1. PROCEDURAL HISTORY

The procedural history of this case was set out in a letter from the Canadian International Internet Dispute Resolution Centre to the Panel:

On March 22, 2022, the Complainant’s representative filed a Complaint under the UDRP Policy (Policy) and the UDRP Rules (Rules). The Registrar of the disputed domain name was notified of this proceeding on March 22, 2022. On March 23, 2022, the Registrar transmitted by email to the Canadian International Internet Dispute Resolution Centre (CIIDRC) its verification response informing who is the Registrant, Respondent, in this administrative proceeding. The Registrar also confirmed that the disputed domain was placed on a Registrar LOCK. On March 24, 2022, CIIDRC, as Service Provider, confirmed compliance with the Complaint and commencement of the dispute resolution process.
According to UDRP Rule 4 and Supplemental Rule 5, CIIDRC notified the Respondent of this administrative proceeding and forwarded a Notice of Commencement of proceedings and the Complaint to the Respondent on March 24, 2022.

The Respondent filed its Response on April 11, 2022.

The Complainant and the Respondent in this administrative proceeding have elected a Panel consisting of a single-member. Accordingly, CIIDRC appointed Rodolfo C. Rivas, the undersigned, as a single-member Panel in the above-referenced matter from now on, the Panel.

The Panel finds that it was properly constituted. Accordingly, the Panel has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the CIIDRC, to ensure compliance with the Rules, paragraph 7.

The disputed domain name was registered on December 24, 2019.

This matter is conducted under the Uniform Domain Name Dispute Resolution Policy (the Policy) and the Rules for Uniform Domain Name Dispute Resolution Policy (the Rules) of the Internet Corporation for Assigned Names and Numbers (ICANN).

2. FACTS ALLEGED BY THE PARTIES

Complainant

The Complainant owns the following trademarks:

1. Canadian Registration No. TMA787767, for the "SHOPIFY" trademark, filed October 22, 2009, registered on January 18, 2011, in association with web-based services that allow users to create hosted e-commerce stores; and

2. U.S. Registration No. 3840412, for the "SHOPIFY" trademark, filed November 11, 2009, registered on August 31, 2010, in association with downloadable software for e-commerce and the retail industry.

3. Canadian Registration No. TMA700694, for “S SHOPIFY” & Design, filed January 19, 2006, registered on November 13, 2007, in association with web-based services that allow users to create hosted e-commerce stores;

According to the Complainant, it operates a leading cloud-based commerce platform designed for small and medium-sized businesses. Merchants use its software to run business across all sales channels, including web, tablet, mobile storefronts, social media storefronts, and brick-and-mortar and pop-up shops. The Complainant's platform provides merchants with a single view of business and customers. It enables them to manage products and inventory, process orders and payments, build customer relationships, and leverage analytics and reporting. The company was founded on September 28, 2004, headquartered in Ottawa, Canada.

The Complainant is among the top 10 largest publicly traded Canadian companies by market capitalization and employs over 5,000 people across the globe. The Complainant offers its services through various websites, including those accessible through the domains <shopify.com> and <shopify.ca>.

3. CONTENTIONS OF THE PARTIES

- Complainant

The Complainant submits.

The Complainant has a Partnership Program. The program is free to join and allows Partners to experiment with the Complainant's platform through unlimited test stores. In addition, for every client they refer, theme designed, or app built, the Partner receives ongoing monthly income from the Complainant. There are some other benefits, too, like early access to new features, marketing materials, and access to a collaborative community of other Shopify Partners worldwide.

However, according to the Complainant, the ability to participate in the Partnership Program does not provide the right to secure domain names incorporating the term “shopify” within the respective domain names. Instead, it only grants the right to reproduce certain Shopify works and trademarks on the website in a fair manner, subject to the terms of the Shopify Partnership Program Agreement. The disputed domain name was secured without permission or authorization from the outset. Indeed, the disputed domain name was secured before the Respondent joined the Partnership Program.

Under section 4.2 of the Shopify Partnership Program Agreement terms, upon the termination of its Partnership Agreement, a Partner must immediately cease displaying any Shopify Creative or any Shopify Trademarks on any Website or otherwise. In addition, see the relevant part of the Shopify Partner Program - Partner Program Agreement: "(a) each Party will return to the other Party or destroy (and provide certification of such destruction), all property of the other Party in its possession or control (including all Shopify Creative and all Confidential Information (as defined below)); (b) Partner will immediately cease displaying any Shopify Creative or any Shopify Trademarks on any Website or otherwise; and (c) all rights granted to Partner under this Agreement will immediately cease, including but not limited to the right of Partner to access the Partner..."
Account and Partner Dashboard, Shopify API, or to receive any payments of Fees under this Agreement, unless otherwise determined by Shopify in its sole discretion."

After securing the disputed domain name, the Respondent completed the free sign-up to be a partner in the Complainant's Partnership Program. This permitted the Respondent to use Shopify Creative and Shopify Trademarks on a website but did not permit it to incorporate "shopify" as part of a domain name, use "Shopify" as part of its own business or trade name, or otherwise impersonate the Complainant. As a result, incorporation of "shopify" into the disputed domain name was at all times without permission or authorization.

The Respondent was terminated effective February 22, 2022, from the Complainant's Partner Program for being non-responsive to the Complainant's communications, such as to cease using the disputed domain name and cease impersonating the Complainant on that website. After that date, any display of Shopify Creative or Shopify Trademarks on the website was expressly without permission or authorization and constitutes trademark and copyright infringement.

I. Identical or Confusingly Similar

The first portion of the disputed domain name is identical to the Complainant's trademark “SHOPIFY". However, the second portion of the disputed domain name, "development", is a descriptive word that does not add any distinctiveness to the disputed domain name. Indeed, it compounds the confusion by suggesting to the consumer that it is a Complainant authorized or delivered website providing enhanced "Shopify Pro" or "Shopify Development" features.

The Complainant submits that the disputed domain name is confusingly similar to the Complainant's trademarks, to which the Complainant had rights before the registration of the disputed domain name.

II. Rights or Legitimate Interests

According to paragraph 4(c) of the Policy, the presence of any of the following circumstances could demonstrate that the Respondent has rights or legitimate interest in respect of the disputed domain name:

i. “before any notice to [the Respondent] of the dispute, [the Respondent’s] use of, or demonstrable preparations to use, the [Disputed Domain Name] or a name corresponding to the [Disputed Domain Name] in connection with a bona fide offering of goods or services”;

ii. “[the Respondent] (as an individual, business, or other organization) [has] been commonly known by the [Disputed 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 [Disputed Domain Name], without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue”.

Concerning paragraph 4(c)(i) of the Policy, there is no evidence of the Respondent’s use of, or demonstrable preparations to use, the disputed domain name in connection with a bona fide offering of goods or services. Indeed, all of the evidence supports a contrary conclusion.

The Respondent uses the disputed domain name in association with a website that is confusingly similar to the websites of the Complainant, <shopify.ca> and <shopify.com>, and is directly competitive with them. The Complainant's website is titled "Shopify", while the Respondent's website is titled "Shopify Pro" (implying it is an enhanced or upgraded version or section of the Complainant's services), and both feature green designs and lettering, as well as a "S"-shaped green logo. In addition, the Respondent's website solicits consumers to seek out quotes for Shopify services, without authorization and in competition with services provided by the Complainant and its Partners.


Moreover, this content will lead visiting consumers to incorrectly believe that the Complainant is legally affiliated with the Respondent. It appears that the Respondent intended to refer to itself as a "Shopify Certified Partner". Such use cannot possibly constitute the offering of authentic services. Therefore, there is no bona fide offering of goods or services per paragraph 4(c)(i) of the Policy in this case.


The Respondent is not connected with the Complainant but is using the Complainant's trademark within the disputed domain name and on the website with an intention to derive an advantage from user confusion. Accordingly, such use by the Respondent is not bona fide use under paragraph 4(c)(i) of the Policy and does not confer any rights in favour of the Respondent.

With respect to paragraph 4(c)(ii) of the Policy, there is no evidence that the Respondent has been commonly known by the disputed domain name. On the contrary, the Respondent's website demonstrates that the word “SHOPIFY” in the disputed domain name directly references the Complainant by claiming to be a "Shopify Certified Partner".

With respect to paragraph 4(c)(iii) of the Policy, the Respondent is not making legitimate noncommercial or fair use of the disputed domain name but is making illegitimate commercial use of the disputed domain name with a website that is in direct infringement of the Complainant’s registered trademark rights, for the reasons expressed above.

Domain Name: shopifydevelopment.com
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As noted above, the Complainant never consented to the disputed domain name registration.

III. Registered and Used in Bad Faith

According to paragraph 4(b) of the Policy, the presence of any of the enumerated non-exhaustive circumstances would constitute evidence that the disputed domain name has been registered and is being used by the Respondent in bad faith.

Concerning paragraph 4(b)(iv) of the Policy, the Respondent has demonstrated bad faith by actively attracting Internet users to the disputed domain name's website and using the Complainant's trademarks on that website in connection with services that directly compete with the latter, for illicit commercial gain, by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation or endorsement of the Respondent's websites.

It appears the Respondent secured the disputed domain name without authorization to draw traffic to the website, intending to sell its development services to third parties. This is carried out by creating a confusing impression that those development services are delivered by or approved by the Complainant (which they are not). The Respondent used the cloak of the Complainant's Partner Program to gain legitimacy. Still, that program only provides a platform for payment to Partners in return for referrals to the Complainant. It does not permit the securing of domain names containing "shopify" without permission or the use of Shopify Trademarks in a manner that impersonates the Complainant or causes confusion.

Consequently, using similar colors, fonts, images, and logo to those of the Complainants' trademarks demonstrates that the Respondent intended to confuse people regarding the source, sponsorship, affiliation, or endorsement of the Respondent's website.

- Respondent

The Respondent submits.

I. Identical or Confusingly Similar

The disputed domain name is neither identical to nor confusingly similar to the trademark “Shopify”. Shopify offers a platform for users to create marketing, commercial transactional, and business websites. In contrast, under the website associated with the disputed domain name, the Respondent offers precisely what the disputed domain name offers – services to develop further and enhance, not replace, Shopify's primary business.

In fact, as set forth further below, there is little likelihood that users are ever confused or misled about the difference between these two entities. The two businesses are entirely different. While anyone can use Shopify
without the services provided by the Respondent, the Respondent makes clear that only those with a Shopify account can already benefit from the Respondent’s business model. The Respondent provides a screenshot of some positive customer reviews on the Respondent's services, which according to the Respondent, show that the public is clear that the Respondent only offers development services for various e-commerce platforms. The Respondent does not provide the platform itself, something the Respondent claims is the key difference between what the parties offer.

II. Rights or Legitimate Interests

The Respondent offers website development services for anyone who is using Shopify. The Respondent adds great and unique value to its customers, all individuals who are Shopify subscribers. According to the Respondent, there are countless examples of repair companies and technical assistance providers using the name of a third-party in their domain name – not to confuse the public but to clarify the business that they are in.

Specifically, because the Respondent enhances the product of the Complainant and ipso facto cannot possibly be stealing business from Complainant (it may even increase traffic to Shopify programs), there is little validity to the claim that the Respondent is not engaged in the bona fide offering of goods or services.

According to the Respondent, once someone subscribes to the Complainant's Shopify, they usually require assistance in honing their business model and enhancing the Complainant's features. As a result, the Respondent has established a reputation in the industry as a go-to technical assistance provider that understands the Complainant's platforms and has professional insight into enhancing that platform.

The Respondent asserts it has not diverted consumers or tarnished the trademark Shopify because Respondent makes it clear in various ways, including a disclaimer post on its landing page, that states that only subscribers to Shopify can use the Respondent’s services and that the two companies are not related.

Additionally, the Respondent has removed the Shopify partner badge altogether from the website since the closure of the partner account by Shopify.

According to the Respondent, it has never taken a dime away from the Complainant but instead adds value to the Complainant's platform. Additionally, it is clear to anyone using the Respondent's services that they are distinct from Shopify because payments are made to a different company name other than the Complainant.

III. Registered and Used in Bad Faith

The Respondent has never offered to sell the disputed domain name to the Complainant. Because the Complainant does not engage in development services as the Respondent does, there would be no reason for that transaction to benefit either party.
The Respondent is not hindering the Complainant from using its domain name. The Respondent’s services only enhance the Complainant’s product. Nothing in the disputed domain name would prevent the Complainant from offering similar services to those who land on its page.

The Respondent has neither intended to nor, in reality, has disrupted the Complainant’s business; indeed, it only enhances the Complainant’s business model.

Additionally, the Respondent submits that there are several ways that the Respondent makes clear to users that it is different from the Complainant. For example, the Respondent also offers web development support for e-commerce platforms other than the one of the Complainant. The Respondent provides web development for e-commerce platforms like bigcommerce, magento, wix, woocommerce, and others and thus offers development services to eCommerce platforms in good faith.

Regarding Reverse Domain Hijacking, the Respondent does not allege this in its Response. According to the Respondent, the Complainant misunderstands the difference between both entities (the Complainant and the Respondent). According to the Respondent, other web development companies similar to the Respondent have the term “SHOPIFY” in the URL, and the Respondent argues it is common practice among development companies, which demonstrates the term “SHOPIFY” is used in good faith by those in the industry to provide related development services.

- **Remedy Sought**

The Complainant requests the Domain Name be transferred to it.

4. **DISCUSSION AND FINDINGS**

4.1 **Requirements**

In accordance with Paragraph 4 of the Policy, the onus is on the Complainant to prove:

1. That the Domain Name is Identical or Confusingly Similar to a trademark or service mark in which the Complainant has rights;
2. That the Registrant has no rights or legitimate interests in the Domain Name; and
3. That the Domain Name has been registered and being used in bad faith.

The Panel will consider each of these requirements in turn.

4.2 **Analysis**
4.2.1 That the Domain Name is Identical or Confusingly Similar to a Mark in which the Complainant has Rights

Based on the record at hand, the Panel is satisfied that the Complainant has shown it owns rights in the “Shopify” trademark, with the earliest registration dating back to 2007.

Now, we must turn to analyze if there is a confusing similarity between the disputed domain name and the trademark. As contained in the record before the Panel, the disputed domain name reproduces the trademark in its totality, namely, “shopify”, with the addition of the term “development”. As per paragraph 1.7 of the WIPO 3.0 Overview, “[w]hile each case is judged on its own merits, in cases where a domain name incorporates the entirety of a trademark, or where at least a dominant feature of the relevant mark is recognizable in the domain name, the domain name will normally be considered confusingly similar to that mark for purposes of UDRP standing.” In this case, the disputed domain name incorporates the trademark in its entirety, and the “shopify” trademark is arguably the dominant and recognizable element of the disputed domain name.

Notwithstanding the Respondent's arguments, which may be considered below under the other two elements, the addition of the term “development” is immaterial enough to dispel a finding of confusing similarity between the disputed domain name and the Complainant’s trademarks.

Consequently, the Panel determines that the Complaint has satisfied the first element set under paragraph 4(a)(i) of the Policy.

4.2.2 That the Respondent has No Rights or Legitimate Interest in the Domain Name

The Complainant submits that through its business model, it offers a Partnership Program, for which the Respondent was a partner at one point; however, this Program did not provide the Respondent with the right to secure domain names incorporating the term "shopify", including in the case of the disputed domain name; additionally, the program did not authorize the Complainant to use "Shopify" as part of its business or trade name, or to impersonate the Complainant otherwise. As a result, according to the Complainant, the Respondent incorporated "shopify" into the disputed domain name without permission or authorization.

Furthermore, on February 22, 2022, the Complainant ended the relationship with the Respondent as part of the Complainant’s Partner Program for being non-responsive to the Complainant’s communications, including a cease and desist letter.

The Complainant also claims that there is no evidence of the Respondent's use of, or demonstrable preparations to use, the disputed domain name in connection with a bona fide offering of goods or services. The Complainant submits that there is no evidence that the Respondent has been commonly known by the disputed domain name. On the contrary, the Respondent's website demonstrates that the word "SHOPIFY" in the disputed domain name directly references the Complainant by claiming to be a "Shopify Certified Partner".
Moreover, according to the Complainant, all this shows this content will lead visiting consumers to incorrectly believe that the Complainant is legally affiliated with the Respondent, with an intention to derive advantage from user confusion.

According to the Complainant, the Respondent uses the disputed domain name in association with a website that is confusingly similar to the websites of the Complainant, <shopify.ca> and <shopify.com>, and is directly competitive with them. Additionally, the Complainant's website is titled "Shopify", while the Respondent's website is titled "Shopify Pro" (implying it is an enhanced or upgraded version or section of the Complainant's services), and both feature green designs and lettering, as well as a "S"-shaped green logo. Finally, the Respondent's website solicits consumers to seek out quotes for Shopify services, without authorization and in competition with the Complainant's and its Partners' services.

Based on the above, the Complainant has made its prima facie case that the Respondent lack rights or legitimate interests in the disputed domain name by demonstrating that the Complainant has never authorized the Respondent to use its trademark and that the Respondent has not been commonly known by the disputed domain name. The burden of production thus shifts to the Respondent to provide proof of a right or legitimate interest, with the ultimate burden of persuasion remaining with the Complainant. WIPO Overview 3.0, paragraph 2.1.

The Panel addresses the Respondent's arguments in turn.

The Respondent does not deny many of the arguments and evidence provided by the Complainant. In some instances, it even reinforces some of the claims, while in some other cases provides an explanation that is not persuasive for its cause.

For instance, the Respondent acknowledges that its use of “shopify” in the disputed domain name is because the Respondent's services are related to the Complainant. Using the Complainant's trademark helps Internet users identify the said relationship. The Respondent adds that it clearly specifies through a visible disclaimer that only subscribers to the Complainant's services, namely “Shopify”, can use the Respondent's services and that the two companies are not related.

Although some use of the Complainant's trademark may be necessary accurately to describe the Respondents' services, this would essentially be limited to some references, but having the trademark as the dominant feature in a domain name, raises several questions since it is the first thing an Internet user sees and an important means of attracting Internet users. In these instances, many UDRP decisions tend to side with the requirement to make clear that to use someone else’s trademark in a domain name generally requires some form of authorization, express or implied, that ordinarily includes conditions and limitations. In this matter, the evidence shows this was not the case.

Domain Name: shopifydevelopment.com
17316-UDRP
The Respondent argues that it has rights and legitimate interests in the disputed domain name because, before any notice of the dispute, the Respondents have been using the disputed domain name in connection with a *bona fide* offering of services. However, a use cannot be deemed *bona fide* if the disputed domain name constitutes trademark infringement.

The Respondent's assertion that it provides services that add value to the Complainant's platform is a matter that stretches beyond the limited scope of a UDRP panel. The Panel has no way to judge the impact the services have on the goodwill attached to the Complainant's trademark. Nevertheless, the Panel notes that such assessments are usually the exclusive domain of the trademark owner.

Even putting aside the question of trademark infringement, the Panel finds for all the reasons set out above (as well as below under the third element analysis) that the Respondent's conduct, by its admission in several instances above, runs contrary to many of the persuasive principles contained in sections 2.4 and 2.5 (including subsections) of the WIPO 3.0 Overview.

In sum, the Respondent's use of the term "shopify" in the disputed domain name is infringing and falsely suggests an affiliation with the Complainant; notwithstanding the use of a disclaimer, which will be discussed below, it cannot be *bona fide*. Additionally, the Respondent has failed to come forward with evidence showing rights or legitimate interests in the disputed domain name. Accordingly, the Panel finds that the Complainants have established that the Respondent lacks any rights or legitimate interests in the disputed domain name under paragraph 4(a)(ii) of the Policy.

### 4.2.3 That the Respondent has Registered and Used the Domain Name in Bad Faith

The Policy indicates in paragraph 4(b)(iv) that bad faith registration and use can be found in respect of a disputed domain name, where a respondent has intentionally attempted to attract, for commercial gain, Internet users to the Respondent’s website or other online location, by creating a likelihood of confusion with a complainant’s trademark as to the source, sponsorship, affiliation, or endorsement of the website or location or of a product or service on the website or location.

In this case, both the registration and use of the disputed domain name in bad faith can be found under Policy paragraph 4(b)(iv) given the reproduction of the "Shopify" trademark, as well as the offer of similar services for the benefit of competitors of the Complainant, which are available on the website that resolves from the disputed domain name, as per evidence provided by the Respondent.

The limited disclaimer aforementioned in the Respondent's website indicates full knowledge of the "Shopify" trademark and does not serve to remove any likelihood of confusion. In addition, the limited instances provided by the Respondent of customer reviews, which per the Respondent show Internet users recognizing the Complainant and Respondent as two different non-related entities, do not necessarily translate to the whole
Internet community. A subset of customers does not necessarily reflect how an average Internet user perceives the website at the disputed domain name. Based on the above discussion, an average Internet user would likely confuse the disputed domain name and its content with the Complainant's trademark.

Similarly, the Respondent makes an argument and provides evidence of one case utilizing the Complainant's trademark as part of its URL. The Panel notes this argument and the evidence, but the name of folders and subfolders in a URL is not the same as a domain name. There is significant UDRP jurisprudence addressing this matter, and some of it has been discussed above, but in this case, the argument posed by the Respondent fails to persuade the Panel.

The text of the disputed domain name itself establishes the Respondent's knowledge of the Complainant and its trademark at registration, and the Panel has found that the Respondent chose the disputed domain name to target the Complainant.

4.2.4 Reverse Domain Hijacking

The Respondent does not allege this in its Response, but the Panel feels the need to specify that there is no finding of Reverse Domain Hijacking for the purposes of clarity.

5. DECISION and ORDER

For the above reasons, under Paragraph 4 of the Policy, Paragraph 15 of the Rules, and Rule 10 of the Supplemental Rules, the Panel orders that the disputed domain name be transferred to the Complainant.

Made as of April 27, 2022.

____________________________________
Rodolfo C. Rivas