



Asian Domain Name Dispute Resolution Centre
- a charitable institution limited by guarantee registered in Hong Kong

(Hong Kong Office)

ADMINISTRATIVE PANEL DECISION

Case No.	HK-1300518
Complainant:	Paul Smith Group Holdings Limited
Respondent:	Sundi Yalerl
Disputed Domain Name:	< paulsmithsale-uk.com >

1. The Parties and the contested Domain Name

The Complainant is Paul Smith Group Holdings Limited of The Poplars, Lenton Lane, Nottingham, NG7 2PW, Great Britain.

The Respondent is Sundi Yalerl of Guangdong province, Shengshenzhencity, Shenzhen, Guangzhou 512205, China.

The domain name at issue is < **paulsmithsale-uk.com** >, registered by the Respondent with Go Daddy LLC, of 14455 N. Hayden Road, Suite 226, Scottsdale, AZ 85260, United States of America.

2. Procedural History

The Complainant filed a Complaint on July 9th, 2013 with the Hong Kong Office of the Asian Domain Name Dispute Resolution Centre (ADNDRC) (the “Centre”), concerning

the domain name < **paulsmithsale-uk.com** > (the “Disputed Domain Name”) and naming Sundi Yalerl as Respondent.

The Centre sent a fax to the Respondent on August 18th 2013, stating that a Complaint had been filed against him concerning the disputed domain name.

The Respondent did not submit a response to the Complaint.

3. Factual background

For the Complainant

The Complainant is a leading company in the field of fashion for men and women including clothing, shoes and accessories.

Established more than 40 years ago by Paul Smith, the famous British designer, the Complainant has now 17 shops in England and its products are sold in 66 countries around the world including Hong Kong, Singapore, Taiwan, Korea and Japan.

The Complainant is the holder of the “PAUL SMITH” and “*Paul Smith*” trademarks registered in numerous countries around the world, including China where the Respondent is precisely located. Through extensive use and marketing, these trademarks have gained substantial goodwill and reputation throughout the world.

The Complainant contends that the Respondent was using the Disputed Domain Name for a website that provided counterfeit “PAUL SMITH” products in large quantities.

For the Respondent

The Respondent has failed to file a response to the Complaint and is therefore in default.

4. Parties' Contentions

A. Complainant

The Complainant's contentions are summarized as follow:

- i. **The Disputed Domain Name is identical and/or confusingly similar to the trademarks in which Complainant has rights.** The Disputed Domain Name, which incorporates the term "PAUL SMITH" in its entirety, is identical or at least confusingly similar to Complainant's trademark, and the addition of the terms "sale" and "UK" as well as the gTLD ".com" are insufficient to distinguish it from the "PAUL SMITH" and "*Paul Smith*" trademarks. Moreover, the Internet users might assume that the website, composed of "paulsmith" and "sale-uk", is an official website for "Paul Smith" sales in the United Kingdom. Finally, the Complainant alleges that the Disputed Domain Name is used for selling counterfeit "PAUL SMITH" goods which increases the likelihood of confusion and might even more mislead the internet users into thinking that the website is an official website.
- ii. **Respondent has no right or legitimate interest in respect of the Disputed Domain Name.** The Respondent was not authorized to use the "PAUL SMITH" and "*Paul Smith*" trademarks and has no relationship with the Complainant. Besides, the Disputed Domain Name does not correspond to Respondent's own name.
- iii. **The Disputed Domain Name has been registered and is being used by Respondent in bad faith.** Respondent's registration and use of the Disputed Domain Name was done in bad faith because it was in particular used to sell counterfeit "Paul Smith" goods. Moreover, the Complainant maintains that its reputation, its extensive trademarks registrations prior to the domain name and the

fact that the website is used to sell counterfeit products, demonstrate that Respondent must have known Complainant's "PAUL SMITH" and "*Paul Smith*" trademarks and consequently registered and used the domain name in bad faith.

B. Respondent

The Respondent has failed to file a response and is therefore in default.

5. Findings

The ICANN Uniform Domain Name Dispute Resolution Policy (the "Policy") provides in Paragraph 4(a) that each of these three findings must be made in order for a Complainant to prevail:

- i. Respondent's domain name must be identical or confusingly similar to a trademark or service mark in which Complainant has rights; and
- ii. Respondent has no rights or legitimate interests in respect of the domain name; and
- iii. Respondent's domain name has been registered and is being used in bad faith.

A) Identical / Confusingly Similar

According to Paragraph 4(a)(i) of the Policy, it must be established that the Complainant has rights in the trademark to which the Disputed Domain Name is identical or confusingly similar. The Complainant has established its rights on the PAUL SMITH sign by evidence of its trademark registration certificate.

The Panel finds indeed that the Complainant has rights in the trademarks "PAUL SMITH" and "*Paul Smith*" through registrations which preceed the reservation of the Disputed Domain Name for years. The Complainant has registered in particular the UK trademarks No. 2051161 "PAUL SMITH" and "*Paul Smith*"; the US trademark No. 1306038

“PAUL SMITH”; the community trademarks No. 45393 and 8673451 “PAUL SMITH” and “*Paul Smith*”; and the international trademarks No.755406 and 988039 “PAUL SMITH” and “*Paul Smith*”.

The panel acknowledges that the Complainant and its trademarks are well-known in the field of fashion for men and women including clothing, shoes and accessories.

The Disputed Domain Name imitates Complainant’s well-known trademarks. Previous UDRP Panels have widely agreed that the reproduction or imitation of a trademark in its entirety in a domain name can sufficiently establish that the domain is identical or confusingly similar. Previous Panels have also considered that the incorporation of a well-known trademark in its entirety as a dominant part of a domain name is “*confusingly similar to this trademark regardless of whether the additional elements express endorsement, are pejorative or are of a more neutral kind*” (WIPO Case n° D2010-0100, *Oakley, Inc. v. Joel Wong/BlueHost.com- INC*).

Moreover, the mere addition of the term “sale” which is a generic term and of the geographical term “UK” does nothing to distinguish it from the Complainant’s trademarks “PAUL SMITH” and “*Paul Smith*” but rather increases the likelihood of confusion (“*the addition of "uk" and "sale" is not sufficient to avoid but rather increases the risk or Internet user confusion in relation to the Complainants' trademarks*”, WIPO Case No. D2012-1348, *"Dr. Martens" International Trading GmbH, "Dr. Maertens" Marketing GmbH v. Private Whois Service, Suspended Domain / Fundacion Private Whois*).

It is also well established that the domain extension, in this case “.com”, should not be taken into account when comparing the disputed domain name and the prior trademarks (“*It has also long been held that minor features such as suffixes like the gTLD suffix “.com” cannot negate identity between a domain name and a trademark where it otherwise exists, as it does in the present case*”, ADNDRC Case n°HK – 1100328 *Chickeeduck International Limited, Chickeeduck Distribution Limited and Chickeeduck Retail (Hong Kong) Limited/Swanbourne Inc*).

The Panel concludes that the Disputed Domain Name is confusingly similar to Complainant's trademarks.

B) Rights and Legitimate Interests

According to the Policy, Paragraph 4(c), “[a]ny of the following circumstances, in particular but without limitation, if found by the Panel to be proved based on its evaluation of all evidence presented, shall demonstrate your rights or legitimate interests to the domain name for purposes of Paragraph 4(a)(ii):

(i) before any notice to you of the dispute, your 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) you (as an individual, business, or other organization) have been commonly known by the domain name, even if you have acquired no trademark or service mark rights; or

(iii) you are making a legitimate non-commercial 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.”

In order for the Panel to conclude that the Respondent lacks legitimate interest in the Disputed Domain Name, due to the absence of evidence to the contrary from Respondent, the Complainant must first present prima facie evidence that Respondent lacks rights or legitimate interests. The Panel agrees with previous panels that the burden of proof shifts to the Respondent once Complainant has shown prima facie evidence that Respondent lacks rights or legitimate interests (*Cummins Inc. v. DG Lanshan Mechanical Electrical Equipment Co., Ltd.*, ADNDRC Case n° HK-1000286).

In the present case, the Disputed Domain Name does not reflect or correspond to Respondent's own name.

In addition, the Complainant did not authorize or license Respondent to use the “PAUL SMITH” and “*Paul Smith*” trademarks (see *RIO TINTO LONDON LIMITED v. li cheng*, ADNDRC Case n° CN-0900272).

Likewise, the Respondent does not seem to have a legitimate project linked to the Disputed Domain Name and it seems rather unlikely that a domain name containing the first name “Paul” and what appears to be the family name “Smith” could have been registered in ignorance of the well-known prior trademark PAUL SMITH. In addition, the “sale” element referring to the expressions “for sale” or “on sale” which are often used in connection with merchandises, particularly clothes. The “uk” element obviously refers to the United Kingdom where Complainant happens to be incorporated.

Regarding the fact that the website is displaying counterfeit goods of the Complainant, the Panel cannot take this assertion into consideration as no evidence has been provided. In addition, the Disputed Domain Name was inactive at the time this decision was drafted.

Nevertheless, the Panel deems that the Complainant has presented prima facie evidence that the Respondent lacks rights or legitimate interests in the Disputed Domain Name. Therefore, the burden of proof shifts to the Respondent. However, the latter did not present any evidence demonstrating that he has a legitimate interest in the disputed domain name.

Therefore, the Panel accepts Complainant’s contention that the Respondent does not have any legitimate interest in the Disputed Domain Name.

C) Bad Faith

Paragraph 4(b) of the Policy states that “[f]or the purposes of Paragraph 4(a)(iii), the following circumstances, in particular but without limitation, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith:

- (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; or

(ii) you have registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that you have engaged in a pattern of such conduct; or

(iii) you have registered the domain name primarily for the purpose of disrupting the business of a competitor; or

(iv) by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your web site or other on-line location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of your web site or location or of a product or service on your web site or location.”

The Complainant’s trademarks “PAUL SMITH” and “*Paul Smith*” are well-known and have been registered all over the world, including in China where the Respondent is precisely located. Said trademarks were filed and registered before the registration of the Contested Domain Name. Moreover, the Complainant is established in the United Kingdom where the famous Designer Paul Smith created the first “PAUL SMITH” shop. Therefore, it cannot be denied that the public has come to recognize and associate the trademarks as originating from the Complainant and no one else.

It is therefore likely that the Respondent was well aware of the existence of the Complainant and its trademark when the Disputed Domain Name was registered.

Furthermore, as previously stated, the Disputed Domain Name is confusingly similar to the Complainant’s trademarks. Previous UDRP Panels have ruled that in such a case “*a likelihood of confusion is presumed, and such confusion will inevitably result in the diversion of Internet traffic from the Complainant’s site to Respondent’s site*” (WIPO Case No. D2006-1095, *Edmunds.com, Inc. v. Triple E Holdings Limited*).

In the absence of any evidence provided by the Respondent justifying the registration of the Disputed Domain Name and explaining in a convincing manner the choice of this particular name, the Panel cannot conclude otherwise than by stating that the registration of the Disputed Domain Name is likely to have been made in bad faith (see *Inter Ikea System B.V., Delft, the Netherlands/Isaac Goldstein*, Hong Kong, Case No. HK-1000320).

Consequently, the Panel admits that it is possible that Respondent used the domain name in dispute to prevent the Complainant from reflecting its trademarks in the Disputed Domain Name and for the purpose of financial gains by capitalizing on its reputation and goodwill. This type of use constitutes sufficient evidence of bad faith of the Respondent under paragraph 4(b)(iv) of the Policy. (see *Inter Ikea System B.V., Delft, the Netherlands/Isaac Goldstein*, Hong Kong, aforementioned). Respondent has not provided any reply contradicting this reasoning.

Regarding the fact that the website is displaying counterfeit goods of the Complainant, the Panel cannot take this assertion into consideration as no evidence has been provided. However, the Disputed Domain Name was inactive at the time the decision was drafted. The Panel concludes that Internet users may end up consulting a website with idea that the Complainant is no longer in business or does not operate its websites properly, which would tarnish its image.

Indeed, bad faith of a domain name is not limited to a positive action. Inaction can also be regarded as acting out of bad faith. Previous Panels have already considered that passive holding of a domain name can satisfy the requirements of paragraph 4(a)(iii), and that in such cases the Panel must give close attention to all circumstances of Respondent's behavior (WIPO Case No. D2012-2106, *General Motors LLC v. Carol Schadt*; WIPO Case No. D2000-0055, *Guerlain S.A. v. Peikang*, WIPO Case N° D2000-0003, *Telstra Corporation Limited v. Nuclear Marshmallows*).

On view of all these elements, the Panel concludes that it is very likely that Respondent registered the Disputed Domain Name in bad faith.

6. Decision

Based on the foregoing findings, and in accordance with Paragraph 4(a) of the Policy, the Panel holds that the Disputed Domain Name is confusingly similar to Complainant's trademarks "PAUL SMITH" and "*Paul Smith*"; that Respondent has no rights or legitimate interests in the Disputed Domain Name; and that Respondent registered the Disputed Domain Name in bad faith.

The Panel orders that the domain name < **paulsmithsale-uk.com** > be transferred to Complainant.

Nathalie Dreyfus

Panelist

Dated: August 29th, 2013