

ARBITRATION AND MEDIATION CENTER

# ADMINISTRATIVE PANEL DECISION

Alfwear Inc. v. Mei Liu / Pdi Pdi Case No. D2022-4303

# 1. The Parties

The Complainant is Alfwear Inc., United States of America ("United States"), represented by BAKER IP PLLC, United States.

The Respondents are Mei Liu, China and Pdi Pdi, Hongkong China.

# 2. The Domain Names and Registrar

The disputed domain names <kuhlstore.com> and <storekuhl.com> are registered with Name.com, Inc. (the "Registrar").

### 3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on November 11, 2022. On November 14, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain names. On the same day, 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 (Whois Agent, Domain Protection Services, Inc.) and contact information in the Complaint. The Center sent an email communication to the Complainant on November 15, 2022, providing the registrant and contact information for multiple underlying registrants disclosed by the Registrar, and inviting the Complainant to either amend the Complaint adding the Registrar-disclosed registrants as formal Respondents and provide relevant arguments or evidence demonstrating that all named Respondents are, in fact, the same entity and/or that all domain names are under common control; and/or, to file a separate complaint for any domain names for which it is not possible to demonstrate that all named Respondents are in fact the same entity and/or that all domain names are under common control and indicate which domain names will no longer be included in the current Complaint. The Complainant filed an amended Complaint on November 18, 2022, including arguments for the consolidation.

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 Respondents of the Complaint, and the proceedings commenced on November 22, 2022. In accordance with the Rules,

paragraph 5, the due date for Response was December 12, 2022. The Respondents did not submit any response. Accordingly, the Center notified the Respondents' default on December 13, 2022.

The Center appointed Edoardo Fano as the sole panelist in this matter on December 20, 2022. 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.

The Panel has not received any requests from the Complainant or the Respondents regarding further submissions, waivers, or extensions of deadlines, and the Panel has not found it necessary to request any further information from the Parties.

Having reviewed the communication records in the case file provided by the Center, the Panel finds that the Center has discharged its responsibility under the Rules, paragraph 2(a), "to employ reasonably available means calculated to achieve actual notice to Respondent". Therefore, the Panel shall issue its Decision based upon the Complaint, the Policy, the Rules, and the Supplemental Rules and without the benefit of a response from the Respondents.

The language of the proceeding is English, being the language of the Registration Agreements, as per paragraph 11(a) of the Rules.

### 4. Factual Background

The Complainant is Alfwear Inc., a United States company operating in the fashion field and owning several trademark registrations for KÜHL and KUHL, among which:

- United States Trademark Registration No. 3,916,866 for KÜHL, registered on February 8, 2011;

- United States Trademark Registration No. 4,441,177 for KUHL, registered on November 26, 2013.

The Complainant also operates on the Internet, being "www.kuhl.com" its official website.

The Complainant provided evidence in support of the above.

According to the Whols records, the disputed domain name <kuhlstore.com> was registered on August 25, 2022 and the disputed domain name <storekuhl.com> was registered on August 18, 2022. They both resolve to almost identical websites in which the Complainant's trademark and logo, as well as products images taken from the Complainant's official website, are reproduced and unauthorized and purportedly counterfeit Complainant's products are offered for sale.

### 5. Parties' Contentions

#### A. Complainant

The Complainant states that the disputed domain names are confusingly similar to its trademarks KÜHL and KUHL, since they fully incorporate the Complainant's trademark KUHL.

The Complainant asserts that the Respondents have no rights or legitimate interests in respect of the disputed domain names since they have not been authorized by the Complainant to register the disputed domain names or to use its trademarks within the disputed domain names, they are not commonly known by the disputed domain names and they are not making either a *bona fide* offering of goods or services or a legitimate noncommercial or fair use of the disputed domain names; the disputed domain names resolve to almost identical websites in which the Complainant's trademarks and logo are reproduced and the same

products as the Complainant are offered for sale, intentionally creating a false association and confusion with the Complainant's fashion field of activity.

The Complainant submits that the Respondents have registered the disputed domain names in bad faith, since the Complainant's trademarks KÜHL and KUHL are distinctive and known in the fashion field. Therefore, the Respondents targeted the Complainant's trademarks at the time of registration of the disputed domain names and the Complainant contends that the use of the disputed domain names with the purpose of selling unauthorized and potentially counterfeit goods by using the Complainant's trademarks and logo as well as pirated product images from the Complainant's official website, creating a likelihood of confusion with the Complainant's trademarks as to the source, sponsorship, affiliation, or endorsement of the Respondents' websites and trading upon the Complainant's goodwill, qualifies as bad faith registration and use.

# **B.** Respondents

The Respondents have made no reply to the Complainant's contentions and are in default. In reference to paragraphs 5(f) and 14 of the Rules, no exceptional circumstances explaining the default have been put forward or are apparent from the record.

A respondent is not obliged to participate in a proceeding under the Policy, but if it fails to do so, reasonable facts asserted by a complainant may be taken as true, and appropriate inferences, in accordance with paragraph 14(b) of the Rules, may be drawn (see, e.g., *Reuters Limited v. Global Net 2000, Inc.*, WIPO Case No. D2000-0441; *Microsoft Corporation v. Freak Films Oy*, WIPO Case No. D2003-0109; *SSL International PLC v. Mark Freeman*, WIPO Case No. D2000-1080; *Altavista Company v. Grandtotal Finances Limited et. al.*, WIPO Case No. D2000-0848; *Confédération Nationale du Crédit Mutuel, Caisse Fédérale du Crédit Mutuel Nord Europe v. Marketing Total S.A.*, WIPO Case No. D2007-0288).

# 6. Discussion and Findings

# 6.1 Consolidation of Multiple Respondents

The Complainant has requested consolidation of multiple Respondents and stated that all the disputed domain names belong to the same person or organization. No objection to this request was made by the Respondents.

Pursuant to the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("<u>WIPO</u> <u>Overview 3.0</u>"), section 4.11.2, "Where a complaint is filed against multiple respondents, panels look at whether (i) the domain names or corresponding websites are subject to common control, and (ii) the consolidation would be fair and equitable to all parties. Procedural efficiency would also underpin panel consideration of such a consolidation scenario". The Panel may consider a range of factors to determine whether consolidation is appropriate, such as examining relevant registrant contact information, and any naming patterns in the disputed domain names, or other evidence of respondent affiliation that indicate common control of the disputed domain names.

The Panel notes that both the disputed domain names are targeting the Complainant's trademarks resolving to almost identical websites, and they were both registered with the same Registrar within a week of each other. The Panel finds that there is sufficient evidence that the disputed domain names are subject to common control, and that it would be procedurally efficient, fair and equitable to all Parties to accept the Complainant's consolidation request. The Panel further notes that the Respondents did not object to the consolidation request. The Panel therefore accepts the Complainant's consolidation request. Hereinafter, the Panel will refer to the Respondents in the singular, *i.e.*, "the Respondent".

# 6.2 Substantive Issues

Paragraph 4(a) of the Policy lists three elements, which the Complainant must satisfy in order to succeed:

- (i) the disputed domain names are 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 in respect of the disputed domain names; and
- (iii) the disputed domain names have been registered and are being used in bad faith.

# A. Identical or Confusingly Similar

The Panel finds that the Complainant is the owner of the trademarks KÜHL and KUHL and that the disputed domain names are confusingly similar to the trademarks KÜHL and KUHL as they fully incorporate the Complainant's trademark KUHL, with the addition of the term "store".

Regarding the addition of the term "store", the Panel notes that it is now well established that the addition of other terms or letters to a domain name does not prevent a finding of confusing similarity between the disputed domain name and the trademark (see, *e.g.*, *Aventis Pharma SA., Aventis Pharma Deutschland GmbH v. Jonathan Valicenti*, WIPO Case No. D2005-0037; *Red Bull GmbH v. Chai Larbthanasub*, WIPO Case No. D2003-0709; *America Online, Inc. v. Dolphin@Heart*, WIPO Case No. D2000-0713). The addition of the term "store" does not therefore prevent the disputed domain names from being confusingly similar to the Complainant's trademarks. See <u>WIPO Overview 3.0</u>, section 1.8.

It is also well accepted that a generic Top-Level Domain ("gTLD"), in this case ".com", is typically ignored when assessing the confusing similarity between a trademark and a domain name. See <u>WIPO Overview</u> <u>3.0</u>, section 1.11.1.

The Panel finds that the Complainant has therefore met its burden of proving that the disputed domain names are confusingly similar to the Complainant's trademarks, pursuant to the Policy, paragraph 4(a)(i).

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

Paragraph 4(a)(ii) of the Policy requires the Complainant to prove that the Respondent has no rights or legitimate interests in the disputed domain names.

The Respondent may establish a right or legitimate interest in the disputed domain names by demonstrating in accordance with paragraph 4(c) of the Policy any of the following circumstances, in particular but without limitation:

"(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."

According to paragraph 4(a) of the Policy, the Complainant has the burden of proving the three elements of the Policy. However, satisfying the burden of proving a lack of the Respondent's rights or legitimate interests in respect of the disputed domain names according to paragraph 4(a)(ii) of the Policy is potentially quite difficult, since proving a negative circumstance is always more complicated than establishing a positive one.

As such, it is well accepted that it is sufficient for the Complainant to make a *prima facie* case that the Respondent has no rights or legitimate interests in the disputed domain names in order to shift the burden of production on the Respondent. If the Respondent fails to demonstrate rights or legitimate interests in the disputed domain names in accordance with paragraph 4(c) of the Policy or on any other basis, the Complainant is deemed to have satisfied paragraph 4(a)(ii) of the Policy.

The Complainant in its Complaint, and as set out above, has established a *prima facie* case that the Respondent has no rights or legitimate interests in the disputed domain names. It asserts that the Respondent is not currently associated with the Complainant in any way, is not commonly known by the disputed domain names and is not making a *bona fide* offering of goods or services or a legitimate noncommercial or fair use of the disputed domain names: the Respondent, on the websites at the disputed domain names, is reproducing the Complainant's trademarks and logo and supposedly offering the same fashion products as the Complainant's.

The *prima facie* case presented by the Complainant is enough to shift the burden of production to the Respondent to demonstrate that it has rights or legitimate interests in the disputed domain names. However, the Respondent has not presented any evidence of any rights or legitimate interests it may have in the disputed domain names, and the Panel is unable to establish any such rights or legitimate interests on the basis of the evidence in front of it.

Should the Complainant's products sold on the websites to which the disputed domain names are directing Internet users be genuine products, legitimately acquired by the Respondent, the question that would arise is whether the Respondent would therefore have a legitimate interest in using the disputed domain names that are confusingly similar to the Complainant's trademarks in circumstances that are likely to give rise to confusion.

According to the current state of UDRP decisions in relation to the issue of resellers as summarized in the <u>WIPO Overview 3.0</u>, section 2.8.1:

"[...] resellers, distributors, or service providers using a domain name containing the complainant's trademark to undertake sales or repairs related to the complainant's goods or services may be making a *bona fide* offering of goods and services and thus have a legitimate interest in such domain name. Outlined in the 'Oki Data test', the following cumulative requirements will be applied in the specific conditions of a UDRP case:

(i) the respondent must actually be offering the goods or services at issue;

(ii) the respondent must use the site to sell only the trademarked goods or services;

(iii) the site must accurately and prominently disclose the registrant's relationship with the trademark holder; and

(iv) the respondent must not try to 'corner the market' in domain names that reflect the trademark."

This summary is based on the UDRP decision in *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. D2001-0903.

On the other hand, should the products offered for sale on the websites to which the disputed domain names are redirecting Internet users be counterfeit products, as suspected by the Complainant, that would be clear evidence that the Respondent does not have any rights or legitimate interests in the disputed domain names.

In the present case, the Panel is reluctant to accept the allegation of counterfeiting suggested by the Complainant as based only on mere conclusory statements.

According to the UDRP panel decisions in relation to the issue of a respondent default and a complainant's unsupported allegations as summarized in the <u>WIPO Overview 3.0</u>, paragraph 4.3:

"Noting the burden of proof on the complainant, a respondent's default *(i.e.,* failure to submit a formal response) would not by itself mean that the complainant is deemed to have prevailed; a respondent's

default is not necessarily an admission that the complainant's claims are true. In cases involving wholly unsupported and conclusory allegations advanced by the complainant, or where a good faith defense is apparent (*e.g.*, from the content of the website to which a disputed domain name resolves), panels may find that – despite a respondent's default – a complainant has failed to prove its case."

The Panel notes that the Complainant is claiming that the products offered for sale on the websites at the disputed domain names are counterfeits, without providing any evidence supporting its claim. Therefore, taking into account section 2.13.2 of the <u>WIPO Overview 3.0</u>, the Panel considers that the Complainant's suspect that the products sold on the websites to which the disputed domain names are redirecting Internet users are counterfeited is not adequately supported.

Nevertheless, even if the products sold by the Respondent were the Complainant's genuine products, from inspection of the Respondent's websites, the Panel finds that the use of the Complainant's trademarks and logo, as well as of products advertising material taken from the Complainant's official website, together with the lack of any disclaimer, would falsely suggest to the Internet users, under the Oki Data principles (see above), that the websites to which the disputed domain names resolve are owned by the Complainant or at least affiliated to the Complainant.

The Panel therefore concludes that the disputed domain names are not being used in connection with a *bona fide* offering of goods or services.

Moreover, the Panel finds that the composition of the disputed domain names carries a risk of implied affiliation as they effectively impersonate or suggest sponsorship or endorsement by the Complainant. See <u>WIPO Overview 3.0</u>, section 2.5.1.

Based on the facts of this case, the Panel finds that the Respondent has no rights or legitimate interests in the disputed domain names.

The Panel therefore finds that paragraph 4(a)(ii) of the Policy has been satisfied.

### C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy provides that "for the purposes of paragraph 4(a)(iii) [of the Policy], 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:

- circumstances indicating that [the respondent has] registered or has 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 its documented out-of-pocket costs directly related to the domain name; or
- (ii) [the respondent has] 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 [the respondent has] engaged in a pattern of such conduct; or
- (iii) [the respondent has] registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- (iv) by using the domain name, [the respondent has] intentionally attempted to attract, for commercial gain, Internet users to [the respondent's] website 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 [the respondent's] web site or location or of a product or service on [the respondent's] web site or location."

Regarding the registration in bad faith of the disputed domain names, the reputation of the Complainant's trademarks KÜHL and KUHL in the fashion field is clearly established and, given the composition of the disputed domain names and their use in the relevant almost identical websites, the Panel finds that the Respondent obviously knew of the Complainant and deliberately registered the disputed domain names.

The Panel further notes that the disputed domain names are also being used in bad faith since the Respondent is trying to attract Internet users to its websites by creating likelihood of confusion with the Complainant's trademarks in order to sell apparently the same products as the Complainant's, an activity detrimental to the Complainant's business.

The above suggests to the Panel that the Respondent intentionally registered and is using the disputed domain names in order both to disrupt the Complainant's business, in accordance with paragraph 4(b)(iii) of the Policy, and to attract, for commercial gain, Internet users to its website in accordance with paragraph 4(b)(iv) of the Policy.

Furthermore, the Panel considers that the nature of the inherently misleading disputed domain names, which are almost identical to the Complainant's trademark KUHL with the mere addition of the term "store", further supports a finding of bad faith and intent to confuse users about a non-existent affiliation trading off of the Complainant's reputation and goodwill. See <u>WIPO Overview 3.0</u>, section 3.2.1.

The Panel therefore finds that paragraph 4(a)(iii) of the Policy has been satisfied.

# 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 <kuhlstore.com> and <storekuhl.com> be transferred to the Complainant.

/Edoardo Fano/ Edoardo Fano Sole Panelist Date: January 3, 2023