

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Gallery Department, LLC v. renala buyer12 Case No. D2024-0143

1. The Parties

The Complainant is Gallery Department, LLC, United States of America ("United States"), represented by Adelman Matz P.C., United States.

The Respondent is renala buyer12, Pakistan.

2. The Domain Name and Registrar

The disputed domain name <gallerydeptofficialshop.com> is registered with NameCheap, Inc. (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on January 13, 2024. On January 15, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On January 15, 2024, the Registrar transmitted by email to the Center its verification response, disclosing registrant and contact information for the disputed domain name 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 January 23, 2024, 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 amended Complaint on January 26, 2024.

The Center verified that the Complaint together with the amended 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 of the Complaint and the proceedings commenced on January 30, 2024. In accordance with the Rules, paragraph 5, the due date for Response was February 19, 2024. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on March 1, 2024.

The Center appointed Antony Gold as the sole panelist in this matter on March 8, 2024. 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 a unisex clothing brand based in Los Angeles, United States. It has retail stores in Los Angeles and Miami, United States. The Complainant's brand is GALLERY DEPT. and it sells its products online through its website at "www.gallerydept.com." It owns many trade marks for GALLLERY DEPT. to protect its trading style, including, by way of example only, United States trade mark registration number 6048485, in class 25, registered on May 5, 2020.

The disputed domain name was registered on July 7, 2023. It has previously resolved to a website branded as "Gallery Dept." which sold a variety of apparel much of which comprised garments emblazoned with a variety of logos including the Complainant's GALLERY DEPT. mark. The form of the Respondent's website closely followed the layout and colour scheme of the Complainant's website. The disputed domain name now resolves to an inactive website which comprises solely a notice: "www.gallerydeptofficialshop.com is a branded short domain. If you are here by mistake, you can go back."

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 name. Notably, the Complainant contends that;

- the disputed domain name is identical or confusingly similar to a trade mark in which it has rights. The Complainant refers to its registered marks for GALLERY DEPT. and says that the disputed domain name incorporates the entirety of its mark and should therefore be found confusingly similar to it. In particular, the addition of the terms "official" and "shop" do nothing to differentiate the disputed domain name from the Complainant's mark, not least because they imply that the Respondent's website is engaging in the sale of official or authorized clothing of the Complainant;

- the Respondent has no rights or legitimate interests in respect of the disputed domain name. It is firmly established that a respondent lacks rights or legitimate interests in respect of a domain name when there is evidence that it is using it in an illegitimate manner to suggest some form of connection, sponsorship or endorsement by the complainant for the purpose of selling products. The Respondent has clearly been copying the Complainant's clothing and has been using its marks to offer for sale counterfeit clothing. It has never used the disputed domain name in connection with a bona fide offering of goods and services. The Respondent is not commonly known by the disputed domain name, nor is it associated in any way with the Complainant, nor has the Complainant ever given the Respondent permission to use its GALLERY DEPT. marks;

- the disputed domain name was registered and is being used in bad faith. The registration of the disputed domain name was undertaken when the Respondent had constructive notice of the Complainant's GALLERY DEPT. marks. A quick search by the Respondent would have revealed the Complainant's marks, which had been obtained almost eight years prior to the registration of the disputed domain name. The Respondent is using the disputed domain name to intentionally attract consumers to its website where it is selling counterfeit merchandise using the Complainant's GALLERY DEPT. marks without any authorization.

B. Respondent

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

6. Discussion and Findings

Dealing, first, with the Respondent's failure to file a response to the Complaint, paragraph 14(b) of the Rules provides that if a party, in the absence of exceptional circumstances, does not comply with a provision of, or requirement under, these Rules, the Panel shall be entitled to draw such inferences from this omission as it considers appropriate.

Paragraph 4(a) of the Policy provides that a complainant proves each of the following three elements in relation in order to succeed in its complaint:

(i) the domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; and

- (ii) the respondent has no rights or legitimate interests with respect to the domain name; and
- (iii) the domain name has been registered and is being used in bad faith.

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 trade mark and the disputed domain name; see the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition (<u>"WIPO Overview 3.0</u>"), section 1.7.

Based on the available record, the Panel finds the Complainant has shown rights in respect of its GALLERY DEPT. mark for the purposes of the Policy; see the <u>WIPO Overview 3.0</u>. As a technical requirement of registration, the generic Top-Level Domain ("gTLD"), that is ".com" in respect of the disputed domain name, is usually disregarded when assessing confusing similarity. The Complainant's GALLERY DEPT. mark is reproduced in its entirety in the disputed domain name and is clearly recognizable within it. The additional terms "official" and "shop" do not prevent a finding of confusing similarity between the disputed domain name and the Complainant's mark for the purposes of the Policy; see the <u>WIPO Overview 3.0</u>, section 1.8.

For the above reasons, based on the available record, the Panel finds that 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 by which the Respondent may demonstrate rights or legitimate interests in a disputed domain name. Whilst 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 impossible 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. If the respondent fails to come forward with such relevant evidence, the complainant is deemed to have satisfied the second element; see the <u>WIPO Overview 3.0</u>, section 2.1.

Having reviewed the record, the Panel finds the Complainant has established a prima facie case that the Respondent lacks rights or legitimate interests in the disputed domain name. 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 name such as those enumerated in the Policy or otherwise. In particular, the Panel considers that the record of this case reflects that:

- before any notice to the Respondent of the dispute, the Respondent did not use, nor has it made demonstrable preparations to use, the disputed domain name in connection with a bona fide offering of goods or services; see paragraph 4(c)(i) of the Policy, and the <u>WIPO Overview 3.0</u>, section 2.2. Previous UDRP panels have held that the use of a domain name for illegal activity, including phishing, distributing malware, impersonation/passing off, or other types of fraud, can never confer rights or legitimate interests on a respondent; see section 2.13.1 of the <u>WIPO Overview 3.0</u> and, by example, *Delsey v. Lenna Wehner*, WIPO Case No. D2023-4648. The Panel also takes into account the fact that the Respondent has chosen not to challenge the Complainant's assertions of fraudulent intent. So far as the current use of the disputed domain name to resolve to a webpage of this type,

self-evidently, does not comprise use in connection with a bona fide offering of goods and services;

- there is no evidence in the record that the Respondent has been commonly known by the disputed domain name. In this respect, see paragraph 4(c)(ii) of the Policy and the <u>WIPO Overview 3.0</u>, section 2.3;

- the Respondent is not 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 trade mark or service mark at issue; see paragraph 4(c)(iii) of the Policy and the <u>WIPO Overview 3.0</u>, section 2.4;

- the record contains no other factors demonstrating rights or legitimate interests of the Respondent in the disputed domain name.

For the above reasons, 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 record shows that, within a few months after the Respondent's registration of the disputed domain name in November 2023, it resolved to a website which masqueraded as that of the Complainant. This suggests both an awareness by the Respondent of the Complainant's GALLERY DEPT. mark as at the date of registration of the disputed domain name and an intention on its part to take unfair advantage of it. It is well-established under the Policy that registration of a domain name by an unconnected party with knowledge of a complainant's trade mark registration and where the domain name is put to a misleading use establishes bad faith; see, for example, *The Frankie Shop LLC v. xi bing*, WIPO Case No. <u>D2023-3311</u>. The Respondent's registration of the disputed domain name is accordingly in bad faith.

Paragraph 4(b) of the Policy sets out, without limitation, circumstances which, if found by a panel to be present, shall be evidence of the registration and use of a domain name in bad faith. The circumstance set out in paragraph 4(b)(iv) of the Policy is if a respondent has intentionally attempted to attract, for commercial gain, Internet users to its website by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of its website. The use to which the Respondent has put the disputed domain name falls within this circumstance in that the content of its website will have misled Internet users into believing that it was operated, or authorized, by the Complainant. Such a belief will have been reinforced because of the confusing similarity between the disputed domain name and the Complainant's GALLERY DEPT. mark; see *Delsey v. Lenna Wehner* (*supra*).

Whilst the disputed domain name no longer resolves to an active website, from the inception of the UDRP, panelists 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; see the <u>WIPO Overview 3.0</u>, section 3.3 and by way of example, *Johnson & Johnson v. Daniel Wistbacka*, WIPO Case No. <u>D2017-0709</u>. Although panelists will look at the totality of the circumstances in each case, factors that have been considered relevant in applying the passive holding doctrine include: (i) the degree of distinctiveness or reputation of the complainant's mark, (ii) the failure of the respondent to submit a response or to provide any evidence of actual or contemplated good faith use, (iii) the respondent's concealing its identity or use of false contact details and (iv) the implausibility of any good faith use to which the domain name may be put.

Applying these factors to the circumstances of these proceedings: (i) the Complainant has provided evidence which establishes, for the purpose of the Policy, that its GALLERY DEPT. mark is distinctive in the context of the goods for which it is registered; (ii) the Respondent has not provided a response to the Complaint nor is there any evidence of actual or contemplated good faith use of the disputed domain name; (iii) the Respondent has sought to conceal its identity through its use of a privacy service; and (iv) there is no plausible good faith use to which the disputed domain name can be put by the Respondent. In the circumstances of this case, the passive holding of the disputed domain name does not prevent a finding of bad faith under the Policy. See also, for example, *Alstom v. Contact Privacy Inc. Customer 1244065242 / Michelle Chung, Chung Limited Co*, WIPO Case No. <u>D2019-2718</u>.

Having reviewed the record, and for the reasons set out above, the Panel finds the Respondent's registration and use of the disputed domain name has been in bad faith.

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 name <gallerydeptofficialshop.com> be transferred to the Complainant.

/Antony Gold/ Antony Gold Sole Panelist Date: March 22, 2024