

ARBITRATION AND MEDIATION CENTER

# ADMINISTRATIVE PANEL DECISION

EE Holding Group LLC v. David Newman Case No. D2024-0564

#### 1. The Parties

Complainant is EE Holding Group LLC, United States of America ("U.S." or "United States"), represented by The Sladkus Law Group, United States.

Respondent is David Newman, United States.

## 2. The Domain Name and Registrar

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

# 3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on February 7, 2024. On February 8, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Name. On February 8, 2024, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the Domain Name which differed from the named Respondent (Redacted for Privacy), and contact information in the Complaint. The Center sent an email communication to Complainant on February 9, 2024, providing the registrant and contact information disclosed by the Registrar, and inviting Complainant to submit an amendment to the Complaint. Complainant filed an amendment to the Complaint on February 9, 2024.

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 Respondent of the Complaint, and the proceedings commenced on February 19, 2024. In accordance with the Rules, paragraph 5, the due date for Response was March 10, 2024. Respondent did not submit any response. Accordingly, the Center notified Respondent's default on March 12, 2024.

The Center appointed John C. McElwaine as the sole panelist in this matter on March 18, 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

Complainant is a United States-based fashion company. Relevant to this matter, Complainant owns the following trademark registrations:

- United States, ERIC EMANUEL, U.S. Reg. No. 6721224, filed on December 3, 2020 and registered on May 24, 2022 in Class 25; and
- International Registration, ERIC EMANUEL, 1762468, registered on October 11, 2023, in Class 25.

Collectively, these registered trademark rights are referred to as the "ERIC EMANUEL Mark."

On November 6, 2023, Respondent registered the Domain Name with the Registrar. The Domain Name resolves to a functioning website purportedly selling ERIC EMANUEL brand apparel.

# 5. Parties' Contentions

### A. Complainant

Complainant contends that it has satisfied each of the elements required under the Policy for a transfer of the Domain Name.

As background, Complainant, a Delaware-based limited liability company, contends that it holds all intellectual property rights, including trademarks, for renowned fashion designer Eric Emanuel. Known for collaborations with major brands and a distinctive sportswear collection, Complainant asserts that is exclusively sells its products online, through physical stores, and authorized retailers. Complainant alleges that it faces challenges due to frequent counterfeiting and cybersquatting, which threaten its brand integrity and business sustainability.

With respect to the first element of the Policy, Complainant alleges that the Domain Name incorporates Complainant's ERIC EMANUEL Mark in its entirety adding only the terms, "short" and "store". The addition of these terms still creates a Domain Name confusingly similar to Complainant's ERIC EMANUEL Mark.

As to the second element of the Policy, Complainant asserts that Respondent lacks rights or legitimate interests in the Domain Name alleging that Respondent was never authorized to use Complainant's trademark, and there is no evidence of any bona fide offering of goods or services associated with the Domain Name. Complainant further alleges that Respondent's website sells counterfeit products, indicating an intention to deceive consumers and profit from unauthorized use of Complainant's ERIC EMANUEL Mark. Respondent's actions are asserted to not be a legitimate noncommercial or fair use of the Domain Name, further highlighting its lack of legitimate interests.

As to the third element of the Policy, Complainant contends that Respondent registered and used the Domain Name in bad faith by intentionally incorporating Complainant's ERIC EMANUEL Mark into the Domain Name and operating a website selling counterfeit goods. Compliant contends that the registration and use of the Domain Name for activities such as counterfeiting constitute clear evidence of bad faith, as Respondent knowingly benefits from misleading consumers and diverting them from Complainant's authentic products.

#### **B.** Respondent

Respondent did not reply to Complainant's contentions.

## 6. Discussion and Findings

Although Respondent defaulted, to succeed in this proceeding, paragraph 4(a) of the Policy requires Complainant to prove its assertions with evidence demonstrating:

- (i) the Domain Name is identical or confusingly similar to a trademark or service mark in which Complainant has rights;
- (ii) Respondent has no rights or legitimate interests in respect of the Domain Name; and
- (iii) the Domain Name has been registered and is being used in bad faith.

Because of Respondent's default, the Panel may accept as true the reasonable factual allegations stated within the Complaint and may draw appropriate inferences therefrom. See *St. Tropez Acquisition Co. Limited v. AnonymousSpeech LLC and Global House Inc.*, WIPO Case No. D2009-1779; *Bjorn Kassoe Andersen v. Direction International*, WIPO Case No. D2007-0605; and see also paragraph 5(f) of the Rules ("If a Respondent does not submit a response, in the absence of exceptional circumstances, the Panel shall decide the dispute based upon the complaint"). Having considered the Complaint, the Policy, the Rules, the Supplemental Rules, and applicable principles of law, the Panel's findings on each of the above-cited elements are as follows:

# 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 Complainant's trademark and the Domain Name. WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition, ("WIPO Overview 3.0"), section 1.7. Ownership of a trademark registration prima facie satisfies that a complainant has the requisite rights in a mark for purposes of paragraph 4(a)(i) of the Policy. WIPO Overview, section 1.2. On this point, Complainant has provided evidence that it is the owner of trademark registrations for the ERIC EMANUEL Mark. The Panel also finds the mark is recognizable within the Domain Name. Accordingly, the Domain Name is confusingly similar to the mark for the purposes of the Policy. WIPO Overview 3.0, section 1.7.

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

## **B. Rights or Legitimate Interests**

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

In this matter, Complainant contends that Respondent is not authorized to register the Domain Name or use the ERIC EMANUEL Mark, nor does Respondent have any affiliation, association or connection with Complainant. Rather, Complainant contends Respondent developed a website at the Domain Name using

Complainant's ERIC EMANUEL Mark and images of Complainant's products to sell products purporting to be Complainant's products, and which Complainant alleges are counterfeit because they are being sold in quantities unavailable to any third-party retailer and at prices that are disproportionately below market value. Section 2.13.2 of the <a href="WIPO Overview 3.0">WIPO Overview 3.0</a> provides the following guidance concerning such allegations, even when the respondent is in default:

"Evidence that the goods are offered disproportionately below market value, that the goods are only sold under license or through a prescription (especially with pharmaceutical products), that the images of the goods prima facie suggest (e.g., where the relevant logo is distorted) that they are not genuine, that the respondent has misappropriated copyrighted images from the complainant's website, that the goods are extremely rare, that the goods have prompted consumer complaints, or that a respondent has improperly masked its identity to avoid being contactable, have each been found relevant [to proving a lack of legitimate interest based upon illegal activity]."

Having reviewed the available record, the Panel finds Complainant has established a prima facie case that Respondent lacks rights or legitimate interests in the Domain Name. Respondent has not rebutted Complainant's prima facie showing and has not come forward with any relevant evidence demonstrating rights or legitimate interests in the Domain Name such as those enumerated in the Policy<sup>1</sup> or otherwise.

As an initial matter, there is no evidence that Respondent is commonly known by the Domain Name and is, instead, known as David Newman, as was disclosed by the Registrar. The Panel therefore finds, based on the record and the lack of evidence otherwise, that Respondent is not commonly known by the Domain Name, which adopts Complainant's ERIC EMANUEL Mark in furtherance of Respondent's scheme to deceive Internet users into believe that Respondent is an authorized retailer for Complainant's products. See *Moncler S.p.A. v. Bestinfo*, WIPO Case No. <u>D2004-1049</u> ("the Panel notes that the respondent's name is "Bestinfo" and that it can therefore not be "commonly known by the Domain Name.")

Respondent cannot claim that its operation of the website at the Domain Name provides legitimate interests because the Panel finds that the Domain Name was likely registered and is being used to engage in counterfeit sales of products, which is not a bona fide offering of goods or services. WIPO Overview 3.0, section 2.13.1 ("Panels have categorically held that the use of a domain name for illegal activity (e.g., the sale of counterfeit goods or illegal pharmaceuticals, phishing, distributing malware, unauthorized account access/hacking, impersonation/passing off, or other types of fraud) can never confer rights or legitimate interests on a respondent. Even if the products sold by Respondent were genuine (which is highly unlikely given the circumstances mentioned above), such use of the Domain Name does not meet the requirements set forth in "Oki Data Test", because the site does not disclose the lack of relationship between Respondent and Complainant. WIPO Overview 3.0, section 2.8.

Lastly, Respondent's use of the Domain Name is not noncommercial or fair use under paragraph 4(c)(iii) of the Policy, given that Respondent is, at best, selling competing products from an online retail website. Such activity does not amount to a fan site, criticism, or other activity that may be considered noncommercial or fair use.

The Panel finds that Respondent does not have rights or legitimate interests in the Domain Name and that Complainant has met its burden under paragraph 4(a)(ii) of the Policy.

<sup>&</sup>lt;sup>1</sup> The Policy, paragraph 4(c), provides a non-exhaustive list of circumstances in which a respondent could demonstrate rights or legitimate interests in a contested domain name: "(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 noncommercial 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."

## C. Registered and Used in Bad Faith

According to paragraph 4(a)(iii) of the Policy, Complainant must show that Respondent registered and is using the Domain Name in bad faith. A non-exhaustive list of factors constituting bad faith registration and use is set out in paragraph 4(b) of the Policy.

Bad faith registration can be found where a respondent "knew or should have known" of a complainant's trademark rights and nevertheless registered a domain name in which it had no right or legitimate interest. See *Accor v. Kristen Hoerl*, WIPO Case No. <u>D2007-1722</u>. As detailed above, Respondent registered the Domain Name which is confusingly similar to the ERIC EMANUEL Mark. There is no explanation for Respondent to have chosen to register the Domain Name other than to intentionally trade off the goodwill and reputation of Complainant's trademark or otherwise create a false association with Complainant. With no response from Respondent, this claim is undisputed.

As discussed herein, Respondent registered the Domain Name and linked it to a website using Complainant's ERIC EMANUEL Mark, including a reproduction of Complainant's images. Complainant further alleges that Respondent is either selling counterfeit clothing. This amounts to bad faith use of the Domain Name by Respondent. See *Identigene, Inc. v. Genetest Labs*, WIPO Case No. D2000-1100 (finding bad faith where the respondent's use of the domain name at issue to resolve to a website where similar services are offered to Internet users is likely to confuse the user into believing that the complainant is the source of or is sponsoring the services offered at the site); *MathForum.com, LLC v. Weiguang Huang*, WIPO Case No. D2000-0743 (finding bad faith under paragraph 4(b)(iv) of the Policy where the respondent registered a domain name confusingly similar to the complainant's mark and the domain name was used to host a commercial website that offered similar services offered by the complainant under its mark).

As detailed above, the Panel finds on the record before it that Respondent's intention in registering the Domain Name was to attract, for commercial gain, Internet users to Respondent's website by creating a likelihood of confusion with the ERIC EMANUEL Mark as to the source, sponsorship, affiliation, or endorsement of its website or location or of a product or service on its website or location. Thus, the Panel holds that Complainant has met its burden of providing sufficient evidence that Respondent registered and is using the Domain Name in bad faith under paragraph 4(b)(iv) of the Policy.

For these reasons, the Panel holds that Complainant has met its burden of showing that Respondent registered and is using the Domain Name in bad faith under paragraph 4(a)(iii) 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 Domain Name, <ericemanuelshortstore.com>, be transferred to Complainant.

/John C. McElwaine/ John C. McElwaine Sole Panelist Date: April 3, 2024