

## **ADMINISTRATIVE PANEL DECISION**

SundaeSwap Labs, Inc. v. Privacy Service Provided by Withheld for Privacy ehf / Lilly Smith, Fantastic GT Supply Inc.  
Case No. DIO2022-0010

### **1. The Parties**

The Complainant is SundaeSwap Labs, Inc., United States of America (“United States” or “US”), represented Much Shelist PC, United States.

The Respondent is Privacy Service Provided by Withheld for Privacy ehf, Iceland / Lilly Smith, Fantastic GT Supply Inc., Canada.

### **2. The Domain Name and Registrar**

The disputed domain name <sundaeswap.io> (the “Disputed Domain Name”) is registered with NameCheap, Inc. (the “Registrar”).

### **3. Procedural History**

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on March 9, 2022. On March 10, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Disputed Domain Name. On March 10, 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 March 11, 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 March 17, 2022.

The Center verified that the Complaint together with the amended Complaint satisfied the formal requirements of the .IO Domain Name Dispute Resolution Policy (the “Policy”), the Rules for .IO Domain Name Dispute Resolution Policy (the “Rules”), and the WIPO Supplemental Rules for .IO 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 March 21, 2022. In accordance with the Rules, paragraph 5, the due date for Response was April 10, 2022. The Response was filed with the Center on April 4, 2022.

The Center appointed Nick J. Gardner as the sole panelist in this matter on April 20, 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

In this case, for reasons discussed below, it is in the Panel's opinion important to consider carefully the factual background. There is virtually no dispute about the facts involved, although the Parties differ markedly in what they say is the significance to be attributed to those facts. Unless stated otherwise the Panel accepts as accurate facts which have been placed in evidence by the Complainant and which have not been challenged by the Respondent. This is particularly important, for reasons discussed below.

The factual background is as follows.

The Complainant provides a variety of cryptocurrency-related services. A key aspect of the Complainant's offerings is a DEX – a decentralized exchange that allows users to engage in cryptocurrency transactions and undertake related functions. Through the application accessible at the Complainant's website linked to the domain name <sundaeswap.finance> users can perform a number of activities involving cryptocurrency, including trading tokens and viewing and managing liquidity positions.

The Complainant's business was developed during 2021 and 2022. The following dates are material. The Complainant registered the domain name <sundaeswap.finance> on April 4, 2021. On April 12, 2021, the Complainant first posted from its Twitter account (@SundaeSwap). On April 14, 2021, the Complainant's chief operations officer Arty Wright stated on the Internet forum Discord<sup>1</sup> that the Complainant "literally just started marketing yesterday", but that its website was not yet built and would only "be going up in May". In either April or May 2021, the Complainant's website was launched and provided at least some information about the Complainant, and prominently displayed the SUNDAESWAP mark. It did not however provide an active DEX at this time.

On April 30, 2021, the Respondent registered the Disputed Domain Name. On the same date at approximately the same time, it also registered the domain names <sundaeswap.com> and <sundaeswap.net>.

On May 1, 2021, the Complainant's CEO Mateen Motavaf stated on Discord that "We are still laying out the architecture of the swap" and that "We have a project just nothing cemented yet".

Between August 3 2021 and August 10 2021, a Discord messaging exchange took place between the Complainant's Chief Operating Officer, Arty Wright and the Respondent (using the "handle" "nbahoop"). It is not clear to the Panel what led to the initiation of this exchange (although the unchallenged evidence is that it was initiated by the Respondent). On August 3, 2021, the Respondent said (presumably in relation to the domain name <sundaeswap.com>) "I have been approached by other projects to sell it to them but would rather sell it to you guys, Can I get some tokens in exchange". The Complainant responded on the same day "I cant promise any tokens just speaking legally but we can work something out I am sure". The Complainant asked the Respondent to identify itself, but it did not do so, saying it first needed a rough idea of what the Complainant had in mind. The exchange continued with the Respondent proving it controlled the <sundaeswap.com> domain name by altering its redirection in real time during the conversation. The Respondent then stated "I would like a % of the investment allocation. The sudaeswap.com domain definitely

---

<sup>1</sup> Discord is a communications platform that is widely used by members of the cryptocurrency community

adds significant value to the protocol imo. There is no better investment you could make in your start up than acquiring the .com domain”.

On August 4 2021, the Complainant offered “15K tokens” for the domain name <sundaeswap.com>. The Respondent replied “lol no thanks. I can get 6 figures now but after you launch I am certain I can get 7 figures + for the .com. I have received many offers for It”. It went on to point out that the Complainant’s competitors owned the “.com” versions of their names and then stated “if your competitors acquire it they will use it to redirect your traffic and community so I want you to have it”. The conversation continued with the Respondent sending various messages emphasizing the importance and value of the “.com” domain names (for example it indicated <cars.com> was valued at USD 872 million) and making a “best offer” of “9% of the total token supply”. The conversation then apparently ceased.

On August 11, 2021, the Complainant filed US trademark applications for the term SUNDAESWAP (Serial Nos. 90878036, 90878057, and 90878068, in International Classes 9, 36, and 42, respectively), with a claimed first use date of April 7, 2021. These applications are pending in the USPTO. On the same day, the Respondent also filed US trademark applications for the term SUNDAESWAP (Serial Nos. 90877935 and 90877566 in International classes 36 and 42 respectively) with a claimed first use date of April 30, 2021.

On August 16 2021, the Complainant filed a UDRP complaint with the National Arbitration Forum (“NAF”) in respect of the domain name <sundaeswap.com>. That complaint was unsuccessful, the panel holding the Complainant lacked the necessary trade mark rights.

The Respondent launched its own website on September 16, 2021 (the “Respondent’s Website). The domain name <sundaeswap.com> resolves to his website and the domain names <sundaeswap.net> and the Disputed Domain Name redirect to it. The contents of the Respondent’s Website are discussed below.

The Complainant conducted its first beta test of its trading system on December 6, 2021 and its DEX went live on January 20, 2022.

## **5. Parties’ Contentions**

### **A. Complainant**

The Complainant summarises its case as follows.

“This case is a textbook example of opportunistic and abusive domain name registration and use. Just days after the Complainant announced the launch of its forthcoming product, the Respondent snatched up three domain names (the disputed domain name in this action plus <sundaeswap.net> and <sundaeswap.com>, which are the subject of a parallel proceeding brought under the Uniform Domain Name Dispute Resolution Policy (UDRP)) each of which are a letter-by-letter copy of the Complainant’s inherently distinctive, arbitrary SUNDAESWAP trademark. The Respondent then proceeded to try a shakedown of the Complainant, demanding “7+ figures” for the domain name <sundaeswap.com> and in the same conversation threatening to transfer that domain name to a competitor of the Complainant. One would be hard pressed to conjure a more nefarious scenario that the Policy was intended to address”.

The Complainant says that following the registration of its domain name <sundaeswap.finance> on April 4, 2021 it thereafter announced itself to the marketplace through a number of public channels. For example, on April 12, 2021, it first posted from its Twitter account @SundaeSwap) On April 18, 2021, a subreddit<sup>2</sup> committed to the topic of the SundaeSwap platform was launched and quickly gained popularity As of this same date, a Discord2 server had been established and already had 375 members. From the time of the

---

<sup>2</sup> Reddit is a social news aggregation, web content rating, and discussion website. Posts on Reddit are organized by subject into user-created boards called “communities” or “subreddits”, which cover topics such as news, politics, religion, science, movies, video games, music, books, sports, fitness, cooking, pets, and image-sharing.

first SundaeSwap announcement until April 30, 2021 (the date on which the Respondent registered the disputed domain name and <sundaeswap.com> and <sundaeswap.net>), the Complainant says it posted to its Twitter account at least 20 times, resulting in dozens of likes and retweets. By April 30, 2021, the Complainant says that it and its SUNDAESWAP mark were already well-known.

The Complainant says that the Respondent's demand of 9 per cent of all future SundaeSwap tokens was an exorbitant demand. According to then-current projections based on past similar projects, Respondent's demand amounted to a value of between USD 3,600,000 and USD 18,000,000 for transfer of the <sundaeswap.com> domain name.

The Complainant says that it has unregistered trademark rights in the term SUNDAESWAP. In this regard, it says consumers, the industry and media have widely recognized SundaeSwap and its services. For example it says:

- the Complainant's verified Twitter account, launched in April 2021 and prominently featuring the SUNDAESWAP mark (Annex 12) has amassed more than 287,000 followers.
- a Discord server committed to the discussion of SundaeSwap (prominently featuring the SUNDAESWAP mark) has more than 108,000 members.
- the SundaeSwap subreddit (on Reddit, prominently featuring the SUNDAESWAP mark) has more than 33,000 members. Many of the posts have hundreds of upvotes and dozens of comments.
- a Telegram group committed to the discussion of SundaeSwap (prominently featuring the SUNDAESWAP mark) has more than 20,000 members.
- "Countless" press and media outlets have covered the development and launch of SundaeSwap. For example, the Complainant has been featured in articles on, among many others, The Motley Fool, Forbes, Newsweek, Business Insider, and Coindesk.

The Complainant says the SUNDAESWAP brand became enormously popular in a relatively short period (hundreds of thousands of enthusiasts in less than a year's time). It says this is precisely the type of "relatively rapid recognition" that panels under the UDRP have found to support trademark rights, even in the absence of a trademark registration. For example, in *Andrey Ternovskiy dba Chatroulette v. Envient*, WIPO Case No. [D2018-2240](#), the panel found that although the complainant did not have any trademark registrations at the time the disputed domain name in that case was registered, it had rights in its CHATROULETTE mark. The panel noted how the Chatroulette platform had quickly become popular – it had gained thousands of daily visitors within a year of its launch. In the very same way, the facts of this case establish that the Complainant has trademark rights in SUNDAESWAP, and it had those rights when the Disputed Domain Name was registered.

The Complainant says the Disputed Domain Name is identical to its SUNDAESWAP trademark. It says the Respondent lacks any legitimate interest in the Disputed Domain Name. It says its motives are to be inferred as being the same as in relation to the <sundaeswap.com> domain name.

The Complaint says the Respondent acted in bad faith. It says "There is no plausible explanation for why the Respondent would have registered the disputed domain name – containing the made-up combination of the words "sundae" and "swap" – other than to specifically target the Complainant. Registering the arbitrary or otherwise highly distinctive SUNDAESWAP mark as a domain name at any time would have shown clear targeting of the Complainant and its mark. But the registration of the disputed domain name, along with <sundaeswap.com> and <sundaeswap.net> literally days after the first public announcement of the SundaeSwap platform makes the Respondent's targeting of the Complainant crystal clear". It makes a number of other points as to bad faith including that the Respondent registered three different domain names each corresponding to the Complainant's SUNDAESWAP trademark. Where relevant these points are discussed further below.

## B. Respondent

The Respondent's case is based almost entirely on it saying the Complainant lacks the necessary trademark rights to bring a UDRP complaint. It puts its case this way:

"The Amended Complaint in this proceeding comes down to, fundamentally, one assertion: Complainant "owns the mark SUNDAESWAP." Am. Compl. 4.1 But in fact, it does not. Further, as this is primarily a trademark dispute that would preclude resolution under the policy. *Courtney Love v. Barnett*, FA 944826 (Forum May 14, 2007) (See also *Abbott Labs. v. Patel*, FA 740337 (Forum August 15, 2006) (assertions of trademark infringement are "entirely misplaced and totally inappropriate for resolution" in a domain name dispute.) *Stevenson Indus., Inc. v. CPAP-PRO Online*, FA 105778 (Forum April 25, 2002) ("If the existence of [rights or legitimate interests] turns on resolution of a legitimate trademark dispute, then Respondent must prevail, because such disputes are beyond the scope of this proceeding."). For these reasons, the Amended Complaint should be dismissed. See Gerald Levine, Domain Name Arbitration § 4.01-A.1.b ("If complainant fails to carry the burden of proving it has a trademark right the complaint must be dismissed.")

The Respondent says Complainant did not use the SUNDAESWAP mark in connection with provision of goods and services until at the earliest December 2021. It says that Respondent had a functioning cryptocurrency application operating under the SUNDAESWAP mark by October 2021. It says that the Respondent's company Fantastic GT Supply Inc. (which it says is the actual owner of the domains at issue and the SUNDAESWAP mark) had already created and launched its own cryptocurrency application which was available for use on September 16, 2021. It says that use of the SUNDAESWAP trademark in connection with providing cryptocurrency services at the Disputed Domain Name continues to this day.

It relies upon the earlier NAF decision in relation to <sundaeswap.com> and says nothing has changed. It says that "At best, Complainant has identified a highly contested dispute about first use. This dispute is beyond the competence and jurisdiction of the Forum, which is not a court with jurisdiction to resolve competing colorable claims about common law rights in a mark".

It goes on to say "What Complainant is seeking to do here is to transfer a highly fact-bound dispute over common law rights in a mark to a contractually based arbitral forum whose primary function is to deter abusive cybersquatting. This dispute belongs—if it belongs anywhere, given the clear evidence that Respondent used the mark first in commerce—in a court of competent jurisdiction. This dispute is manifestly not one that the Policy and this Panel are meant to address".

It goes on to say "To start, and most importantly, Respondent has actually used the mark in commerce—prior, in fact, to Complainant's use. Such use cuts strongly against any suggestion of that Respondent is a "bad-faith" cybersquatter. Cybersquatters do not use marks; they hold them hostage. Finally, even if Respondent eventually made demand for consideration in exchange for transferring the domain names, that fact of itself is necessarily not evidence of bad faith. An "offer to sell the domain name to Complainant after inquiry by Complainant does not make its interest illegitimate." *Car Toys Inc. v. Informa Unlimited Inc.* [NAF Case No. F93682] FA0002000093682. See also *SOUTHBANK v. Media Street*, [D2001-0294](#) (WIPO April 11, 2001) (not bad faith for respondent to make a counter-offer in response to complainant's offer to purchase the domain name)".

## 6. Discussion and Findings

### Preliminary issue – Nature of the .IO Policy

So far as the .IO Policy is concerned, the Panel notes that it is substantially similar to (though not identical to) the Uniform Domain Name Dispute Resolution Policy (the "UDRP"). The Panel will, where appropriate, apply principles that have been established in relation to the UDRP in determining this dispute.

## **Preliminary Issue – Respondent Identity**

The Panel notes this is a case where one Respondent (“Privacy Service Provided by Withheld for Privacy ehf”) appears to be a privacy or proxy service.

The Panel in this case adopts the approach of most UDRP panels, as outlined in WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ([“WIPO Overview 3.0”](#)) at section 4.4.5, as follows:

“Panel discretion

In all cases involving a privacy or proxy service and irrespective of the disclosure of any underlying registrant, the appointed panel retains discretion to determine the respondent against which the case should proceed.

Depending on the facts and circumstances of a particular case, *e.g.*, where a timely disclosure is made, and there is no indication of a relationship beyond the provision of privacy or proxy registration services, a panel may find it appropriate to apply its discretion to record only the underlying registrant as the named respondent. On the other hand, *e.g.*, where there is no clear disclosure, or there is some indication that the privacy or proxy provider is somehow related to the underlying registrant or use of the particular domain name, a panel may find it appropriate to record both the privacy or proxy service and any nominally underlying registrant as the named respondent.”

In the present case the Panel considers the substantive Respondent to be Lilly Smith, Fantastic GT Supply Inc. It would appear from the Response that Fantastic GT Supply Inc. is the substantive entity involved and references to “the Respondent” are to either Lily Smith or Fantastic GT Supply Inc. – nothing turns on the distinction between them.

## **Substantive Issues**

To succeed, in accordance with paragraph 4(a) of the Policy, the Complainant must satisfy the Panel that:

- (i) The Disputed Domain Name is identical with or confusingly similar to a trademark or service mark in which the Complainant has rights;
- (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 or is being used in bad faith.

## **A. General Considerations**

The Panel would preface its discussion by noting that it seems inconceivable that at about the same time two companies would independently have derived the term “sundaeswap” for use in relation to services of some sort relating to blockchain technology. That term comprises two ordinary English words “sundae” and “swap” in conjoined form. Whilst the term “swap” may conceivably have some relevance to services concerning blockchain technology, the term “sundae” does not. It seems to the Panel more likely than not that one of the two parties must have coined the term “sundaeswap” and the other then subsequently also decided to use it. How and why that happened is at the heart of this dispute.

The Complainant for its part says it coined the term (though it provides no evidence as to how or why it decided upon this term) and the Respondent simply then adopted it in an act of opportunistic cybersquatting. The timing and the Discord correspondence between the parties (see above) is, in the Panel’s opinion, entirely consistent with the Complainant’s analysis. It is to be noted that the Respondent has provided no evidence at all about how or why it decided to register domain names comprising the term SUNDAESWAP shortly after the Complainant started putting into the public domain details of its planned venture under that name. It would have been a very easy matter for the Respondent to have provided evidence of independent

prior derivation if such evidence exists. The Panel infers that the Respondent's silence on this issue confirms that such evidence does not exist. Instead, the Respondent bases almost its entire case on the essentially technical argument that the Complainant lacks *locus standi* to succeed in this case as it lacks the necessary trademark rights. That issue is considered further below.

The Respondent does at one point say, almost as an afterthought "Finally, even if Respondent eventually made demand for consideration in exchange for transferring the domain names, that fact of itself is necessarily not evidence of bad faith". That statement mischaracterizes what happened – the Respondent did not "eventually" make a demand for payment – it was, on the record before the Panel, the very first thing it did (albeit several months later) following its registration of three domain names each comprising the term "sundaeswap". It did so before it applied for trademarks in respect of the term SUNDAESWAP and before it launched the Respondent's Website (which is discussed below). It was only after its discussions with the Complainant came to nothing that it took these latter steps. In its discussions with the Complainant it was very clear that it wanted a payment for a transfer of the <sundaswap.com> domain name – the demand was substantial – it suggested a six or seven figure valuation was appropriate and then made an offer asking for a share of the Complainant's token pool which on the Complainant's unchallenged evidence could amount to a value of many millions of dollars. That sequence of events suggests to the Panel that the Respondent's motives were primarily directed at taking advantage of the fact that the Complainant had announced a new venture under the name SUNDAESWAP, but it had not registered various sundaeswap domain names including the Disputed Domain Name. That provided the opportunity to the Respondent to opportunistically register those names in the hope of eliciting substantial payment from the Complainant.

The Respondent now seeks to suggest this is a trade mark dispute about which party was first to use. There is no credible evidence from the Respondent explaining how it came to adopt the term SUNDAESWAP in a manner which was anything other than the opportunistic registration that the Complainant suggests. Given the nature of the Respondent's offers to the Complainant (above) the Panel does not regard the Respondent's characterization as accurate – that suggestion is simply not credible.

The Panel notes that the evidence in this case is almost entirely directed at the domain name <sundaeswap.com>. The Panel considers it appropriate to apply whatever inferences are derived from that material to the Disputed Domain Name, given that it was registered at the same time as the <sundaeswap.com> domain name and, it is to be inferred, for the same reasons. It also redirects to the Respondent's Website (as does <sundaeswap.net>).

With this background in mind, the Panel turns to considering the three Policy elements.

## **B. Identical or Confusingly Similar**

The Disputed Domain Name is identical to the term "SUNDAESWAP". It is well established that the country-code Top-Level Domain ("ccTLD"), in this case ".io", does not affect the Disputed Domain Name for the purpose of determining whether it is identical or confusingly similar. See, for example, *Rollerblade, Inc. v. Chris McCrady*, WIPO Case No. [D2000-0429](#).

The question therefore is whether "SUNDAESWAP is a "trademark or service mark in which the Complainant has rights". It is well established that whilst the Complainant has pending trademark applications for the term "SUNDAESWAP" such pending applications are not in themselves sufficient – see [WIPO Overview 3.0](#) at section 1.1.4. It does not however matter for the purposes of this element that the date the relevant trade mark rights existed may post-date the date of registration of the Disputed Domain Name – the Panel agrees with the consensus approach as explained in WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("[WIPO Overview 3.0](#)") section 1.1.3:

"1.1.3 While the UDRP makes no specific reference to the date on which the holder of the trademark or service mark acquired its rights, such rights must be in existence at the time the complaint is filed.

Registration of a domain name before a complainant acquires trademark rights in a name does not prevent a finding of identity or confusing similarity under the UDRP. The UDRP makes no specific reference to the date on which the holder of the trademark or service mark acquired rights. However, in such circumstances it may be difficult to prove that the domain name was registered in bad faith under the third element of the UDRP". See below as to bad faith issues.

Accordingly the question is whether the Complainant has shown that by the date the Complaint was filed it had unregistered trademark rights in the term "SUNDAESWAP". So far as unregistered trademark rights are concerned the Panel agrees with the approach in [WIPO Overview 3.0](#) concerning this issue at paragraph 1.3:

"What does a complainant need to show to successfully assert unregistered or common law trademark rights?

To establish unregistered or common law trademark rights for purposes of the UDRP, the complainant must show that its mark has become a distinctive identifier which consumers associate with the complainant's goods and/or services.

Relevant evidence demonstrating such acquired distinctiveness (also referred to as secondary meaning) includes a range of factors such as (i) the duration and nature of use of the mark, (ii) the amount of sales under the mark, (iii) the nature and extent of advertising using the mark, (iv) the degree of actual public (e.g., consumer, industry, media) recognition, and (v) consumer surveys.

(Particularly with regard to brands acquiring relatively rapid recognition due to a significant Internet presence, panels have also been considering factors such as the type and scope of market activities and the nature of the complainant's goods and/or services.)

Specific evidence supporting assertions of acquired distinctiveness should be included in the complaint; conclusory allegations of unregistered or common law rights, even if undisputed in the particular UDRP case, would not normally suffice to show secondary meaning. In cases involving unregistered or common law marks that are comprised solely of descriptive terms which are not inherently distinctive, there is a greater onus on the complainant to present evidence of acquired distinctiveness/secondary meaning."

The Panel does not consider the term "SUNDAESWAP" to be descriptive and is satisfied on the evidence as filed that the Complainant has shown it has unregistered trademark rights in that term. The Panel has set out above some of the Complaint's evidence in this regard, none of which has been challenged by the Respondent. The Complainant's substantive business in the form of its DEX exchange has been live since January 2021. Whilst the Panel has been provided with no evidence as to the extent of business transacted on that exchange the Panel is satisfied that this activity, when coupled with the widespread following and interest detailed in the evidence (see above) suffices to show that the Complainant has common law trademark rights in the term "SUNDAESWAP. The Panel's view in this regard is consistent with the finding in *SundaeSwap Labs, Inc. v. solana art* WIPO Case No. [D2022-0231](#) which concerned the domain name <sundaeswap.tech>. The panel in that case stated as follows:

"Reviewing the evidence provided by Complainant while it is not clear to the Panel that Complainant was making technical trademark use of the SUNDAESWAP mark with actual products and services being offered or distributed to consumers in 2021 (which would explain the intent to use filings in August 2021), Complainant was certainly making use of its SUNDAESWAP mark in a regular or recurring way so that consumers would be aware that the Complainant was in the process of offering goods and/or services under the SUNDAESWAP brand. Such use amounted to use analogous to trademark use, a concept that holds that a party may have secured rights in a mark before technical trademark use has commenced through advertising or similar pre-sale activities that has created the necessary source association in the mind of consumers.

Here, Complainant's evidence clearly shows this consumer association given that since April 2021 Complainant was publicly promoting and testing its SUNDAESWAP products and services and regularly communicating with its target market. Given the number of followers Complainant received through its various communication channels, the numerous third party articles concerning Complainant and its SUNDAESWAP products and decentralized exchange, and other recognition Complainant received, it is evident that the relevant public of consumers interested in cryptocurrency products and services associated the SUNDAESWAP mark with Complainant well before the launch of Complainant's SUNDAESWAP decentralized exchange and the registration of the disputed domain name on January 20, 2022".

The present Panel agrees with that analysis.

The Respondent for its part says that the decision concerning <sundaeswap.com> is correct and nothing has changed. The Panel disagrees as to the relevance of that decision – it was filed on August 16 2021. The Panel has not seen the evidence that was before that panel and offers no view as to whether the decision was correct but in any event clearly significant time has passed since then and the relevant facts as to the Complainant's usage of the term SUNDASWAP have developed. The Panel also notes that a further complaint is now pending with regard to <sundaeswap.com> and <sundaeswap.net>.

The Complainant's common law and registered trademark rights in the term "SUNDAESWAP" are referred to below as the "SUNDAESWAP trademark".

Accordingly the Panel finds that the Disputed Domain Name is confusingly similar to the Complainant's trademark and hence the first condition of paragraph 4(a) of the Policy has been fulfilled.

### **C. Rights or Legitimate Interests**

Paragraph 4(c) of the Policy provides a list of circumstances any of which is sufficient to demonstrate that a respondent has rights or legitimate interests in a domain name:

(i) before any notice to the respondent of the dispute, use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a *bona fide* offering of goods or services; or

(ii) the respondent has been commonly known by the 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 domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

The Respondent in substance says (i) above applies. The evidence is that the Respondent's Website was launched in September 2021. The Respondent describes this as the Respondent's "cryptocurrency application". The Panel is not sure that description is accurate. The Respondent's Website is not really an application as such – it is a source of information. The Respondent's website comprises in substance a page which lists a range of cryptocurrencies (it can show a large number – at least 500) and which shows what appears to be real time data for each currency listed (price, market capitalization, volume traded, changes over 24 hours, 7 days, and 30 days). Clicking on any given currency provides information in graphical form about the currency. There does not (as far as the Panel can see) appear to be any facility to conduct any sort of trading in any of the currencies concerned, there is no advertising that the Panel can see, and there does not appear to be any way that the website generates any revenue for the Respondent – it appears to be solely a source of information about the financial details of various cryptocurrencies. The Panel does not know where the underlying data is sourced from or anything about how much traffic the Respondent's Website attracts as the Respondent has provided no evidence about these issues. A simple Internet search for "cryptocurrency live price data" produces results which show there are a large number of third-party websites which provide similar data to that available via the Respondent's Website.

The difficulty the Respondent faces is that the Respondent's Website went live on September 21 2021. This was approximately one month after the Complainant had filed a complaint with the NAF in respect of <sundaeswap.com>. That in substance amounts in the opinion of the Panel to the Respondent having notice of the Complainant's rights and arguably the present dispute – it is not clear to the Panel that the Complainant was aware the Respondent had also registered the Disputed Domain Name at that time, but clearly the same issues arise and the Respondent can have been in little doubt the Complainant, had it have known, would have objected to its registration. The Panel therefore concludes the Respondent's usage of the Disputed Domain Name postdates it having such notice and – also noting the finding as regards bad faith – hence is unable to show it has a legitimate interest in the Disputed Domain Name.

The Panel also notes that the Respondent seeks to characterize this case as a trademark dispute which is not suitable for resolution under the Policy and suggests it is all a matter for the US courts. It draws attention to its trademark applications and notes that although filed on the same day as those of the Complainant they were actually first in time (given the lower serial numbers of each application). In this regard see *BECA Inc. v. CanAm Health Source, Inc.* WIPO Case No. [D2004-0298](#) which contains a useful and detailed analysis of the relevant principles. In particular the panel in that case stated:

“7.26 From these decisions, it is perhaps possible to draw the following guidance:

(i) When considering the question of “rights or legitimate interests” under paragraph 4(a)(ii), a panel can, in an appropriate case, question the legitimacy of a trademark relied upon by a respondent. The mere fact that a trademark has been applied for or obtained by a respondent is not an absolute bar to a complainant succeeding under the UDRP. In a case where, in the opinion of the panel, a trademark has not been sought or obtained for a legitimate or *bona fide* purpose, but merely in order to bolster a domain name registration, the trademark can be disregarded.

(ii) The chronology of events is an important factor in determining whether the application is *bona fide* or merely a way of bolstering the respondent's domain name registration. A trademark application made subsequent to notice of a dispute or the domain name registration may indicate a lack of legitimate interest.

(iii) The knowledge and intention of the respondent at the time the disputed domain name is registered is highly relevant, but knowledge of the complainant's rights does not, in itself, preclude the respondent from having a right or legitimate interest in the domain name.

(iv) The connection, or lack of it, between the respondent and the jurisdiction in which it is seeking a trademark registration may indicate whether the trademark application or registration is “legitimate.”

7.27 This Panel would add one further observation. Trademark rights are territorial in nature. National trademark laws often permit a party to obtain registered trademark rights in that jurisdiction even where it is clear that the party has deliberately chosen that trademark having seen the use of that name in another jurisdiction. This is particularly so where the name in question is quasi generic in nature. These factors may also be relevant to the question of whether an application for a trademark registration should be treated as being sought merely to bolster a domain name registration.

7.28 Neither in Euro 2000 or Madonna was the relevant trademark applied for prior to the date of the domain name, but if a panel were convinced that a trademark was sought merely to bolster a subsequent domain name registration this Panel sees no reason why this should make any difference. Of course, it may be difficult for the complainant to prove that this was the purpose of the registration, but this is an issue of evidence rather than principle.

7.29 However, it is one thing to disregard a trademark registration when that registration is a device to bolster a registration. It is quite another to disregard a trademark registration where it is claimed that this registration is for some other reason not *bona fide* and/or it is claimed that the registration is invalid. To do so would involve making a decision on matters that impinge on the field of competence of national courts or trademark registries.”

It seems to the present Panel this is a case where it is more likely than not that the Respondent's trade mark applications were made in an attempt to bolster the legitimacy of its domain name registrations. In particular the Panel considers the entire thrust and tone of the Discord exchange (above) was inconsistent with the Respondent having a legitimate separate business of its own and reflects an opportunistic attempt to capitalize on the Complainant's fledgling business plans. Only when the Respondent's attempts to secure significant payment from the Complainant failed, and after the Complainant launched a separate prior UDRP complaint, did the Respondent file its trademark applications and launch the Respondent's Website.

The Panel therefore concludes that on balance, so far as the Policy is concerned, the Respondent has not shown that it has rights or a legitimate interest in the Disputed Domain Name and the Complainant succeeds here.

### **C. Registered or Used in Bad Faith**

In the present circumstances, the identical nature of the Disputed Domain Name to the Complainant's SUNDAESWAP trademark, and the lack of any explanation from the Respondent as to why it registered the Disputed Domain Name lead the Panel to conclude the registration and use was in bad faith.

Under the Policy paragraph 4b(i) evidence of registration and use in bad faith is established by "(i) circumstances indicating that you have registered or you have acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the 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 your documented out-of-pocket costs directly related to the domain name".

In the present case, the Respondent has offered the <sundaeswap.com> domain name for sale inviting offers of six or seven figures. It then made an offer which equated to a demand for many millions of dollars. The Panel infers it selected the Disputed Domain Name because of its identity to the Complainant's own putative brand and hoped to elicit a substantial payment from the Complainant. Only when that attempt (in respect of <sundaeswap.com>) did not succeed did the Respondent use the Disputed Domain Name in the manner discussed above. The Panel considers that it is more likely than not that the Respondent's motives fell squarely within paragraph 4(b)(i) above. Indeed reading the Discord exchange between the parties (above) it is hard to reach any other conclusion.

The Panel does not consider that it matters that the Disputed Domain Name was (arguably) registered before the Complainant's usage of the term SUNDAESWAP had reached a point where it gave rise to registered trademark rights. See [WIPO Overview 3.0](#) section 3.8.2 as follows

#### **"3.8.2 Domain names registered in anticipation of trademark rights**

As an exception to the general proposition described above in 3.8.1, in certain limited circumstances where the facts of the case establish that the respondent's intent in registering the domain name was to unfairly capitalize on the complainant's nascent (typically as yet unregistered) trademark rights, panels have been prepared to find that the respondent has acted in bad faith.

Such scenarios include registration of a domain name: (i) shortly before or after announcement of a corporate merger, (ii) further to the respondent's insider knowledge (e.g., a former employee), (iii) further to significant media attention (e.g., in connection with a product launch or prominent event), or (iv) following the complainant's filing of a trademark application."

The Panel considers the Respondent's actions were manifestly in anticipation of the Complainants' nascent trademark rights following the Complainant's public announcement of its SUNDAESWAP business plans. Strikingly at no point has the Respondent sought to provide any explanation as to how or why it chose to register the Disputed Domain Name shortly after those plans became public, or as to why it then went on to demand significant sums of money for the <sundaeswap.com> domain name. The overall weight of the evidence, and the lack of evidence from the Respondent, lead the Panel to conclude the Respondent was

acting opportunistically in the knowledge that the Complainant was planning to develop a significant and valuable business using the term “SUNDAESWAP”.

As a result the Panel finds that the Disputed Domain Name has been registered and is being used in bad faith. Accordingly the third condition of paragraph 4(a) of the Policy has been fulfilled.

## **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 <sundaeswap.io> be transferred to the Complainant.

*/Nick J. Gardner/*

**Nick J. Gardner**

Sole Panelist

Date: May 4, 2022