

ARBITRATION AND MEDIATION CENTER

## ADMINISTRATIVE PANEL DECISION

Instagram, LLC v. Fausto Caroli, Luux Design & Sourcing Ltd Case No. D2022-2830

#### 1. The Parties

The Complainant is Instagram, LLC, United States of America ("United States"), represented by Hogan Lovells (Paris) LLP, France.

The Respondent is Fausto Caroli, Luux Design & Sourcing Ltd<sup>1</sup>, United Kingdom.

# 2. The Domain Name and Registrar

The disputed domain name <instagram-metaverse.com> ("Disputed Domain Name") 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 1, 2022. On August 2, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Disputed Domain Name. On August 2, 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 August 3, 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 August 5, 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 August 9, 2022. In accordance with the Rules, paragraph 5, the due date for Response was August 29, 2022. The Respondent sent informal emails on August 4, and August 9, 2022. The Center sent a possible settlement email to the Parties the same dates.

<sup>&</sup>lt;sup>1</sup> At the time of the filing of the Complaint, the Respondent's identity was masked by a privacy service.

The Complainant did not request a suspension of the proceeding for settlement discussions. The Center informed the Parties of the commencement of Panel appointment process on August 31, 2022.

The Center appointed Nicholas Weston as the sole panelist in this matter on September 2, 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 operates a well-known photo and video-sharing social-networking application and is a wholly owned subsidiary of United States social technology company Meta Platforms, Inc. It holds a portfolio of registrations for its trademark, and variations of it, in numerous countries. An example includes United States Registration No. 4,146,057 for the mark INSTAGRAM, registered on May 22, 2012.

The Complainant owns numerous domain names that comprise or contain the trademark INSTAGRAM, including the domain name <instagram.com>.

The Disputed Domain Name <instagram-metaverse.com> was registered on November 1, 2021. The Disputed Domain Name is inactive.

### 5. Parties' Contentions

#### A. Complainant

The Complainant, Meta, cites its trademark registrations including European Union Trade Mark No. 14493886, registered on December 24, 2015, and other registrations around the world, for the mark INSTAGRAM, as *prima facie* evidence of ownership.

The Complainant submits that the mark INSTAGRAM is well-known and that its rights in that mark predates the Respondent's registration of the Disputed Domain Name. The Complainant submits that the Disputed Domain Name is confusingly similar to its trademark, because the Disputed Domain Name incorporates in its entirety the INSTAGRAM trademark with the word "metaverse", joined by a hyphen, and that the confusing similarity is not removed by the omission of the word "metaverse", the hyphen, or the generic Top-Level Domain ("gTLD") ".com".

The Complainant contends that the Respondent has no rights or legitimate interests in respect of the Disputed Domain Name because "The Respondent is not a licensee of the Complainant. The Respondent is not affiliated with the Complainant in any way. The Complainant has not granted any authorization for the Respondent to make use of its INSTAGRAM trade mark, in a domain name or otherwise" and none of the circumstances set out in paragraph 4(c) of the Policy apply. The Complainant also contends that the "offer to sell the [Disputed] Domain Name" is not use of the Disputed Domain Name in connection with a *bona fide* offering of goods or services within the meaning of paragraph 4(c)(i) of the Policy.

Finally, the Complainant alleges that the registration and use of the Disputed Domain Name was, and currently is, in bad faith, contrary to the Policy and the Rules having regard to the prior use and fame of the Complainant's trademark, and, it submits, "the Respondent could not credibly argue that it did not have knowledge of the Complainant or its INSTAGRAM trade mark when registering the Domain Name in November 2021, by which time Instagram had amassed over 2 billion monthly active users". The Complainant also submits that "passive holding, which would not prevent a finding of bad faith" and that "the Respondent's willingness to sell the (Disputed) Domain Name upon receipt of the cease and desist letters sent by the Complainant's lawyers underlines the Respondent's bad faith".

### **B.** Respondent

The Respondent did not file a formal reply to the Complainant's contentions. However, the Panel will in its discretion take into account the Respondent's communications with the Center that included the following statement;

"I would like to clarify that if by settlement Meta requires us to transfer the domain we are happy to do so. Or otherwise if that would mean letting the domain expires we are happy to do so too."

### 6. Discussion and Findings

Under paragraph 4(a) of the Policy, the Complainant has the burden of proving the following:

- (i) that the Disputed Domain Name is identical or confusingly similar to a trademark or service mark in which the Complainant has rights; and
- (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.

## A. Identical or Confusingly Similar

The Complainant has produced sufficient evidence to demonstrate that it has registered trademark rights in the mark INSTAGRAM in numerous countries, including the United States. The requirements of the first element for purposes of the Policy may be satisfied by a trademark registered in any country (see WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 1.2.1).

Turning to whether the Disputed Domain Name is identical or confusingly similar to the INSTAGRAM trademark, the Panel observes that the Disputed Domain Name is comprised of: (a) an exact reproduction of the Complainant's trademark INSTAGRAM; (b) followed by a hyphen; (c) followed by the word "metaverse"; (d) followed by the gTLD ".com".

It is well established that the gTLD used as part of a domain name is generally disregarded. The relevant comparison to be made is with the second-level portion of the Disputed Domain Name, specifically: "instagram-metaverse".

The Panel finds the use of the Complainant's trademark in combination with the word "metaverse", which is a term that has been used to describe a variety of blockchain technology enabled online environments, does not prevent a finding of confusing similarity under the first element (see WIPO Overview 3.0, section 1.8).

As the relevant mark is incorporated in its entirety in the Disputed Domain Name, in line with previous UDRP decisions, this Panel finds the Disputed Domain Name is confusingly similar to the Complainant's INSTAGRAM trademark for purposes of UDRP standing (see <u>WIPO Overview 3.0</u>, section 1.7).

Accordingly, the Panel finds that the Complainant has established paragraph 4(a)(i) of the Policy.

## **B. Rights or Legitimate Interests**

Paragraph 4(c) of the Policy lists the ways that the Respondent may demonstrate rights or legitimate interests in the Disputed Domain Name. The Policy also places the burden on the Complainant to establish the absence of the Respondent's rights or legitimate interests in the Disputed Domain Name. Because of the inherent difficulties in proving a negative, the consensus view is that the Complainant need only put forward a *prima facie* case that the Respondent lacks rights or legitimate interests. The burden of production

then shifts to the Respondent to rebut that prima facie case (see WIPO Overview 3.0, section 2.1).

The Panel finds that the combined term "instagram-metaverse" has no ordinary meaning other than in connection with the Complainant. There is no indication that the Respondent was commonly known by the term "instagram-metaverse" prior to registration of the Disputed Domain Name. The Complainant also contends that it has not licensed, permitted, or authorized the Respondent to use the trademark.

The Complainant contends that the Respondent has no rights or legitimate interests in respect of the Disputed Domain Name and is making an offer to sell the Disputed Domain Name, which targets the Complainant's distinctive INSTAGRAM trademark, thereby seeking to take unfair advantage of the owner's goodwill and reputation for its own benefit.

On any objective view, the Respondent is not a reseller with a legitimate interest in the Disputed Domain Name incorporating the Complainant's mark, such that it could meet the tests set out in *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. D2001-0903. Nor, alternatively, is the Respondent commonly known by the Disputed Domain Name. The Panel finds that because the Disputed Domain Name consists of the Complainant's trademark and the descriptive term "metaverse", it clearly intends to, and does, play on the Complainant's trademark. The Respondent's use is not a fair use, because of the manner in which it combines the Complainant's trademark with the entirely descriptive word "metaverse". The result is that the Disputed Domain Name is confusingly similar to the Complainant's well-known trademark and is in the Panel's opinion likely to be taken as being that of the Complainant.

Further, the Respondent's use of the Complainant's trademark in an offer to sell does not support a claim of legitimate noncommercial or fair use (see <u>WIPO Overview 3.0</u>, section 2.5.2).

The Respondent did not submit a formal Response and has not come forward with any claims or evidence of rights or legitimate interests in the Disputed Domain Name in its informal communications. The Panel infers from the Respondent's communication received on August 4, 2022, that included the statement: "I would like to clarify that if by settlement Meta requires us to transfer the domain we are happy to do so. Or otherwise if that would mean letting the domain expires we are happy to do so too." that it makes no claims or has no evidence of rights or legitimate interests in the Disputed Domain Name.

This Panel finds that the Complainant has made out a *prima facie* case that the Respondent lacks rights or legitimate interests in the Disputed Domain Name and, in the absence of any submissions or evidence to the contrary from the Respondent, the Panel finds for the Complainant on the second element of the Policy.

## C. Registered and Used in Bad Faith

The third element of the Policy that the Complainant must also demonstrate is that the Disputed Domain Name has been registered and used in bad faith. Paragraph 4(b) of the Policy sets out certain circumstances to be construed as evidence of both of these conjunctive requirements.

The Panel finds that the evidence in the case shows the Respondent registered and has used the Disputed Domain Name in bad faith.

On the issue of registration, taking into account the composition of the Disputed Domain Name and the content of the website it resolves to, the Panel is satisfied that the Respondent knew of the Complainant's INSTAGRAM trademark when it registered the Disputed Domain Name (see *Instagram, LLC v. Laremy Wade*, WIPO Case No. <u>D2022-1710</u> ("the Complainant's INSTAGRAM mark is well known")).

This Panel finds that there is no reason for the Respondent to have registered the Disputed Domain Name other than to trade off the reputation and goodwill of the Complainant's well-known trademarks (see *Charles Jourdan Holding AG v. AAIM*, WIPO Case No. <u>D2000-0403</u> (which held that the domain name in question was "so obviously connected with the Complainant and its products that its very use by someone with no connection with Complainant suggests opportunistic bad faith").

Further, a gap of several years between registration of a complainant's trademark and respondent's registration of a domain name (containing the trademark) can indicate bad faith registration (see *Asian World of Martial Arts Inc. v. Texas International Property Associates*, WIPO Case No. <u>D2007-1415</u>). In this case, the Respondent registered the Disputed Domain Name about 10 years after the Complainant established trademark rights in the INSTAGRAM mark.

On the issue of use, the evidence is that the Disputed Domain Name is inactive and unconnected with any bona fide supply of goods or services by the Respondent. Previous UDRP panels have found that the non-use of a domain name would not prevent a finding of bad faith under the doctrine of passive holding. "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" (see WIPO Overview 3.0, section 3.3). This Panel notes that the evidence is that three of these factors are present in this proceeding.

Further, the Complainant's evidence includes evidence of an offer to sell the Disputed Domain Name. Targeting of this nature is a common example of use in bad faith as referred to in paragraph 4(b) of the Policy and identified in many previous UDRP decisions (see <u>WIPO Overview 3.0</u>, sections 3.1.1, 3.1.4, and 3.2.1).

In the absence of any evidence to the contrary, this Panel finds that the Respondent, who is unaffiliated with the Complainant, has taken the Complainant's widely-known INSTAGRAM trademark and incorporated it in the Disputed Domain Name without the Complainant's consent or authorization, which supports an inference of bad faith registration and use. The Respondent's correspondence with the Center does not rebut the inference, offering as it does, to "transfer the domain" or let it expire.

Accordingly, the Panel finds that the Complainant has satisfied the requirements of paragraph 4(a)(iii) 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, <instagram-metaverse.com> be transferred to the Complainant.

/Nicholas Weston/ Nicholas Weston Sole Panelist

Date: September 9, 2022