mark.

When the disputed domain name was chosen and registered on August 4, 2021, the Complainant had already an established international reputation in the use of the CANVA mark as a consequence of its use in its online graphics design platform.

page 7

The disputed domain name intentionally consists of the Complainant's mark preceded by the descriptive terms "creating" and "on". This combination of elements would on the balance of probabilities be considered as are a reference to the creativity of graphic design. This Panel finds that therefore that the structure of the disputed domain name shows that that on the balance of probabilities the intention of the Respondent in choosing and registering the disputed domain name was to refer to the Complainant, its trademark, and business.

On the balance of probabilities therefore, this Panel finds that the disputed domain name with this combination of elements must have been chosen and registered to target and take predatory advantage of the Complainant's mark and goodwill in the Complainant's mark.

The uncontested evidence shows that the disputed domain name currently resolves to a website which invites Internet users to purchase the disputed domain name. Previously it resolved to a website which contained only PPC links to third party websites.

To address the issue of the current use of the disputed domain name which resolves to a website without any substantive content, taking into account the high degree of distinctiveness of the Complainant's CANVA mark, the Respondent's failure to contest any of the allegations made in the Complaint, the Respondent's failure to provide any evidence of actual or contemplated good faith use of the disputed domain name, and the implausibility of any good faith use to which the disputed domain name might be put, this Panel finds that the evidence shows that the current use of the disputed domain name, on the balance of probabilities, constitutes bad faith use of the disputed domain name.

Additionally, to address the allegation that the Respondent has previously caused, permitted or allowed the disputed domain name to resolve to a website with PPC links. This Panel finds that on the balance of probabilities the Respondent intended to take advantage of the confusing similarity between the disputed domain name and the CANVA mark to attract and divert Internet traffic by confusing Internet users who will expect that the disputed domain name has an association with the Complainant and the functions that it provides on its graphic design platform. Such intentional use of the disputed domain name in an attempt to attract, for commercial gain, Internet users to the Respondent's website by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of the Respondent's website and the services purported to be offered by the Complainant on its website constitutes use of the disputed domain name in bad faith for the purposes of the Policy.

As this Panel has found that the disputed domain name was registered and is being used in bad faith, the Complainant has succeeded in the third element of the test in paragraph 4(a) of the Policy.

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 <creatingoncanva.com> be transferred to the Complainant.

/James Bridgeman/ James Bridgeman Sole Panelist Date: July 21, 2022