

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Sacheu Beauty, Inc. v. DODSONCLAYTON Case No. D2025-0582

1. The Parties

The Complainant is Sacheu Beauty, Inc., United States of America ("United States"), represented by Meister Seelig & Fein PLLC, United States.

The Respondent is DODSONCLAYTON, United States.

2. The Domain Name and Registrar

The disputed domain name < sacheu.shop> is registered with PDR Ltd. d/b/a PublicDomainRegistry.com (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on February 13, 2025. On February 14, 2025, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On February 15, 2025, 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 (PDR Ltd. d/b/a PublicDomainRegistry.com) and contact information in the Complaint. The Center sent an email communication to the Complainant on February 17, 2025, 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 amendment to the Complaint on February 17, 2025.

The Center verified that the Complaint together with the amendment to 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 the Respondent of the Complaint, and the proceedings commenced on February 18, 2025. In accordance with the Rules, paragraph 5, the due date for Response was March 10, 2025. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on March 11, 2025.

The Center appointed Clark W. Lackert as the sole panelist in this matter on March 17, 2025. 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 is a wholesaler and e-commerce retailer of beauty products sold under its registered SACHEU trademark (the "Mark") as well as by its website using its domain name <sacheu.com> which the Complainant registered on March 18, 2020. The Complainant has continuously used the Mark for the advertising, promotion, and sale of its products sold by retailers in over 1,400 brick and mortar stores and through popular e-commerce platforms such as Amazon. The Complainant has also made substantial investments to develop a strong presence online for its products using the Complainant's Mark, including most prominently by being active on leading social media platforms, including TikTok, where the Complainant's official page shows the Mark with 100,000 followers and 856,000 "likes", and Instagram with 91.000 followers.

The Complainant is the owner of registrations in various jurisdictions on its Mark SACHEU including:

Jurisdictions	Registration Number	Registration Date
United States	6288494	March 9, 2021
United States	6382222	June 8, 2021
International Registration – designating the European Union and the United Kingdom	1581835	January 28, 2021

The disputed domain name was registered on July 19, 2024.

5. Parties' Contentions

A. Complainant

The Complainant contends that it has satisfied each of the elements required under the Policy for a transfer of the disputed domain name.

The Complainant has registered its Mark in jurisdictions around the world including the United States, the United Kingdom, and the European Union. It has therefore established trademark rights in its SACHEU Mark sufficient to meet the first part of its burden under paragraph 4(a)(i) of the Policy. See WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 1.2.1. "Where the complainant holds a nationally or regionally registered trademark or service mark, this prima facie satisfies the threshold requirement of having trademark rights for purposes of standing to file a UDRP case."

The remaining question under the first element of the Policy is whether the disputed domain name is identical or confusingly similar to the Complainant's Mark. It is well accepted among UDRP panels that the first element functions primarily as a standing requirement and that the threshold test for confusing similarity involves a "reasoned but relatively straightforward comparison between the complainant's trademark and the disputed domain name". See WIPO Overview 3.0, section 1.7 ("[I]n cases where a domain name incorporates the entirety of a trademark, or where at least a dominant feature of the relevant mark is recognizable in the domain name, the domain name will normally be considered confusingly similar to that mark for purposes of UDRP standing."). See also, RapidShare AG, Christian Schmid v. Protected Domain Services/Dmytro Gerasymenko, WIPO Case No. D2010-1071; RapidShare AG and Christian Schmid v. majeed randi WIPO Case No. D2010-1089.

A side by side comparison between the disputed domain name and the SACHEU Mark shows the disputed domain name consists of the entirety of the SACHEU Mark, coupled with the gTLD ".shop", a common Top-Level Domain for e-commerce sites. The Complainant asserts that the addition of the above-listed ".shop" does not prevent a finding of confusing similarity with the Complainant's Mark, because the leading dominant feature of the Complainant's registered SACHEU mark remains clearly recognizable as incorporated into the disputed domain name. See WIPO Overview 3.0, section 1.8 ("Where the relevant trademark is recognizable within the disputed domain name, the addition of other terms (whether descriptive, geographical, pejorative, meaningless, or otherwise) would not prevent a finding of confusing similarity under the first element.")

The Complainant submits that the Respondent has no rights or legitimate interests in the disputed domain name and asserts that the Respondent is unable to invoke any of the circumstances set out in paragraph 4(c) of the Policy to demonstrate rights or legitimate interests in the disputed domain name. See WIPO Overview 3.0, section 2.1 ("[w]hile the overall burden of proof in UDRP proceedings is on the complainant, panels have recognized that proving a respondent lacks rights or legitimate interests in a domain name may result in the often-impossible task of 'proving a negative', requiring information that is often primarily within the knowledge or control of the respondent. As such, where a complainant makes out a prima facie case that the respondent lacks rights or legitimate interests, the burden of production on this element shifts to the respondent to come forward with relevant evidence demonstrating rights or legitimate interests in the domain name. If the respondent fails to come forward with such relevant evidence, the complainant is deemed to have satisfied the second element."); see also, Malayan Banking Berhad v. Beauty, Success & Truth International, WIPO Case No. D2008-1393.

The Respondent has never been authorized by the Complainant to use the Complainant's Mark in any manner, much less as part of the disputed domain name or a copycat website. In the totality of the circumstances, the Complainant submits that the Respondent's use of the disputed domain name does not amount to a bona fide offering of goods or services under paragraph 4(c)(i) of the Policy because a respondent's use of a complainant's mark to redirect users (e.g., to a competing site) would not support a claim to rights or legitimate interests. See WIPO Overview 3.0, sections 2.5.2 and 2.5.3; see also Harpo, Inc. and Oprah's Farm, LLC v. Robert McDaniel, WIPO Case No. D2013-0585 (legally it is not for respondent to decide when and how a complainants' mark would be used commercially online; trademark owner has the right to control commercial use of its brand).

The Respondent is using the disputed domain name to infringe and cybersquat upon the Complainant's rights in its globally famous and well-known Complainant's Marks, including in the United States, where the Complainant has owned valid, subsisting, and well-known statutory and common law trademark rights and federal trademark registrations since at least as early as 2020, predating the Respondent's registration of the disputed domain name on July 19, 2024, by years.

Finally, it is well-established that, where the complainant contends the respondent has no rights or legitimate interests in a disputed domain name, the burden of proof shifts to the respondent to come forward with proof to the contrary. See, e.g., LACOSTE and LACOSTE ALLIGATOR SA v. Domain Manager, WIPO Case No. D2016-2181 (December 20, 2016) ("The Complainants have provided prima facie evidence of the Respondent's lack of rights or legitimate interests in the disputed domain name, and the burden of production therefore shifts to the Respondent to come forward with evidence demonstrating the rights or legitimate interests it may have."); De Beers Intangibles Limited v. Domain Admin, Whois Privacy Corp., WIPO Case No. D2016-1465 (September 14, 2016) ("[I]t is 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."). Here, there is no evidence to the contrary.

The Respondent's registration and use of the disputed domain name constitutes bad faith under paragraph 4(b)(iii) of the Policy. The Respondent is using the disputed domain name to direct Internet users to an imitation website prominently displaying the SACHEU Mark on its landing page and claiming to offer the Complainant's branded cosmetic products for sale identified by their additional specific product-related

registered and common law trademarks by the Complainant, thus unfairly trading on the goodwill associated with the Complainant's Marks.

Accordingly, the Respondent is engaged in disrupting the Complainant's business by diverting business and prospective customers away from the Complainant and its goods and services. This activity was done by a competitor against the Complainant and is disruptive to the Complainant's business and therefore evidences bad faith under paragraph 4(b)(iii) of the Policy. See, e.g., WIPO Overview 3.0, section 3.1.3 ("Noting that the scenarios enumerated in UDRP paragraph 4(b) are non-exhaustive, panels have applied the notion of a 'competitor' beyond the concept of an ordinary commercial or business competitor to also include the concept of "a person who acts in opposition to another"). This activity clearly constitutes bad faith under paragraph 4(b)(iv) of the Policy. See WIPO Overview 3.0, section 3.1.4 ("Panels have consistently found that the mere registration of a domain name that is identical or confusingly similar (particularly domain names... incorporating the mark plus a descriptive term) to a famous or widely known trademark by an unaffiliated entity can by itself create a presumption of bad faith. See also, e.g., Walgreen Co. v. Registration Private, Domains By Proxy LLC / Nitish Maheshwari, WIPO Case No. D2017-1601 (September 28, 2017) ("The screenshot of the website to which the disputed domain name resolves shows the Complainant's logo and products of the type associated with it. This demonstrates that the Respondent knew of the Complainant and was using the disputed domain name to exploit the Complainant's trademark in order to sell products to customers who would have assumed that they were dealing with the Complainant."); Bubble Beauty, Inc. v. Jianfeng Lu, WIPO Case No. D2024-1441.

For the reasons described above, the Complainant claims that the disputed domain name is identical or confusingly similar to the Complainant's SACHEU Mark including its registered SACHEU Mark, the Respondent lacks rights or legitimate interests in the disputed domain name, and the disputed domain name was registered and used in bad faith, in violation of paragraph (4)(a) of the Policy.

B. Respondent

The Respondent is in default and did not reply to the Complainant's contentions.

6. Discussion and Findings

A. Identical or Confusingly Similar

It is well accepted that the first element functions primarily as a standing requirement. The standing (or threshold) test for confusing similarity involves a reasoned but relatively straightforward comparison between the Complainant's trademark and the disputed domain name. <u>WIPO Overview 3.0</u>, section 1.7.

The Complainant has shown rights in respect of a trademark or service mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.2.1. These trademark rights are prior to the registration date of the disputed domain name. The entirety of the mark is reproduced within the disputed domain name. Accordingly, the disputed domain name is identical to the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.7.

The Panel finds the first element of the Policy has been established.

B. Rights or Legitimate Interests

Although the overall burden of proof in UDRP proceedings is on the complainant, panels have recognized that proving a respondent lacks rights or legitimate interests in a domain name may result in the difficult task of "proving a negative", requiring information that is often primarily within the knowledge or control of the respondent. As such, where a complainant makes out a prima facie case that the respondent lacks rights or legitimate interests, the burden of production on this element shifts to the respondent to come forward with relevant evidence demonstrating rights or legitimate interests in the domain name (although the burden of

proof always remains on the complainant). If the respondent fails to come forward with such relevant evidence, the complainant is deemed to have satisfied the second element. WIPO Overview 3.0, section 2.1.

Having reviewed the available record, the Panel finds the Complainant has established a prima facie case that the Respondent lacks rights or legitimate interests in the disputed domain name. The Respondent has not rebutted the Complainant's prima facie showing and has not come forward with any relevant evidence demonstrating rights or legitimate interests in the disputed domain name such as those enumerated in the Policy or otherwise.

The Panel finds the second element of the Policy has been established.

C. Registered and Used in Bad Faith

The Panel notes that, for the purposes of paragraph 4(a)(iii) of the Policy, paragraph 4(b) of the Policy establishes circumstances, in particular, but without limitation, that, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith.

In the present case, the Panel notes that the Respondent intentionally attempted to attract, for commercial gain, Internet users by creating a likelihood of confusion with the Complainant's Mark and also by using a copycat website to imitate the Complainant's website in order to divert web traffic to itself.

Panels have held that the use of a domain name for illegitimate activity, here, claimed as impersonation/passing off by using a deceptive website, constitutes bad faith. WIPO Overview 3.0, section 3.4. Having reviewed the record, the Panel finds the Respondent's registration and use of the disputed domain name constitutes bad faith under the Policy.

The Panel finds that the Complainant has established the third element 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 <sacheu.shop> be transferred to the Complainant.

/Clark W. Lackert/ Clark W. Lackert Sole Panelist

Date: March 31, 2025