

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Drops, LLC v. Roland David, roladn Case No. D2025-2915

1. The Parties

The Complainant is Drops, LLC, United States of America ("United States" or "U.S."), represented by Holon Law Partners LLP, United States.

The Respondent is Roland David, roladn, United States.

2. The Domain Name and Registrar

The disputed domain name <dropsgummy.com> is registered with Global Domain Group LLC (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on July 23, 2025. On July 23, 2025, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On July 24, 2025, the Registrar transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details. The Center sent an email communication to the Complainant on July 25, 2025, providing the registrant and contact information disclosed by the Registrar for their information.

The Center verified that 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 July 30, 2025. In accordance with the Rules, paragraph 5, the due date for Response was August 19, 2025. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on August 21, 2025.

The Center appointed Kathryn Lee as the sole panelist in this matter on August 29, 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 company that has produced cannabis and hemp-infused jelly candies since 2018. The Complainant's sales from 2018 up to the filing of the Complaint are approximately USD 70 million. The Complainant's official websites are at <dropscandies.com> and <dropsedibles.com>, registered on August 11, 2019, and July 21, 2022, respectively. The Complainant and its DROPS products have been mentioned in publications such as Leaf Nation and Willamette Week, and the Complainant owns the DROPS logo trademark in the United States (U.S. Trademark Registration Number 5,979,611, registered on February 4, 2020).

The Respondent appears to be an individual with an address in the United States.

The disputed domain name was registered on February 19, 2025, and resolves to a website displaying the Complainant's DROPS logo and purportedly offering the Complainant's gummy products for sale.

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.

Notably, the Complainant contends that the disputed domain name is confusingly similar to the DROPS mark in which it owns a trademark registration since the disputed domain name wholly incorporates the Complainant's trademark with the addition of the term "gummy" which is directly related to the Complainant's business.

The Complainant also contends that the Respondent has no rights or legitimate interests in the disputed domain name and confirms that it has not authorized or licensed rights to the Respondent in any respect. The Complainant further contends that the Respondent is using the disputed domain name to display a website that features language, imagery, and other content directly copied from the Complainant's websites without disclosing the lack of a relationship with the Complainant. The Complainant also contends that offering the Complainant's gummy products for sale in such a manner displays the Respondent's intent to mislead consumers and divert Internet traffic away from the Complainant's legitimate websites while tarnishing the Complainant's trademark and reputation.

Finally, the Complainant contends that the disputed domain name was registered and is being used in bad faith. The Complainant contends that the Respondent's use of the Complainant's logo and copyright-protected images directly copied from the Complainant's websites shows the Respondent's intent to deceive consumers and users into believing that the Respondent's website is authorized or affiliated with the Complainant. The Complainant also contends that such acts are detrimental to the Complainant as they result in unjust enrichment of the Respondent through fraudulent means and cause harm to the Complainant's brand reputation.

B. Respondent

The Respondent 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. WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 1.7.

The Complainant has shown rights in respect of a trademark or service mark for the purposes of the Policy. WIPO Overview 3.0, section 1.2.1.

The entirety of the mark is reproduced within the disputed domain name. Accordingly, the disputed domain name is confusingly similar to the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.7.

Although the addition of other terms – here, "gummy" – may bear on assessment of the second and third elements, the Panel finds the addition of such term does not prevent a finding of confusing similarity between the disputed domain name and the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.8.

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

B. Rights or Legitimate Interests

Paragraph 4(c) of the Policy provides a list of circumstances in which the Respondent may demonstrate rights or legitimate interests in a disputed domain name.

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.

Panels have held that the use of a domain name for illegitimate activity – here, claimed impersonation/passing off – can never confer rights or legitimate interests on a respondent. WIPO Overview 3.0, section 2.13.1.

Further, the Complainant submits that the Respondent is offering potential counterfeit goods through the website, but has submitted no evidence to support this claim. However, even if the DROPS branded goods offered on the website were genuine, the use of the disputed domain name would fail the "Oki Data test". *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. <u>D2001-0903</u>. Panels have recognized that resellers and distributors using a domain name containing the brand owner's trademark to undertake sales of the brand owner's goods may be making bona fide offering of goods and services and thus have a legitimate interest in such domain name, as long as the following conditions are met under the "Oki Data test":

- (i) the respondent must actually be offering the goods or services at issue;
- (ii) the respondent must use the site to sell only the trademarked goods or services;
- (iii) the site must accurately and prominently disclose the registrant's relationship with the trademark holder; and
- (iv) the respondent must not try to "corner the market" in domain names that reflect the trademark.

Here, the Respondent fails on condition (iii) as the website does not provide any disclaimer on the nature of the relationship between the Respondent and the Complainant. Therefore, the Respondent does not have rights or legitimate interests to the disputed domain name and the Respondent's use of the disputed domain name cannot fall under fair use.

Moreover, the nature of the disputed domain name carries a risk of implied affiliation as it effectively impersonates or suggests sponsorship or endorsement by the Complainant. <u>WIPO Overview 3.0</u>, section 2.5.1.

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 clearly targeted the Complainant in registering the disputed domain name based on the composition of the disputed domain name and the manner in which the disputed domain name has been used. The Panel finds that in using the disputed domain name, the Respondent intentionally attempted to attract, for commercial gain, Internet users by creating a likelihood of confusion with the Complainant's mark.

Panels have also held that the use of a domain name for illegal activity – here, impersonation/passing off – 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 dropsgummy.com/dreasons-name be transferred to the Complainant.

/Kathryn Lee/ Kathryn Lee Sole Panelist

Date: September 12, 2025