

ARBITRATION
AND
MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Carolina Herrera Ltd. v. 黄海玲 (Hai Ling Huang) Case No. D2023-4831

1. The Parties

The Complainant is Carolina Herrera Ltd., United States of America ("United States"), represented by Zacco Sweden AB, Sweden.

The Respondent is 黄海玲 (Hai Ling Huang), China.

2. The Domain Names and Registrar

The disputed domain names <chcarolinaherreraesoutlet.shop>, <chcarolinaherrera-es.shop>, <chcarolinaherrera-outlets.shop>, and <chcarolinaherrera.shop> are registered with Chengdu West Dimension Digital Technology Co., Ltd. (the "Registrar").

3. Procedural History

The Complaint was filed in English with the WIPO Arbitration and Mediation Center (the "Center") on November 21, 2023. On November 21, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain names. On November 22, 2023, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the disputed domain names which differed from the named Respondent (Redacted for Privacy) and contact information in the Complaint. The Center sent an email communication to the Complainant on November 22, 2023 providing the registrant and contact information disclosed by the Registrar, and inviting the Complainant to submit an amendment to the Complaint. The Complainant filed an amendment to the Complaint in English on November 23, 2023.

On November 22, 2023, the Center informed the parties in Chinese and English, that the language of the registration agreement for the disputed domain names is Chinese. On November 23, 2023, the Complainant confirmed its request that English be the language of the proceeding. The Respondent did not submit any comment on the Complainant's submission.

The Center verified that the Complaint together with the amendment to the Complaint satisfied the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the "Policy" or "UDRP"), the Rules for Uniform Domain Name Dispute Resolution Policy (the "Rules"), and the WIPO Supplemental Rules for Uniform Domain Name Dispute Resolution Policy (the "Supplemental Rules").

In accordance with the Rules, paragraphs 2 and 4, the Center formally notified the Respondent in English and Chinese of the Complaint, and the proceedings commenced on November 28, 2023. In accordance with the Rules, paragraph 5, the due date for Response was December 18, 2023. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on December 19, 2023.

The Center appointed Jonathan Agmon as the sole panelist in this matter on December 27, 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

The Complainant is Carolina Herrera Ltd, a namesake company founded by Carolina Herrera in 1981 in New York, United States. It owns both the Carolina Herrera, and CH Carolina Herrera brands. The Complainant offers luxury fashion, fragrances, make-up, and accessories.

In 1995, the Complainant joined the Antonio Puig S.A. a Spanish family-owned company group founded in 1914 and selling clothing, fashion, fragrances, and skincare.

The Complainant is the owner of various CAROLINA HERRERA trademarks worldwide, including the following:-

- International trademark registration no. 1458735 for CAROLINA HERRERA, registered on June 15, 2018;
- European Union trademark registration no. 004047114 for CAROLINA HERRERA, registered on December 1, 2005; and
- China trademark registration no. 1083353 for CAROLINA HERRERA, registered on August 21, 1997.

The Complainant states that it operates and maintains its official websites, "www.carolinaherrera.com" and "www.chcarolinaherrera.com".

According to the captures provided by the Complainant, the disputed domain names resolved to websites prominently displaying the Complainant's trademark and purportedly offering the Complainant's branded products for sale at a steep discount. The details of the disputed domain names are as follows:-

- <chcarolinaherreraesoutlet.shop>, registered on June 8, 2023;
- <chcarolinaherrera-es.shop>, registered on March 27, 2023;
- <chcarolinaherrera-outlets.shop>, registered on May 29, 2023;
- <chcarolinaherreraoutlets.shop>, registered on April 12, 2023;
- <chcarolinaherrera.shop>, registered on July 10, 2023.

5. Parties' Contentions

A. Complainant

The Complainant contends that it has satisfied each of the elements required under the Policy for a transfer of the disputed domain names.

Notably, the Complainant contends that:

1. The disputed domain names incorporate the Complainant's CAROLINA HERRERA and/or CH CAROLINA HERRERA trademarks in their entirety with no alterations. The addition of various terms such as "es", "outlets", and/or hyphens does not prevent a finding of confusing similarity. The addition of the

generic Top-Level Domains ("gTLD") ".shop" is irrelevant when determining the confusing similarity between the Complainant's trademarks and the disputed domain names. By using the Complainant's trademarks in the disputed domain names, there is a considerable risk that the trade public will perceive the disputed domain names as either being owned by the Complainant, or having some commercial relationship with the Complainant. The Respondent is exploiting the goodwill and the image of the Complainant's trademark, which may result in dilution of the trademark.

- 2. The Respondent has no rights or legitimate interests in the disputed domain names. To the best of the Complainant's knowledge, the Respondent is not commonly known by the disputed domain names. There is also no evidence that the Respondent is using the Complainant's trademarks as a company name. The Complainant has not authorized or licensed the Respondent to use the Complainant's trademarks, in a domain name or otherwise. The Respondent is not an authorized representative of the Complainant, and has never had a business relationship with the Complainant. The Respondent is not using the disputed domain names in connection with any *bona fide* offering of goods or services. The disputed domain names resolve/resolved to websites that prominently display the Complainant's trademarks, and purport to offer for sale and large discounts, goods that are very similar to the Complainant's own offerings. This leads to an inference that the goods offered for sale by the Respondent are counterfeit goods. Such an act cannot amount to a legitimate use, and risks diluting the Complainant's trademarks, and is an attempt to capitalize on the reputation and goodwill of the Complainant and its trademarks.
- 3. The disputed domain names were registered and are being used in bad faith. The Complainant's trademarks have been registered as early as 1997, long before the registration of the disputed domain names. Given that the Complainant's trademarks have been registered for many years, the only logical reason for the Respondent registering the disputed domain names is that it was an attempt to target the Complainant's trademarks, and to create an impression that the Respondent's websites are affiliated with, or endorsed by the Complainant, for the purposes of attracting, for commercial gain, Internet users to the Respondent's websites by creating a likelihood of confusion with the Complainant's trademark as to the source, sponsorship, affiliation, or endorsement of the disputed domain names. The Respondent did not respond to the numerous cease and desist letters sent by the Complainant, which is an indication of bad faith. The disputed domain names also resolve/resolved to webpages which are designed to resemble the Complainant's own websites, and they also prominently display the Complainant's trademarks and name. This is also an indicator of bad faith on the part of the Respondent.

B. Respondent

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

6. Discussion and Findings

6.1 Preliminary Issue: Language of the Proceeding

The language of the Registration Agreement for the disputed domain names is Chinese. Pursuant to the Rules, paragraph 11(a), in the absence of an agreement between the parties, or unless specified otherwise in the registration agreement, the language of the administrative proceeding shall be the language of the registration agreement.

The Complaint was filed in English. The Complainant requested that the language of the proceeding be English for several reasons, including the fact that:

- (1) The disputed domain names comprise of the Complainant's trademarks, which utilize Latin characters, and not Chinese characters;
- (2) The Respondent targeted the Complainant, who has its principal address in the United States, where the de facto national language is the English language; and
- (3) The disputed domain names resolve to websites which are in languages other than Chinese.

The Respondent did not make any specific submissions with respect to the language of the proceeding.

In exercising its discretion to use a language other than that of the registration agreement, the Panel has to exercise such discretion judicially in the spirit of fairness and justice to both parties, taking into account all relevant circumstances of the case, including matters such as the parties' ability to understand and use the proposed language, time and costs (see WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 4.5.1).

Having considered all the matters above, the Panel determines under paragraph 11(a) of the Rules that the language of the proceeding shall be English.

6.2 Substantive Issues

A. Identical or Confusingly Similar

It is well accepted that the first element functions primarily as a standing requirement. The standing (or threshold) test for confusing similarity involves a reasoned but relatively straightforward comparison between the Complainant's trademark and the disputed domain names. WIPO Overview 3.0, section 1.7.

Based on the available record, the Panel finds the Complainant has shown rights in respect of a trademark or service mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.2.1.

The Panel finds the entirety of the mark is reproduced within the disputed domain names. Accordingly, the disputed domain names are confusingly similar to the mark for the purposes of the Policy. <u>WIPO Overview</u> 3.0, section 1.7.

Although the addition of other terms here, "ch", "es", "outlet", "outlets", and/or hyphens, may bear on assessment of the second and third elements, the Panel finds the addition of such terms does not prevent a finding of confusing similarity between the disputed domain names and the mark for the purposes of the Policy. WIPO Overview 3.0, section 1.8.

Based on the available record, the Panel finds the first element of the Policy has been established.

B. Rights or Legitimate Interests

Paragraph 4(c) of the Policy provides a list of circumstances in which the Respondent may demonstrate rights or legitimate interests in a disputed domain name.

Although the overall burden of proof in UDRP proceedings is on the complainant, panels have recognized that proving a respondent lacks rights or legitimate interests in a domain name may result in the difficult task of "proving a negative", requiring information that is often primarily within the knowledge or control of the respondent. As such, where a complainant makes out a *prima facie* case that the respondent lacks rights or legitimate interests, the burden of production on this element shifts to the respondent to come forward with relevant evidence demonstrating rights or legitimate interests in the domain name (although the burden of proof always remains on the complainant). If the respondent fails to come forward with such relevant evidence, the complainant is deemed to have satisfied the second element. WIPO Overview 3.0, section 2.1.

Having reviewed the available record, the Panel finds the Complainant has established a *prima facie* case that the Respondent lacks rights or legitimate interests in the disputed domain names. The Respondent has not rebutted the Complainant's *prima facie* showing and has not come forward with any relevant evidence demonstrating rights or legitimate interests in the disputed domain names such as those enumerated in the Policy or otherwise.

The Complainant's registration of its trademarks predates the registration of the disputed domain names. The Complainant has furnished evidence that the Respondent is not commonly known by the disputed domain names. The disputed domain names resolve/resolved to webpages resembling the Complainant's official websites, and purported to offer for sale, goods bearing the Complainant's trademarks at a steep discount, which suggests that the goods sold on the Respondent's websites are counterfeit. As elaborated on later, the sale of counterfeit goods cannot confer rights or legitimate interests to a respondent (WIPO Overview 3.0, section 2.13.1). There is also no objective evidence showing that the Respondent is using or has made any preparations to use the disputed domain names in connection with a *bona fide* offering of goods or services or for a legitimate noncommercial or fair use purpose.

The Panel also finds that the use of the Complainant's trademarks, CAROLINA HERRERA, in their entirety carries a risk that the disputed domain names would be perceived by Internet users to be affiliated with the legitimate holder of the trademarks, i.e. the Complainant. See <u>WIPO Overview 3.0</u>, section 2.5.1. It has been held by prior UDRP panels that where a domain name consists of a trademark, such composition cannot constitute fair use if it effectively impersonates or suggests sponsorship or endorsement by the trademark owner.

Based on the available record, the Panel finds the second element of the Policy has been established.

C. Registered and Used in Bad Faith

The Panel notes that, for the purposes of paragraph 4(a)(iii) of the Policy, paragraph 4(b) of the Policy establishes circumstances, in particular, but without limitation, that, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith.

In the present case, the Panel notes that the Respondent registered the disputed domain names long after the Complainant registered its CAROLINA HERRERA trademarks. Given the distinctiveness of the Complainant's marks and its good will, it is highly unlikely that the Respondent did not know of the Complainant and its CAROLINA HERRERA marks prior to the registration of the disputed domain names.

Paragraph 4(b) of the Policy sets out a list of non-exhaustive circumstances that may indicate that a domain name was registered and used in bad faith, but other circumstances may be relevant in assessing whether a respondent's registration and use of a domain name is in bad faith. WIPO Overview 3.0, section 3.2.1. The fact that the Respondent designed his webpages to resemble the Complainant's websites, and listed what appears to be and is claimed to be counterfeit goods for sale on his webpages is evidence of bad faith under the paragraph 4(b)(iv) of the Policy.

Panels have held that the use of a domain name for what appears to be and is claimed as illegal activity here, claimed sale of counterfeit goods constitutes bad faith. <u>WIPO Overview 3.0</u>, section 3.4. Having reviewed the record, the Panel finds the Respondent's registration and use of the disputed domain names constitutes bad faith under the Policy.

In this case, the Complainant has provided evidence that the goods sold on the Respondent's websites are sold at a steep discount as compared to the originals sold by the Complainant, with some items offered at an 94% discount. Past panels have held that goods sold at below market value can form circumstantial evidence which support a complainant's claim of counterfeit goods. The Panel therefore is satisfied that the goods sold on the Respondent's website are likely to be counterfeit and/or knockoff goods.

Based on the available record, the Panel finds that the 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 names <chcarolinaherreraesoutlet.shop>, <chcarolinaherrera-es.shop>, <chcarolinaherrera-outlets.shop>, and <chcarolinaherrera.shop> be transferred to the Complainant.

/Jonathan Agmon/ Jonathan Agmon Sole Panelist

Date: January 9, 2024