

ARBITRATION AND MEDIATION CENTER

# ADMINISTRATIVE PANEL DECISION

Bytedance Ltd. v. Polyakov Andrey Case No. D2022-3693

#### 1. The Parties

The Complainant is Bytedance Ltd., United Kingdom, represented by CSC Digital Brand Services Group AB, Sweden.

The Respondent is Polyakov Andrey, Ukraine.

# 2. The Domain Name and Registrar

The disputed domain name <capcutapp.net> is registered with NameCheap, Inc. (the "Registrar").

## 3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on October 4, 2022. On October 5, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. Also on October 5, 2022, the Registrar transmitted by email to the Center its verification response:

- (a) confirming the disputed domain name is registered with it;
- (b) confirming the language of the registration agreement is English; and
- (c) disclosing registrant and contact information for the disputed domain name which differed from the named Respondent (Privacy service provided by Withheld for Privacy ehf) and contact information in the Complaint.

The Center sent an email communication to the Complainant on October 17, 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 October 19, 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 October 20, 2022. In accordance with the Rules, paragraph 5, the due date for Response was November 9, 2022. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on November 10, 2022.

The Center appointed Warwick A. Rothnie as the sole panelist in this matter on November 18, 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 number of "content platforms" providing technology through which users can create, upload, share, and view video content.

One of those platforms is "TikTok" which the Complainant launched in May 2017.

In April 2020, the Complainant released an application or app under the name "CapCut". The CapCut app is a video editing app that allows users to add stickers, filters, and effects such as a green screen effect, a zooming feature and many others to the videos they wish to upload to TikTok.

The CapCut app is available through the Apple and Google "app" stores as well as from the Complainant's website at "www.capcut.com". According to the app tracking firm, Sensor Tower, downloads of the CapCut app reached some 140 million downloads globally in the first half of 2021. Some 100 million users have downloaded the app from the Google Play store. The CapCut app is also ranked "#6" in the Photo and Video category on Apple's App store. "SimilarWeb.com" provides statistics indicating that there have also been 41,000 visits to the Complainant's "CapCut" website.

The Complaint includes evidence that the Complainant owns four registered trademarks for CAPCUT:

- (a) Indian Registered Trademark No. 4,526,907 which was filed on and is registered from June 10, 2020;
- (b) Singapore Registered Trademark No. 40202012059Y, which was filed on and is registered from June 11, 2020;
- (c) European Union Registered Trademark No. 018255581 (the "EUTM"), which was filed on June 16, 2020, and entered on the register on May 15, 2021; and
- (d) United Kingdom Registered Trademark No. UK00003501065, which was also filed on June 16, 2020, and was entered on the Register on March 5, 2021.

Each of these trademarks is registered in respect of relevant goods and services in International Classes 9, 41 and 42. The EUTM is also registered in respect of "On-line social networking services" in International Class 45.

So far as the information before the Panel indicates, the disputed domain name was registered on September 17, 2021.

When the Complaint was filed, the disputed domain name resolved to a website offering for download a video editing app under the name "CapCut" for use with Microsoft Windows personal computers and claiming to be cross-platform compatible for use on Linux and Mac computers. The website stated that the application is free to download and use, but some additional features are available only after payment of a fee of USD 19.99. The website also bears prominently reproductions of the Complainant's "CapCut" logo and images which appear to have been copied from the Complainant's website. The website includes at the bottom of the main page a footer describing the website as "the CapCat fan website".

#### 5. Discussion and Findings

No response has been filed. The Complaint and Written Notice have been sent, however, to the Respondent at the electronic and physical coordinates confirmed as correct by the Registrar in accordance with paragraph 2(a) of the Rules. Bearing in mind the duty of the holder of a domain name to provide and keep up to date correct Whols details, therefore, the Panel finds that the Respondent has been given a fair opportunity to present his or its case.

When a respondent has defaulted, paragraph 14(a) of the Rules requires the Panel to proceed to a decision on the Complaint in the absence of exceptional circumstances. Accordingly, paragraph 15(a) of the Rules requires the Panel to decide the dispute on the basis of the statements and documents that have been submitted and any rules and principles of law deemed applicable.

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

- (i) the disputed 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 disputed domain name; and
- (iii) the disputed domain name has been registered and is being used in bad faith.

# A. Identical or Confusingly Similar

The first element that the Complainant must establish is that the disputed domain name is identical with, or confusingly similar to, the Complainant's trademark rights.

There are two parts to this inquiry: the Complainant must demonstrate that it has rights in a trademark at the date the Complaint was filed and, if so, the disputed domain name must be shown to be identical or confusingly similar to the trademark.

The Complainant has proven ownership of the four registered trademarks for CAPCUT identified in section 4 above. Given the volume of use of the application as indicated by the number of downloads, the Panel considers the trademark can also be regarded as well known.

The second stage of this inquiry simply requires a visual and aural comparison of the disputed domain name to the proven trademarks. This test is narrower than and thus different to the question of "likelihood of confusion" under trademark law. Therefore, questions such as the scope of the trademark rights, the geographical location of the respective parties, and other considerations that may be relevant to an assessment of infringement under trademark law are not relevant at this stage. Such matters, if relevant, may fall for consideration under the other elements of the Policy. See e.g. WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition (WIPO Overview 3.0), section 1.7.

In undertaking that comparison, it is permissible in the present circumstances to disregard the generic Top-Level Domain (gTLD) component as a functional aspect of the domain name system. <u>WIPO Overview</u> <u>3.0</u>, section 1.11.

Disregarding the ".net" gTLD, the disputed domain name consists of the Complainant's registered trademark and the term "App". As the Complainant points out, the term "app" is widely used as an abbreviation or contraction for the word "application". As this requirement under the Policy is essentially a standing requirement, the addition of this term does not preclude a finding of confusing similarity. See *e.g.* WIPO Overview 3.0, section 1.8. Apart from anything else, the Complainant's trademark remains visually and aurally recognisable within the disputed domain name.

Accordingly, the Panel finds that the Complainant has established that the disputed domain name is confusingly similar to the Complainant's trademark and the requirement under the first limb of the Policy is satisfied.

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

The second requirement the Complainant must prove is that the Respondent has no rights or legitimate interests in the disputed domain name.

Paragraph 4(c) of the Policy provides that the following circumstances can be situations in which the Respondent has rights or legitimate interests in a disputed domain name:

- (i) 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 in connection with a *bona fide* offering of goods or services; or
- (ii) [the Respondent] (as an individual, business, or other organization) has been commonly known by the [disputed] domain name, even if [the Respondent] has acquired no trademark or service mark rights; or
- (iii) [the Respondent] is making a legitimate noncommercial or fair use of the [disputed] domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

These are illustrative only and are not an exhaustive listing of the situations in which a respondent can show rights or legitimate interests in a domain name.

The *onus* of proving this requirement, like each element, falls on the Complainant. Panels have recognized the difficulties inherent in proving a negative, however, especially in circumstances where much of the relevant information is in, or likely to be in, the possession of the respondent. Accordingly, it is usually sufficient for a complainant to raise a *prima facie* case against the respondent under this head and an evidential burden will shift to the respondent to rebut that *prima facie* case. The ultimate burden of proof, however, remains with the Complainant. See *e.g.*, <u>WIPO Overview 3.0</u>, section 2.1.

The Respondent registered the disputed domain name after the Complainant began using its trademark and also after the Complainant had registered its trademark.

The Complainant states that it has not authorised the Respondent to use the disputed domain name. Nor is the Respondent affiliated with it.

The disputed domain name is not derived from the Respondent's name. Nor is there any suggestion of some other name by which the Respondent is commonly known from which the disputed domain name could be derived. The Respondent's website does apparently permit the downloading of an application under the name "CapCut". However, there is no evidence to suggest that the Respondent was making such an application available before the Complainant adopted it or the Complainant's trademark became well known. In addition, the website itself bears a clear reproduction of the Complainant's CAPCUT "logo" trademark and a copyright notice "© 2021".

The Respondent's website is accessible from anywhere with an Internet connection including therefore the four jurisdictions in which the Complainant has registered its trademark.

In such circumstances, the use of the disputed domain name, which is confusingly similar to the Complainant's trademark, for a rival or substitute product without the Complainant's permission does not qualify under the Policy as a good faith offering of goods or services.

Nor are the circumstances identified in paragraph 4(c)(iii) of the Policy applicable. As noted above, the website does claim to be a "fan site". While panels have acknowledged rights or legitimate interests in a domain name used for a fan site, a respondent's fan site must be "active, genuinely noncommercial, and clearly distinct from any official complainant site". See, WIPO Overview 3.0, section 2.7. Those conditions are not satisfied here. First, what the website appeared to offer for downloading was software providing the same or corresponding functionality as the Complainant's own app albeit possibly for use on personal computers. Further, as previously stated, the website at the disputed domain name states that the application is free to download and use, but some additional features are available only after payment of a fee of USD 19.99. Moreover, the website also bears prominently reproductions of the Complainant's "CapCut" logo and images which appear to have been copied from the Complainant's website. Accordingly, not only is there a commercial aspect to the use of the disputed domain name, but the use appears to be to substitute for the Complainant's own app and the content and appearance of the website are such to suggest an authorization or sponsorship by the Complainant, contrary to the fact.

These matters, taken together, are sufficient to establish a *prima facie* case under the Policy that the Respondent has no rights or legitimate interests in the disputed domain name. The basis on which the Respondent has adopted the disputed domain name, therefore, calls for explanation or justification. The Respondent, however, has not sought to rebut that *prima facie* case or advance any claimed entitlement. Accordingly, the Panel finds the Complainant has established the second requirement under the Policy also.

### C. Registered and Used in Bad Faith

Under the third requirement of the Policy, the Complainant must establish that the disputed domain name has been both registered and used in bad faith by the Respondent. These are conjunctive requirements; both must be satisfied for a successful complaint: see e.g. Burn World-Wide, Ltd. d/b/a BGT Partners v. Banta Global Turnkey Ltd, WIPO Case No. D2010-0470.

Paragraph 4(b) identifies situations which may demonstrate that registration or use of a disputed domain name was not in bad faith under the Policy:

For the purposes of paragraph 4(a)(iii), the following circumstances, in particular but without limitation, if found by the Panel to be present, shall be evidence of the registration and use of [the disputed] domain name in bad faith:

- (i) circumstances indicating that [the Respondent] has registered or [the Respondent has] acquired the [disputed] domain name primarily for the purpose of selling, renting, or otherwise transferring the [disputed] domain name registration to the Complainant who is the owner of the trademark or service mark or to a competitor of that Complainant, for valuable consideration in excess of [the Respondent's] documented out-of-pocket costs directly related to the [disputed] domain name; or
- (ii) [the Respondent has] registered the [disputed] 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 [the Respondent has] engaged in a pattern of such conduct; or
- (iii) [the Respondent has] registered the [disputed] domain name primarily for the purpose of disrupting the business of a competitor; or
- (iv) by using the [disputed] domain name, [the Respondent has] intentionally attempted to attract, for commercial gain, Internet users to [the Respondent's] 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 [the Respondent's] website or location or of a product or service on [the Respondent's] web site or location.

The instances of bad faith set out in paragraph 4(b) of the Policy are examples only, intended to illustrate types of conduct which is caught by the Policy. See e.g. Do The Hustle, LLC v Tropic Web WIPO Case No. D2000-0624.

Generally speaking, a finding that a domain name has been registered and is being used in bad faith requires an inference to be drawn that the respondent in question has registered and is using the disputed domain name to take advantage of its significance as a trademark owned by (usually) the complainant.

There can be little doubt that the Respondent was well aware of the Complainant's trademark when he registered the disputed domain name. The trademark itself appears to be an invented term, distinctive of the goods and services in question. The software provided by the Complainant under the trademark appears to have been very widely downloaded and well known. In addition, the Respondent's website reproduces a faithful copy of the Complainant's CAPCUT logo trademark.

The Complaint includes evidence that, between August 2021 and August this year, the Respondent has been the respondent in 12 prior disputes under the Policy in all of which the domain name was ordered to be transferred. The Complaint also includes evidence that the Respondent currently holds at least five other domain names which appear to trade on third party trademarks. These include <facetimepcapp.us> and <wechat-app.us>. The similarity in the naming structure of each, <trademark + "app">, is noted. As the Complainant contends, therefore, the Panel finds that the Respondent has engaged in a pattern of registering abusive domain names.

Further, it also appears that the Respondent registered the disputed domain name to attract Internet users to his website by using a domain name confusingly similar to the Complainant's trademark and so misrepresenting that his website and his application is the Complainant's application or in some way associated with it. As the Complainant contends, that conduct falls at least within the circumstances identified in paragraph 4(b)(iv) of the Policy.

In these circumstances, therefore, the Panel finds the Respondent has registered and used it in bad faith.

Accordingly, the Complainant has established all three requirements under the Policy.

### 6. 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, <capcutapp.net>, be transferred to the Complainant.

/Warwick A. Rothnie/ Warwick A. Rothnie Sole Panelist

Date: December 2, 2022