Panel Decision for dispute CAC-ADREU-008021

Case number	CAC-ADREU-008021
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Domain names	shopify.eu

Case administrator

Organization	Iveta Špiclová (Czech Arbitration Court) (Case admin)

Complainant

Organization	

Respondent

Name	Monika Hilyard

INSERT INFORMATION ABOUT OTHER LEGAL PROCEEDINGS THE PANEL IS AWARE OF WHICH ARE PENDING OR DECIDED AND WHICH RELATE TO THE DISPUTED DOMAIN NAME

The Panel is not aware of any other legal proceedings.

FACTUAL BACKGROUND

The Complainant is a leading global commerce company, providing trusted tools to start, grow, market, and manage a retail business of any size. Since 2006, it offers a platform and services that are engineered for reliability, while delivering a better shopping experience for consumers everywhere. The Complainant builds web- and mobile-based software and lets merchants easily set up online storefronts that are rich with retail functionality. Merchants use the Complainant's software to run their business across all of their sales channels, including web and mobile storefronts, physical retail locations, social media storefronts, and marketplaces. The Shopify platform provides merchants with a single view of their business and customers across all of their sales channels and enables them to manage products and inventory, process orders and payments, fulfil and ship orders, build customer relationships, source products, leverage analytics and reporting, and access financing, all from one integrated back office. The Complainant is listed on the New York Stock Exchange (ticker symbol: SHOP) and Toronto Stock Exchange (ticker symbol: SH) since May 2015.

The Complainant operates its business under the trademark "SHOPIFY".

Respondent obtained registration of the disputed domain name <shopify.eu> on 10 December 2015.

A. COMPLAINANT

I. Rights of the Complainant

Besides company name rights under national laws of the EU Member States, the Complainant owns trademark rights to the designation "SHOPIFY" in the EU, including EU trademark no. 008727083 "shopify", registered on 29 July 2010 for e-commerce related goods and services in classes 9, 35, 38 and 42. and EU trademark no. 014499156 "SHOPIFY", filed on 20 August 2015 and registered on 26 March 2017 for e-commerce related goods and services in classes 9, 35, 36 and 42.

II. The Respondent and its domain

Respondent alleged that it appears the Respondent should be a domain squatter.

1. No use of the domain

Respondent obtained registration of <shopify.eu> in December 2015. Since then, it has not been using this domain. When accessing the

domain, the website indicates “The content of the page cannot be displayed”. Screenshots from the internet archive www.archive.org of the domain in dispute indicate that <shopify.eu> has never been connected to a website having any content. Instead, the website indicated in 2018 that the website is for sale for USD 7,000.

2. Further domains held by Respondent

Respondent owns several other domains that consist of or contain well-known third party trademarks and company names. A reverse whois search for Respondent’s e-mail address “domainpro82@gmail.com” identified dozens of domains currently or previously registered to this e-mail address, including the following domains:
<bestbuy.co.in>, <broadcom.fr>, <johnniewalker.fr>, <mynintendo.in>, <rentokil.us>, <siemensgamesa.cz>, <t-online.in>, <verizonbusiness.in>, <yahoobuzz.in>, <hewlettpackard-enterprise.info>, <hailo.org>, <johnsoncontrols-tyco.com>, <bmw-motorrad.org>, <mozilla.biz>.

None of these domains is being used for commercial purposes. Instead, some of them are actually for sale. This clearly shows that Respondent is a domain squatter.

3. Domain <shopify.eu> for sale

Respondent appears to offers the domain in dispute for sale. When conducting a search on the Registrar’s website www.1api.net for <shopify.eu>, the user is directed to the website which indicates that it is an “aftermarket premium domain” and a purchase price of USD 11,598.84.

III. Conditions of Art 21(1)(a) ADR Regulation and Paragraph B 11(d)(1)(i), (ii) ADR Rules fulfilled

1. Identity with Complainant’s earlier rights

The Complainant owns European Union trademark rights to the designation “SHOPIFY”. They are protected by Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (“EUTMR”) and constitute a prior right in the meaning of Art 10(1) ADR Regulation. These trademarks are identical to the second level domain “shopify” of the domain in dispute.

2. No rights or legitimate interest of Respondent

Respondent does not have rights or legitimate interest in the designation “shopify”.

The Respondent has not been making any use of the domain in dispute so far. Therefore, Respondent cannot rely on Art 21(2)(a) or (c) ADR Regulation and Paragraph B 11(e)(1) or (3) ADR Rules.

“Shopify” does not constitute the Respondent’s surname. Respondent’s e-mail address also does not include the name “shopify”. To the knowledge of Complainant, Complainant and its affiliates and subsidiaries are the only companies using “SHOPIFY” as a trademark or company name. A search on the online database TMview covering the entire EU for the sign “SHOPIFY” only yields trademarks of the Complainant. The only exception is a Spanish word-figurative trademark containing the word “SHOPIFY”, which is registered for “training” in Nice class 41. However, such a combined trademark would not allow use or registration of “shopify” in isolation as a second level domain. The first 100 results of an online search for “shopify” only refer to the Complainant. It is safe to assume that any other company using “shopify” as its company or trade name would have appeared in these results.

For these reasons, Respondent cannot rely on Art 21(2)(b) ADR Regulation and Paragraph B 11(e)(2) ADR Rules.

Finally, there are no indications for any other legitimate interest of Respondent.

3. Conclusion on Art 21(1)(a) ADR Regulation and Paragraph B 11(d)(1)(i), (ii) ADR Rules

The conditions of Art 21(1)(a) ADR Regulation and Paragraph B 11(d)(1)(i), (ii) ADR Rules are fulfilled.

IV. Conditions of Art 21(1)(b) ADR Regulation and Paragraph B 11(d)(1)(i), (iii) ADR Rules fulfilled

Art 21(1)(b) ADR Regulation and Paragraph B 11(d)(1)(i), (iii) ADR Rules provide that a registered domain name shall be subject to

revocation, where that name is identical or confusingly similar to a name in respect of which a right is recognised or established by national and/or Community law, such as the rights mentioned in Art 10(1) ADR Regulation, and where it has been registered or is being used in bad faith.

1. Domain for sale

According to Art 21(3)(a) ADR Regulation and Paragraph B 11(f)(1) ADR Rules, bad faith is established where circumstances indicate that the domain was registered for the purpose of selling it to Complainant. As set out above, the domain name has been and still is for sale for an unreasonable amount of money. Since Complainant is the sole owner of rights to the designation “SHOPIFY” and since no other person can have a legitimate interest in using <shopify.eu>, it is obvious that the unreasonable offer can only be intended for Complainant.

Beyond that, the purchase price is far above registration and renewal costs. This is indicative of bad faith (see Barocco Roma srl, Rocco Barocco v. Virginie Trottier, CAC 07703).

2. Pattern of third party domain name registrations

According to Art 21(3)(b)(i) ADR Regulation and Paragraph B 11(f)(2)(i) ADR Rules, bad faith is also established where the domain name has been registered in order to prevent the holder of such a name from reflecting this name in a corresponding domain name, provided that a pattern of such conduct by the registrant can be demonstrated.

As set out above, Respondent registered several domains of well-known brands around the world. None of these domains is in use. This shows a pattern of preventing the rightful owners of these domain names from using them for their legitimate commercial purposes.

3. No use for more than two years

Beyond that, according to Art 21(3)(b)(ii) ADR Regulation and Paragraph B 11(f)(2)(ii) ADR Rules, bad faith is established where the domain name has been registered in order to prevent the holder of such a name from reflecting this name in a corresponding domain name, provided that the domain name has not been used in a relevant way for at least two years from the date of registration.

As stated above, Respondent has never used shopify.eu since its registration in December 2015.

4. Conclusion on Art 21(1)(b) ADR Regulation and Paragraph B 11(d)(1)(i), (iii) ADR Rules

The conditions of Art 21(1)(b) in conjunction with Art 21(3)(a) and (b)(i) and (ii) ADR Regulation and Paragraph B 11(d)(1)(i), (iii) ADR Rules are fulfilled. Thus, Respondent acted in bad faith when registering the domain in dispute.

For these reasons, the complaint sought the remedy that Revocation of the disputed domain name.

B. RESPONDENT

The Respondent failed to comply with the deadline indicated in the Notification of Complaint and Commencement of ADR Proceeding for the submission of its Response and NO ADMINISTRATIVELY COMPLIANT RESPONSE HAS BEEN FILED.

DISCUSSION AND FINDINGS

Principal Reasons for the Decision

1. The three essential issues under the paragraph B11 (d) (1) of the ADR Rules are whether:

(i) The domain name is identical or confusingly similar to a name in respect of which a right is recognised or established by the national law of a Member State and/or European Union law and; either;
(ii) The domain name has been registered by the Respondent without rights or legitimate interest in the name; or
(iii) The domain name has been registered or is being used in bad faith.

The provision of Paragraph B 11 (d) (1) (i), (ii) ADR Rules and Art 21 (1) (a) ADR Regulation, provides that a registered domain name shall be subject to revocation, where that name is identical or confusingly similar to a name in respect of which a right is recognised or established by national and/or Community law, such as the rights mentioned in Art 10 (1) ADR Regulation, and where it has been

registered by its holder without rights or legitimate interest in the name.

2. The ADR Panel reviewed carefully all evidence provided by the Complainant. The Respondent did not provide the Panel with any of them and submitted any statement. The Panel checked all respective websites and public information concerning the disputed domain name, namely the WHOIS databases.

3. Any person or entity may initiate an administrative proceeding by submitting a complaint in accordance with the ADR Rules.

4. The ADR Panel therefore came to the following conclusions:

(i) The Panel finds that the Complainant is a leading global commerce company, providing trusted tools to start, grow, market, and manage a retail business of any size. The Complainant owns European Union trademark rights to the designation “SHOPIFY”. The EU trademark no. 008727083 “shopify”, related for gods and services in classes 9, 35, 38 and 42 and EU trademark no. 014499156 “SHOPIFY” for e-commerce related goods and services in classes 9, 35, 36 and 42 constitute a prior right in the meaning of Art 10 (1) ADR Regulation. It is indisputable that the trademarks and domain name “SHOPIFY” are well-known. These trademarks are identical to the second level domain “shopify” of the domain in dispute.

The disputed domain name is therefore deemed identical to the trade mark in accordance with Paragraph B 11 (d) (1) (i) ADR Rules and Art 21 (1) (a) ADR Regulation.

(ii) The Panel finds that the Respondent has not been making any use of the disputed domain name. It was proven that there are no any rights of the Respondent to the disputed domain name. The Respondent is not generally known by the disputed domain name, and has not acquired any trademark or service mark rights in the name or trade mark.

“Shopify” does neither constitute the Respondent’s surname nor the Respondent’s e-mail address does include the name “shopify”. The companies using “SHOPIFY” as a trademark or company name are the Complainant and its affiliates and subsidiaries only as the Panel´s search shows on the online database TM view covering the entire EU for the sign “SHOPIFY”. Even the only exception i.e. a Spanish word-figurative trademark containing the word “SHOPIFY”, which is registered for “training” in Nice class 41, cannot override the Panels conclusion. However, a possible combined trademark would not allow use or register the term “shopify” in isolation as a second level domain. The first 100 results of an online search for “shopify” only refer to the Complainant. It is safe to assume that any other company using “shopify” as its company or trade name would have appeared in these results. For these reasons, Respondent cannot rely on Paragraph B 11 (e) (2) ADR Rules and Art 21 (2)(b) ADR Regulation. Finally, there are no indications for any other legitimate interest of Respondent. Therefore the conditions of Paragraph B 11 (d) (1) (i), (ii) ADR Rules and Art 21 (1) (a) ADR Regulation are fulfilled.

(iii) The disputed domain name was registered with an intention to attract customers of another well-known domain name/registered trademark holder. Therefore there cannot be seen any legitimate interest of the Respondent.

It is clear that the Complainant's trademarks and website(s) were used by the Complainant long time before the disputed domain name was registered and used. It is therefore to conclude that the disputed domain name was registered with an intention to attract customers of another well-known domain name/registered trademark holder.

1. Domain for sale

The Panel finds that the disputed domain name has been and still is for sale for an unreasonable amount of money. Since Complainant is the sole owner of rights to the designation “SHOPIFY” and since no other person can have a legitimate interest in using <shopify.eu>, it is obvious that the unreasonable offer can only be intended for Complainant. It is obvious that the purchase price of USD 11,598.84 is far above registration and renewal costs. This is indicative of bad faith (see Barocco Roma srl, Rocco Barocco v. Virginie Trottier, CAC 07703). The Panel therefore finds that the disputed domain name has been registered and is being used in bad faith according to Paragraph B 11 (f) (1) ADR Rules and Art 21 (3) (a) ADR Regulation.

2. Pattern of third party domain name registrations

The Panel finds that the Respondent registered several domains of well-known brands around the world. None of these domains is in use. The Panel therefore finds that the disputed domain name has been registered and is being used in order to prevent the rightful owners of the disputed domain name from using them for their legitimate commercial purposes according to Paragraph B 11 (f) (2) (i) ADR Rules and Art 21 (3) (b) (i) ADR Regulation.

3. No use for more than two years

The Panels approved the statement of the Complainant that Respondent has never used <shopify.eu> since its registration in December 2015. Bad faith is established where the domain name has been registered in order to prevent the holder of such a name from reflecting this name in a corresponding domain name, provided that the domain name has not been used in a relevant way for at least two years from the date of registration. The Panel therefore finds that the disputed domain name has been registered and is being used in bad faith according to Paragraph B 11 (f) (2) (ii) ADR Rules and Art 21 (3) (b) (ii) ADR Regulation.

For the reasons stated above, it is the decision of this Panel that the Complainant has satisfied all three elements of paragraph B11 (d) (1) of the Rules.

DECISION

For all the foregoing reasons, in accordance with Paragraphs B12 (b) and (c) of the Rules, the Panel orders that the disputed domain name <SHOPIFY.EU> be revoked.

PANELISTS

Name	**Dr. Trapl a partner advokáti s.r.o., Vojtěch Trapl**

DATE OF PANEL DECISION 2020-11-24

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

I. Disputed domain name: SHOPIFY.EU

II. Country of the Complainant: Canada, country of the Respondent: Germany

III. Date of registration of the domain name: 10 December 2015

IV. Rights relied on by the Complainant (Art. 21 (1) Regulation (EC) No 874/2004) on which the Panel based its decision:
1. Word trademark registered in the EU, reg. No. 008727083, for the term “shopify”, filed on 20 August 2015, registered on 26 March 2017 in respect e-commerce related goods and services in classes 9, 35, 38 and 42
2. Word trademark registered in the EU, reg. No. 014499156[number], for the term “SHOPIFY”, filed on 20 August 2015, registered on 26 March 2017 in respect e-commerce related goods and services in classes 9, 35, 36 and 42.

3. Company name: Shopify Inc.

V. Response submitted: No

VI. Domain name is identical to the protected rights of the Complainant

VII. Rights or legitimate interests of the Respondent (Art. 21 (2) Regulation (EC) No 874/2004):
1. No
2. Why: Respondent has not been making any use of the disputed domain name, it is not generally known by the disputed domain name, and has not acquired any trademark or service mark rights in the name or trade mark.

VIII. Bad faith of the Respondent (Art. 21 (3) Regulation (EC) No 874/2004):
1. Yes
2. Why:
a) Domain for sale for purchase price of USD 11,598.84 that is far above registration and renewal costs.
b) Pattern of third party domain name registrations while Respondent registered several domains of well-known brands around the world. None of these domains is in use.
c) No use for more than two years while Respondent has never used the disputed domain name since its registration

IX. Other substantial facts the Panel considers relevant: None

X. Dispute Result: Revocation of the disputed domain name

XI. Procedural factors the Panel considers relevant: None