

ADMINISTRATIVE PANEL DECISION

Zora Labs, Inc. v. Esther Mendoza

Case No. DIO2023-0012

1. The Parties

Complainant is Zora Labs, Inc., United States of America (“United States” or “US”), represented Brown Rudnick LLP, United States.

Respondent is Esther Mendoza, United States.

2. The Domain Name and Registrar

The disputed domain name <zoraswap.io> is registered with Hosting Concepts B.V. d/b/a Registrar.eu. (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on April 15, 2023. On April 17, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On April 18, 2023, 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 (John Doe (Privacy Shield), Whois Privacy Protection Foundation) and contact information in the Complaint. The Center sent an email communication to Complainant on April 18, 2023 providing the registrant and contact information disclosed by the Registrar, and inviting Complainant to submit an amendment to the Complaint. Complainant filed an amended Complaint on April 19, 2023.

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 Respondent of the Complaint, and the proceedings commenced on April 21, 2023. In accordance with the Rules, paragraph 5, the due date for Response was May 11, 2023. Respondent did not submit any response. Accordingly, the Center notified Respondent’s default on May 16, 2023.

The Center appointed Phillip V. Marano as the sole panelist in this matter on June 9, 2023. 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

Complainant is a non-fungible token (“NFT”) marketplace platform where users can mint, buy, offer for sale, sell, and curate NFTs, with a variety of cryptocurrencies. Complainant offers its services and information about its services through its official <ourzora.com> and <zora.co> domain names and website. Complainant owns a pending trademark application for the ZORA trademark in the US (Ser. No. 88/897,761) asserting earliest priority dating back to February 2020.

Respondent registered the disputed domain name on March 18, 2023. At the time this Complaint was filed, the disputed domain name resolves to a website that purports to be an NFT marketplace in competition with Complainant. Respondent’s website features Complainant’s ZORA trademark as part of a stylized “zoraswap” logo, and Respondent’s website is linked to Respondent’s Twitter account that purports to be operated by Complainant, reading “brought to you by @ourZora”.

5. Parties’ Contentions

A. Complainant

Complainant asserts ownership of the ZORA trademark and has adduced evidence of a trademark application in the US (Ser. No. 88/897,761), with earliest priority dating back to February 2020. Complainant has also adduced evidence of Complainant’s use of the ZORA trademark on Complainant’s website and Complainant’s social media accounts, Complainant’s social media following, and unsolicited media attention for Complainant in connection with record-breaking NFT sales on Complainant’s platform. The disputed domain name is confusingly similar to Complainant’s ZORA trademark, according to Complainant, because it incorporates the ZORA trademark in its entirety and is being used in connection with Respondent’s website and social media presence which falsely claim an association with Complainant.

Complainant further asserts that Respondent lacks any rights or legitimate interests in the disputed domain name based on: the lack of any evidence that Respondent is known by Complainant’s ZORA trademark; the lack of any authorization, license, or permission between Complainant and Respondent; Respondent’s overt act of holding itself out as Complainant; and Complainant’s belief that Respondent uses its website to lure users into some untoward activity that may be harmful to visitors.

Complainant argues that Respondent has registered and used the disputed domain name in bad faith for numerous reasons, including: Complainant’s strong rights in its ZORA trademark, which predate registration of the disputed domain name; Respondent’s website and social media misrepresentations that it is related to Complainant, specifically that Respondent’s purported NFT platform is “brought to you by [Complainant] @ourZora”; Respondent’s unauthorized use of Complainant’s ZORA trademark on Respondent’s website; Respondent’s use of a privacy service to hide its identity; and Respondent’s use of false registration data which could not be validated by Complainant.

B. Respondent

Respondent did not reply to Complainant’s contentions.

6. Discussion and Findings

Although Respondent did not reply to Complainant’s contentions, the burden remains with Complainant to establish by a balance of probabilities, or a preponderance of the evidence, all three elements of paragraph

4(a) of the Policy. A respondent's default would not by itself mean that the complainant is deemed to have prevailed; a respondent's default is not necessarily an admission that the complainant's claims are true. Uniform Domain Name Dispute Resolution Policy ("UDRP")¹ panels have been prepared to draw certain inferences in light of the particular facts and circumstances of the case, e.g., where a particular conclusion is *prima facie* obvious, where an explanation by the respondent is called for but is not forthcoming, or where no other plausible conclusion is apparent. See [WIPO Overview 3.0](#), sections 4.2 and 4.3; see also *The Vanguard Group, Inc. v. Lorna Kang*, WIPO Case No. [D2002-1064](#) ("The Respondent's default does not automatically result in a decision in favor of the complainant. The Complainant must still prove each of the three elements required by Policy paragraph 4(a)").

A. Identical or Confusingly Similar

Complainant submitted evidence that the ZORA trademark was applied for in the US with asserted priority dating back to February 2020. Pending trademark applications alone do not generally establish trademark rights within the meaning of paragraph 4(a)(i) of the Policy, because they have not yet been approved or matured into registrations. [WIPO Overview 3.0](#), section 1.1.4.

To establish unregistered or common law trademark rights for purposes of the Policy, Complainant must show that its mark has become a distinctive identifier which consumers associate with Complainant's goods and/or services. Specific evidence demonstrating such acquired distinctiveness is required, rather than mere conclusory assertions of common law trademark ownership. Such evidence may include: (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 consumer, public and media recognition; and (v) consumer surveys. In addition, the fact that a respondent has clearly targeted a complainant and their trademark can also support a finding of acquired distinctiveness and common law trademark rights for purposes of the Policy. [WIPO Overview 3.0](#), Section 1.3. See e.g., *Roper Industries, Inc. v. VistaPrint Technologies Ltd.*, WIPO Case No. [D2014-1828](#) (Accepting unregistered trademarks for the purpose of the Policy where *inter alia* "[t]he disputed domain name is a close typo-variant of the Complainant's trademark", was "used as the return email address in fraudulent correspondence sent to Complainant, seeking to dupe the Complainant into sending money to a stated bank account", and "Respondent failed to respond to the Complainant" cease and desist correspondence or the complaint).

In its Complaint, Complainant proffered evidence demonstrating: (i) Continuous use of Complainant's ZORA trademark on Complainant's website and Complainant's social media accounts since as early as February 2020; (ii) Complainant's social media following, which includes Complainant's @ourZORA account with 75,3000 followers on Twitter; and (iii) unsolicited media attention for Complainant, as independently confirmed by the Panel, in connection with record-breaking NFT transactions on Complainant's platform, including for example an NBC News article from June 11, 2021 titled *Iconic 'Doge' Meme NFT Breaks Record, Selling For \$4 Million*. In addition to this evidence purporting to establish Complainant's common law rights to the ZORA trademark under the Policy, Complainant has also adduced clear evidence (as discussed below) that Respondent has purposefully targeted Complainant and Complainant's ZORA trademark for the sole purpose of impersonating Complainant and falsely claiming an association with Complainant. Accordingly, the Panel finds that Complainant has established common law rights to the ZORA trademark for purposes of the Policy.

The only remaining question under the first element of the Policy is whether the disputed domain name is identical or confusingly similar to Complainant's ZORA trademark. In this Complaint, the disputed domain name is confusingly similar to Complainant's ZORA trademark because, disregarding the ".io" country code Top-Level Domain ("ccTLD"), the entirety of the trademark is contained within the disputed domain name. [WIPO Overview 3.0](#), section 1.7. ("This test typically involves a side-by-side comparison of the domain name and the textual components of the relevant trademark to assess whether the mark is recognizable within the domain name ... [I]n cases where a domain name incorporates the entirety of a trademark, or

¹ In view of the similarities between the Policy and the UDRP, the Panel might refer to the UDRP and WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("[WIPO Overview 3.0](#)"), when relevant.

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...”). In regards to ccTLDs, such as “.io” in the disputed domain name, they are generally viewed as a standard registration requirement and are disregarded under the first element. [WIPO Overview 3.0](#), section 1.11.

The combination with the term “swap” does not prevent a finding of confusing similarity between Complainant’s ZORA trademark and the disputed domain name. [WIPO Overview 3.0](#), section 1.8 (Additional terms “whether descriptive, geographic, pejorative, meaningless, or otherwise” do not prevent a finding of confusing similarity under the first element); see also *AT&T Corp. v. WorldclassMedia.com*, WIPO Case No. [D2000-0553](#) (“Each of the domain names in dispute comprises a portion identical to [the ATT trademark] in which the Complainant has rights, together with a portion comprising a geographic qualifier, which is insufficient to prevent the composite domain name from being confusingly similar to Complainant’s [ATT trademark]”).

In view of the foregoing, the Panel concludes that Complainant has established the first element of the Policy.

B. Rights or Legitimate Interests

Complainant must make out a *prima facie* case that Respondent lacks rights or legitimate interests in the disputed domain name, shifting the burden of production on this element to Respondent to come forward with evidence demonstrating such rights or legitimate interests. Where, as in this Complaint, Respondent fails to come forward with any relevant evidence, Complainant is deemed to have satisfied the second element of the Policy. [WIPO Overview 3.0](#), section 2.1.

The composition of the disputed domain name carries a risk of implied affiliation with the Complainant. Indeed, to “swap” is precisely one of the services that Complainant provides on its platform, all evidence on record indicates that this term was intentionally selected by Respondent to further its attempts at impersonation of Complainant.

UDRP panels have categorically held that use of a domain name for illegal activity—including the impersonation of the complainant and other types of fraud—can never confer rights or legitimate interests on a respondent. Circumstantial evidence can support a credible claim made by Complainant asserting Respondent is engaged in such illegal activity, including that Respondent has masked its identity to avoid being contactable, or that Respondent’s website has been suspended by its hosting provider. [WIPO Overview 3.0](#), section 2.13. See e.g., *Graybar Services Inc. v. Graybar Elec, Grayberinc Lawrence*, WIPO Case No. [D2009-1017](#) (“Respondent has used the domain name to pretend that it is the Complainant and in particular to create false emails pretending that they are genuine emails coming from the Complainant and one of its senior executives”); see also *The Commissioners for HM Revenue and Customs v. Name Redacted*, WIPO Case No. [D2017-0501](#) (“In addition, the disputed domain names ... have had their web hosting suspended as a result of fraudulent activities. This is evidence of bad faith registration and use of the disputed domain names”). In its Complaint, Complainant has submitted persuasive evidence that: Respondent’s website makes replete unauthorized use of Complainant’s ZORA trademark as part of Respondent’s “zoraswap” logo in connection with Respondent’s putative NFT marketplace platform; and Respondent’s linked @ZoraSwap account on Twitter falsely alleges that the same putative NFT marketplace platform is “brought to you by [Complainant] @ourZora”.

In view of the foregoing, the Panel concludes that Complainant has established the second element of the Policy.

C. Registered or Used in Bad Faith

Under the Policy, it is sufficient to prove that either registration or use of the disputed domain name has been made in bad faith. Paragraph 4(b) of the Policy proscribes the following non-exhaustive circumstances as evidence of bad faith registration or use of the disputed domain name:

- i. Circumstances indicating that Respondent has registered or Respondent has acquired the disputed domain name primarily for the purpose of selling, renting, or otherwise transferring the disputed domain name registration to Complainant who is the owner of the trademark to a competitor of that Complainant, for valuable consideration in excess of Respondent's documented out-of-pocket costs directly related to the disputed domain name; or
- ii. Respondent has registered the disputed domain name in order to prevent the owner of the trademark from reflecting the mark in a corresponding domain name, provided that Respondent has engaged in a pattern of such conduct; or
- iii. 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, Respondent has intentionally attempted to attract, for commercial gain, Internet users to Respondent's website or other online location, by creating a likelihood of confusion with Complainant's mark as to the source, sponsorship, affiliation, or endorsement of Respondent's website or location or of a product or service on Respondent's website or location.

UDRP panels have categorically held that registration and use of a domain name for illegal activity—including impersonation and other types of fraud—is manifestly considered evidence of bad faith within paragraph 4(b)(iii) of the Policy. [WIPO Overview 3.0](#), section 3.1.3. Use of the disputed domain name by Respondent to pretend that it is Complainant or that it is associated with Complainant “brings the case within the provisions of paragraph 4(b)(iii) of the Policy, for it shows Respondent registered the domain name primarily for the purpose of disrupting the business of a competitor, namely Complainant”. *Graybar Services Inc. v. Graybar Elec, Grayberinc Lawrenge*, WIPO Case No. [D2009-1017](#); see also *See CareerBuilder, LLC v. Stephen Baker*, WIPO Case No. [D2005-0251](#); *The Boots Company, PLC v. The programmer adviser*, WIPO Case No. [D2009-1383](#). See e.g., *WSI Holdings Ltd. v. WSI House*, Case No. [D2004-1089](#) (“Respondent appears to be engaged in “phishing” for mistaken potential employees of the Complainant ... Respondent (1) has adopted a confusingly similar domain name, (2) it has used the trade dress of the Complainant's website, and (3) it has sought to attract users to its site by creating confusion between its site and the Complainant's. It has clearly engaged in activity which fulfils the bad faith requirements of Paragraph 4(b)(iv) of the Policy.”) As discussed above, Complainant has made persuasive arguments that Respondent has used the disputed domain name for untoward or illegal purposes and has proffered convincing evidence that: Respondent's website makes replete unauthorized use of Complainant's ZORA trademark as part of Respondent's “zorawap” logo in connection with Respondent's putative NFT marketplace platform; and Respondent's linked @ZoraSwap account on Twitter falsely alleges that the same putative NFT marketplace platform is “brought to you by [Complainant] @ourZora”.

In addition, where it appears that a respondent employs a proxy service, or selects a registrar that applies default proxy services, merely to avoid being contacted by a complainant, or notified of a UDRP proceeding filed against it, UDRP panels tend to find that this supports an inference of bad faith. [WIPO Overview 3.0](#), section 3.6. Use of a privacy or proxy registration service to shield a respondent's identity and elude or frustrate enforcement efforts by a legitimate complainant demonstrates bad faith use and registration of a disputed domain name. See *Fifth Third Bancorp v. Secure Whois Information Service*, WIPO Case No. [D2006-0696](#) (the use of a proxy registration service to avoid disclosing the identity of the real party in interest is also consistent with an inference of bad faith when combined with other evidence of evasive, illegal, or irresponsible conduct). Here, it is evident that Respondent has either intentionally employed a proxy registration service, or intentionally selected a registrar that offers default proxy registration services, to conceal its identity in conjunction with its impersonation of Complainant.

And finally, the use of false registration data in connection with a disputed domain name further supports a finding of bad faith registration and use. See e.g., *Action Instruments, Inc. v. Technology Associates*, WIPO Case No. [D2003-0024](#) (“Providing false contact information violates paragraph 2 of the Policy, which requires a registrant to represent that the statements it ‘made in [its] Registration Agreement are complete and accurate.’ Maintaining that false contact information in the WHOIS records (which can easily be updated

at any time) after registration constitutes bad faith use of the domain name because it prevents a putative complainant from identifying the registrant and investigating the legitimacy of the registration.”); *Royal Bank of Scotland Group v. Stealth Commerce v. a.k.a. Telmex Management Services, Inc.*, WIPO Case No. [D2002-0155](#); *Home Director, Inc. v. HomeDirector*, WIPO Case No. [D2000-0111](#). To this end, Complainant has offered persuasive evidence that Respondent registered the disputed domain name using false and fictitious registration data, including: a postal code that does not match the provided state; a physical street address that does not exist; and the name of a person who could not be associated with either the telephone number or email address provided.

In view of the foregoing, the Panel concludes that 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 <zoraswap.io> be transferred to Complainant.

/Phillip V. Marano/

Phillip V. Marano

Sole Panelist

Date: July 11, 2023