



**(Hong Kong Office)**

**ADMINISTRATIVE PANEL DECISION**

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| <b>Case No.</b>                 | HK-18010187   |
| <b>Complainant:</b>             | Paul Smith Group Holdings Limited                         |
| <b>Respondent:</b>              | gueijuan xu   |
| <b>Disputed Domain Name(s):</b> | <paulsmithsalecheapuk.com><br><paulsmithoutletcheaps.com> |

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**1. The Parties and Contested Domain Name**

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

The Respondent is gueijuan xu, of 197hao Kanlecuen, wujianqu, Shaoguanshi, Guandong, 512026, China.

The domain names at issue are <paulsmithoutletcheaps.com> and <paulsmithsalecheapuk.com> (the “Domain Names”), registered by Respondent with GoDaddy Operating Company, LLC, of 14455 North Hayden Rd, Suite 219, Scottsdale, AZ 85260, USA (“Registrar”).

**2. Procedural History**

The Complaint was filed with the Asian Domain Name Dispute Resolution Centre (the “Center”) on November 16, 2018. On November 16, 2018, the Center transmitted by email to GoDaddy, LLC a request for registrar verification for the Domain Names. On November 17, 2018, Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the Domain Names, which differed from the Respondent’s contact information in the Complaint.

The Center sent an email communication to the Complainant on November 21, 2018 providing the Respondent’s contact information disclosed by the Registrar and inviting the Complainant to submit an amendment to the Complaint.

The Center verified that the Complaint satisfied the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the “UDRP”), the Rules for Uniform Domain Name Dispute Resolution Policy (the “Rules”), and the ADNDRC Supplemental Rules for Uniform Domain Name Dispute Resolution Policy effective from 31 July 2015 (the “Supplemental Rules”).

Under Paragraphs 2 and 4 of the Rules, the Center formally notified the Respondent of the Complaint, and the proceedings commenced on December 1, 2018. Under Paragraph 5 of the Rules, the due date for filing a Response by the Respondent was December 21, 2018. The Respondent submitted no response by this deadline date.

The Center appointed Olga Zalomy as the sole panelist in this matter on January 24, 2019. The Panel finds 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.

### **3. Factual background**

The Complainant is a holding company, which, through its subsidiaries, owns multiple trademark registrations for the word and word and design PAUL SMITH trademarks and uses them in connection with clothing and accessories.

The Respondent is an individual named gueijuan xu. The Respondent registered the Domain Name <paulsmithoutletcheaps.com> on August 9, 2018 and the Domain Name <paulsmithsalecheapuk.com> on August 11, 2018. Currently, the Domain Names are deactivated. In the past, they used to resolve to websites, which offered for sale goods under the PAUL SMITH mark. The “Home” page of both websites prominently displayed the word and design PAUL SMITH mark.

### **4. Parties’ Contentions**

#### **A. Complainant**

The Complainant’s contentions may be summarized as follows:

- i. The Complainant asserts that the Domain Names are identical and/or confusingly similar to the Paul Smith trademarks, which belong to the Complainant. The Complainant contends that the generic top level domain (“gTLD”) “.com” should be disregarded from the likelihood of confusion analysis due to its purely technical function. The Complainant argues that both second level domains “paulsmithsalecheapuk” and “paulsmithoutletcheaps” are confusingly similar to the Complainant’s trademark because they incorporate the Complainant’s PAUL SMITH trademark in its entirety.
- ii. The Complainant alleges that the Respondent has no rights or legitimate interests in the Domain Names. The Complainant claims that it has never granted to the Respondent authorization or license to use the Complainant’s PAUL SMITH trademarks. The Complainant contends that the Respondent has no rights in the PAUL SMITH trademark.
- iii. The Complainant asserts that the Domain Names have been registered and are being used by the Respondent in bad faith. The Complainant claims that it is highly unlikely that the Respondent did not know about the Complainant and its goods at the time of their registration because the Complainant’s PAUL SMITH trademarks were registered before the Domain Name’s registration.
- iv. The Complainant claims that the Respondent is using the Domain Names in bad faith because the Respondent is using the Domain Names to divert Internet users

the Respondent's website, where consumers may purchase counterfeit PAUL SMITH products.

B. Respondent

The Respondent did not reply to the Complainant's contentions.

## 5. Findings

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

- i. Respondent's domain name is 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

Under the first UDRP element, the Complainant is required to prove that the Domain Names are identical or confusingly similar to a trademark or service mark in which the Complainant has rights.

Pursuant to section 1.2.1 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), "[w]here the complainant holds a nationally or regionally registered trademark or service mark, this prima facie satisfies the threshold requirement of having trademark rights for purposes of standing to file a UDRP case." Here, The Complainant has proved that it has standing for the purposes of this proceeding by submitting copies of registration certificates for the PAUL SMITH marks, such as the International Registration No. 755406 for the PAUL SMITH trademark registered on March 20, 2001 and the U.S. Registration No. 1306038 for the PAUL SMITH registered on February 25, 1983.

The Complainant has also demonstrated that the Domain Names are identical or confusingly similar to its PAUL SMITH trademark. "Where a domain name incorporates the entirety of a trademark, [...] the domain name will normally be considered confusingly similar to that mark for purposes of UDRP standing"<sup>1</sup>. "Where the relevant trademark is recognizable within the disputed domain name, the addition of other terms (whether descriptive, geographical, pejorative, meaningless, or otherwise) would not prevent a finding of confusing similarity under the first element."<sup>2</sup> The addition of the gTLD ".com" is disregarded under the confusing similarity test<sup>3</sup>.

Here, the Domain Name <paulsmithsalecheapuk.com> consists of the PAUL SMITH trademark, the words "sale", "cheap" and the acronym "uk". The Domain Name <paulsmithoutletcheaps.com> consists of the PAUL SMITH trademark, the word "outlet" and the word "cheaps". The Domain Names incorporate the Complainant's trademark in its entirety. Neither the addition of the descriptive terms "sale", "cheap(s)" or "outlet", nor the addition of the acronym "uk", prevents finding of confusing similarity.

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<sup>1</sup> Section 1.7, WIPO Overview 3.0.

<sup>2</sup> Section 1.8, WIPO Overview 3.0.

<sup>3</sup> Section 1.11.1, WIPO Overview 3.0.

Thus, the Panel finds that the Domain Names are identical or confusingly similar to the Complainant's trademark and the Complainant satisfied the first element of the UDRP.

## **B) Rights and Legitimate Interests**

Under the second UDRP element, a complainant must make a *prima facie* case in respect of the lack of rights or legitimate interests of the respondent<sup>4</sup>. Once the complainant has made out the *prima facie* case, the respondent carries the burden of producing evidence demonstrating it has rights or legitimate interests in the domain name<sup>5</sup>. Where the respondent fails to do so, a complainant is deemed to have satisfied paragraph 4(a)(ii) of the UDRP<sup>6</sup>.

The Complainant contends that the Respondent has no rights or legitimate interests in respect of the Domain Names because the Complainant has not authorized the Respondent to use and register the Complainant's PAUL SMITH trademark or to register any domain names incorporating the PAUL SMITH mark. Previous UDRP panels have found that in the absence of any license or permission from a complainant to use a complainant's trademarks, generally no bona fide or legitimate use of the domain name could reasonably be claimed. See, *LEGO Juris A/S v. DomainPark Ltd, David Smith, Above.com Domain Privacy, Transure Enterprise Ltd, Host master*, WIPO Case No. D2010 -0138.

The Complainants also claims that the Respondent is using the Domain Names to direct to websites offering for sale counterfeit PAUL SMITH goods. "Panels have categorically held that the use of a domain name for illegal activity (e.g., the sale of counterfeit goods ...) can never confer rights or legitimate interests on a respondent"<sup>7</sup>. While "[p]anels are generally not prepared ... to accept merely conclusory or wholly unsupported allegations of illegal activity"<sup>8</sup>, "circumstantial evidence can support a complainant's otherwise credible claim of illegal respondent activity"<sup>9</sup>. Here, the Complainant claims that the Respondent used the Domain Names to direct to websites offering for sale cheap goods bearing the PAUL SMITH trademark. The Respondent does not dispute this contention. Moreover, by the time of the writing of this decision, the Respondent disabled both of its websites associated with the Domain Names. The Panel finds that the totality of circumstantial evidence in this case indicates that the Complainant's contentions are likely true. Therefore, the Respondent's use of the Domain Names did not confer rights or legitimate interest on him.

The Panel therefore finds that the Complainant has made out a *prima facie case* in respect to the Respondent's lack of rights or legitimate interests in the Domain Names. Since the Respondent has failed to rebut the Complainant's case, the Panel holds that the second element of the UDRP has been satisfied.

## **C) Bad Faith**

Under the third UDRP element, the Complainant is required to prove that the Domain Names were registered and are being used in bad faith.

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<sup>4</sup> Section 2.1, WIPO Overview 3.0.

<sup>5</sup> *Id.*

<sup>6</sup> *Id.*

<sup>7</sup> Section 2.13, WIPO Overview 3.0.

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

The bad faith can be found where a respondent, by registering and using a domain name, intentionally attempts to attract, for commercial gain, Internet searchers to its website or other online location, by creating a likelihood of confusion with the complainant's mark as to source, sponsorship, affiliation, or endorsement of the website or location or of a product or service on the website or location. *See* UDRP, paragraph 4(b)(iv).

The Panel finds that the Respondent registered the Domain Names in bad faith because at the time of the Domain Name registration he was aware of the Complainant and its PAUL SMITH trademark and registered the Domain Names without consent from the Complainant, to confuse and mislead visitors to his websites. The evidence shows that the Respondent used the Domain Names incorporating the Complainant's PAUL SMITH trademark, to resolve to the websites displaying the Complainant's word and design PAUL SMITH trademark and offering for sale unauthorized goods bearing the Complainant's trademark. Therefore, it is likely that the Respondent knew about the Complainant and its trademarks.

Evidence on file shows that prior to filing of the complainant in this case, the Domain Names directed to the websites offering for sale purported products of the Complainant. In light of the contents of the websites linked to the Domain Names, Internet users may have been misled on the source, sponsorship, affiliation, or endorsement of the Respondent's websites. The Complainant claims that the products offered on the Respondent's website are counterfeit. Previous UDRP panels found that similar use of domain names in connection with websites offering for sale unauthorized copies of complainants' goods, was in bad faith. *See, Philip Morris USA Inc. v. Samurai Kapok and 1*, WIPO Case No. D2016-2179 ("The Panel, therefore, concludes that the sale of purported, grey market goods or counterfeit cigarettes as well as promoting the brands that compete with Complainant under a domain name incorporating Complainant's mark indicate use in bad faith.") Similarly, this Panel finds that the Respondent's use of the Domain Name linked to websites selling unauthorized copies of the Complainant's goods is in bad faith.

Although currently the websites associated with the Domain Names are deactivated, their deactivation does not prevent finding of bad faith. "[P]anelists have found that the non-use of a domain name (including a blank or "coming soon" page) would not prevent a finding of bad faith under the doctrine of passive holding"<sup>10</sup>. One of the factors applied to passive holding doctrine is "the implausibility of any good faith use to which the domain name may be put"<sup>11</sup>. Here, the previous bad faith use of the Domain Names and the Respondent's lack of rights in the PAUL SMITH marks, make implausible any good faith use of the Domain Names in the future.

Therefore, the Panel finds that the Domain Names were registered and are being used in bad faith. The third element of the UDRP has been satisfied.

## **6. Decision**

Under paragraphs 4(i) of the Policy and 15 of the Rules, the Panel orders that the Domain Names <paulsmithsalecheapuk.com> and <paulsmithoutletcheaps.com> be transferred to the Complainant.

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<sup>10</sup> Section 3.3, WIPO Overview 3.0.

<sup>11</sup> *Id.*

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Olga Zalomiy  
Sole Panelist

Dated: February 8, 2019