

ARBITRATION
AND
MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Sugartown Worldwide, LLC v. Registration Private, Domains By Proxy, LLC / Justin Pennington, Avoiding Costly Auto Repair Case No. D2022-3166

1. The Parties

Complainant is Sugartown Worldwide, LLC, United States of America ("United States" or "U.S."), represented by Kilpatrick Townsend & Stockton LLP, United States.

Respondent is Registration Private, Domains By Proxy, LLC, United States / Justin Pennington, Avoiding Costly Auto Repair, United States.

2. The Domain Name and Registrar

The disputed domain name < lillypulitzerwarehousesale.com is registered with GoDaddy.com, LLC (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on August 26, 2022. On August 29, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On August 29, 2022, 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 and contact information in the Complaint. The Center sent an email communication to Complainant on August 30, 2022, providing the registrant and contact information disclosed by the Registrar, and inviting Complainant to submit an amendment to the Complaint. Complainant filed an amended Complaint on September 2, 2022.

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 Respondent of the Complaint, and the proceedings commenced on September 7, 2022. In accordance with the Rules, paragraph 5, the due date for Response was September 27, 2022. Respondent did not submit any response. Accordingly, the Center notified Respondent's default on September 28, 2022.

The Center appointed Scott R. Austin as the sole panelist in this matter on October 3, 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.

4. Factual Background

Without contest by Respondent, Complainant asserts in its Complaint as amended, and its Annexes attached provide evidence sufficient to support that:

Complainant is a designer, marketer, and distributor of upscale collections of women's and girl's dresses, sportswear, and other products, including furniture and bedding under the trademark LILLY PULITZER (the "LILLY PULITZER Mark") since at least as early as 1961. Complainant operates fifty-eight (58) retail stores for its apparel and accessories in locations throughout the United States, forty-nine (49) Lilly Pulitzer "signature stores" pursuant to agreements with wholesale customers authorized to operate a store under the direction of Complainant's brand specifications, and also sells to major retailers such as Belk, Dillard's, Bloomingdales, Lord & Taylor, and Saks Fifth Avenue stores. For fiscal year 2021, Lilly Pulitzer's net sales of LILLY PULITZER Mark goods and services approximated nearly USD 300 million.

Complainant holds numerous trademark registrations for the LILLY PULITZER Mark in the U.S. and around the world, also supporting its contention that its mark is well-known, including:

- 1. U.S. Registration No. 1,157,374, LILLY PULITZER, filed on May 19, 1978, registered on June 9, 1981, for "clothing-namely, jeans, pants, slacks, shirts, belts, jackets, skirts and shorts.," in International Class 25 and claiming a first use date of January 1, 1961.
- 2. U.S. Registration No. 1,880,248, LILLY PULITZER, filed on Dec 24, 1991, registered on Feb 21, 1995, for "Retail clothing stores," in International Class 42 and claiming a first use date of May 27, 1994.
- 3. Brazil Registration No. 828484465, LILLY PULITZER, registered on Dec 16, 2008, for "handbags" in International Class 18.
- 4. China Registration No. 5237639, LILLY PULITZER, registered on July 14, 2009, for "Clothing, footwear," in International Class 25.

Complainant has also registered a domain name that incorporates the LILLY PULITZER Mark, lillypulitzer.com>, used to access its official website at "www.lillypulitzer.com" (the "Official LILLY PULITZER Website") which features information about LILLY PULITZER products and provides customer service and product care information.

The disputed domain name was initially created on February 25, 2012, and resolves to a website that displays revenue generating advertisements and provides numerous links to websites offering Complainant's products, used by Respondent for click-through revenue portals to redirect web traffic to Amazon to take advantage of Amazon's affiliate revenue program.

5. Parties' Contentions

A. Complainant

Complainant contends that the disputed domain name is identical or confusingly similar to Complainant's trademark, that Respondent has no rights or legitimate interests in respect of the disputed domain name, and that the disputed domain name was registered and is being used in bad faith.

B. Respondent

Respondent did not reply to Complainant's contentions.

6. Discussion and Findings

There are no exceptional circumstances within paragraph 5(e) of the Rules to prevent this Panel from determining the present dispute based upon the Complaint (as amended), notwithstanding the failure of any person to lodge a substantive formal Response in compliance with the Rules. Under paragraph 14 of the Rules, where a party does not comply with any provision of the Rules, the Panel shall "draw such inferences therefrom as it considers appropriate".

Where no substantive Response is filed, however, Complainant must still make out its case in all respects under paragraph 4(a) of the Policy. To succeed, Complainant must demonstrate that the requirements for each of the elements listed in paragraph 4(a) of the Policy has been satisfied.

The Panel will address its findings on each of these elements in more detail below.

The standard of proof under the Policy is often expressed as the "balance of the probabilities" or "preponderance of the evidence" standard. Under this standard, an asserting party needs to establish that it is more likely than not that the claimed fact is true. See, WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 4.2.

A. Identical or Confusingly Similar

Ownership of a nationally registered trademark constitutes *prima facie* evidence that the complainant has the requisite rights in a mark for purposes of paragraph 4(a)(i) of the Policy. <u>WIPO Overview 3.0</u>, section 1.2.1. Complainant claims trademark rights in the LILLY PULITZER Mark for its upscale apparel and lifestyle products dating back to 1961. Sufficient evidence has been submitted in the form of electronic copies of valid and subsisting trademark registration documents in the name of Complainant and therefore, Complainant has demonstrated it has rights in the LILLY PULITZER Mark. See *Advance Magazine Publishers Inc.*, *Les Publications Conde Nast S.A. v. Voguechen*, WIPO Case No. D2014-0657.

With Complainant's rights in the LILLY PULITZER Mark established, the remaining question under the first element of the Policy is whether the disputed domain name is identical or confusingly similar to Complainant's LILLY PULITZER Mark.

Prior UDRP panels have held a domain name which wholly incorporates a complainant's registered mark is sufficient to establish identity or confusing similarity for purposes of the Policy despite the addition of other words to such marks. WIPO Overview 3.0, section 1.8 ("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"); see also BNP Paribas v. Ronan Laster, WIPO Case No. D2017-2167; Dansko, LLC v. Gery Lee, WIPO Case No. D2011-1300.

The disputed domain name incorporates Complainant's LILLY PULITZER Mark in its entirety and adds the trailing terms "warehouse" and "sale". Respondent's addition of these descriptive terms to Complainant's Mark does not prevent a finding of confusing similarity as noted in the UDRP precedents cited above. Complainant also contends Respondent's selection of these terms adds to the confusing similarity between the disputed domain name and Complainant's LILLY PULITZER Mark, an issue more appropriately considered under the second and third elements of the Policy. The addition of the generic Top-Level Domain ("gTLD") ".com" is irrelevant in determining whether the disputed domain name is confusingly similar. See, Research in Motion Limited v thamer Ahmed Alfarshooti, WIPO Case No. D2012-1146; WIPO Overview 3.0, section 1.11.

This Panel finds that the added terms "warehouse" and "sale" do not prevent a finding of confusing similarity between the disputed domain name and Complainant's well-known LILLY PULITZER Mark, which remains fully recognizable as incorporated in its entirety into the disputed domain name. Complainant has satisfied its burden under Paragraph 4(a)(i) of the Policy.

B. Rights or Legitimate Interests

Under the second element of the Policy, the complainant has to make out a *prima facie* case that the respondent does not have rights to or legitimate interests in the disputed domain name, and if successful the burden of production on this element shifts to the respondent to come forward with relevant evidence demonstrating rights to or legitimate interests in the disputed domain name. If the respondent fails to come forward with such evidence, a complainant is deemed to have satisfied the second element. <u>WIPO Overview 3.0</u>, section 2.1. See also *PepsiCo, Inc. v. Amilcar Perez Lista d/b/a Cybersor*, WIPO Case No. <u>D2003-0174</u> (where complainant's rights in its trademarks long predate Respondent's acquisition of the disputed domain name, burden is on respondent to establish rights or legitimate interest in the disputed domain name).

Paragraph 4(a)(ii) of the Policy also directs an examination of the facts to determine whether a respondent has rights or legitimate interests in a domain name. Paragraph 4(c) lists a number of ways in which a respondent may demonstrate that it does have such rights or legitimate interests.

The first example, under paragraph 4(c)(i), is where "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".

Here, Complainant contends that Respondent is using the disputed domain name to capitalize on the LILLY PULITZER Mark by monetizing web traffic for profit. The annexes to the Complaint clearly show that the disputed domain name resolves to a website configured by Respondent with click-through revenue portals to redirect web traffic Amazon to take advantage of Amazon's affiliate revenue program. Like Respondent's confusingly similar domain name, its website is configured to pass its business off as affiliated with Complainant or sponsored or endorsed by Complainant through prominently displaying Complainant's LILLY PULITZER Mark, its products, and the above referenced portals with no evidence of disclaimers. Complainant contends such configuration and content was created by Respondent to lead consumers to reasonably believe Respondent's website originates with or is affiliated with Complainant and redirect them to Respondent's website for Respondent's commercial gain.

Prior UDRP panels have held that the use of disputed domain name for websites that offer hyperlinks to competing third-party entities in order to collect referral fees does not constitute a *bona fide* offering of goods or services or a legitimate noncommercial or fair use under Policy, paragraphs 4(c)(i) or 4(c)(iii). See *Shahnaz Husain v. Saxena Dinesh O, WIPO Case No. D2006-1132*; see also, *The Clorox Company v. WhoisGuard Protected, WhoisGuard, Inc. / Enos Villanueva, Melissa Rosenberg, Yang Ming*, WIPO Case No. D2021-0603.

Prior UDRP panels have also held that the use of a domain name for illegal activity involving impersonation and fraud (*e.g.*, phishing, unauthorized account access/hacking, impersonation/passing off, or other types of fraud) can never confer rights or legitimate interests on a respondent. See, <u>WIPO Overview 3.0</u>, section 2.13.

Applying the foregoing decisions to these facts this Panel finds the disputed domain name is not being used in connection with a *bona fide* offering of goods or services sufficient to demonstrate Respondent has any rights or legitimate interests in the disputed domain name under the factors specified by paragraph 4(c)(i) or 4(c)(iii) of the Policy.

The second example, under paragraph 4(c)(ii), is a scenario in which a respondent is commonly known by the domain name. Complainant states that Respondent is not related in any way with Complainant, does not

carry out any activity for, nor have any business with Respondent. Neither has Complainant granted any license or authorization to Respondent to make any use of Complainant's LILLY PULITZER Mark or apply for registration of the disputed domain name. Complainant has never authorized Respondent to use the LILLY PULITZER Mark, or any marks confusingly similar thereto for any purpose, including as a domain name. Prior UDRP panels have found a lack of rights or legitimate interests under the second element of the Policy based on such circumstances. See, e.g., Charles Schwab & Co., Inc. v. Josh Decker d/b/a I GOT YOUR TIX, WIPO Case No. D2005-0179; Guerlain S.A. v. H I Investments, WIPO Case No. D2000-0494.

Complainant also shows in the evidence submitted that there is nothing in Respondent's Whols information to suggest Respondent is commonly known by the disputed domain name. The original Respondent listed in the Whols record submitted with the initial Complaint displayed "Registration Private, Domains By Proxy, LLC" of Arizona in the United States. The Registrar identified the underlying registrant in its verification process, "Justin Pennington" of Ohio, United States, who Complainant added in its amended Complaint as a co-Respondent. Neither bears any resemblance to the disputed domain name whatsoever. Thus, there is no evidence in this case to suggest that Respondent is commonly known by the disputed domain name, that it is licensed or otherwise authorized to use Complainant's trademark, or that it has acquired any trademark rights relevant thereto. As such, the Panel finds this sub-section of the Policy is of no help to Respondent and the facts presented here support a lack of rights or legitimate interests in the disputed domain name. See *Expedia, Inc. v. Dot Liban, Hanna El Hinn*, WIPO Case No. D2002-0433.

In light of the above, and with no Response or other submission in this case to rebut Complainant's assertions and evidence, the Panel finds that the facts of this case demonstrate that Respondent has no rights or legitimate interests in the disputed domain name. Complainant has successfully met its burden under paragraph 4(a)(ii) of the Policy.

C. Registered and Used in Bad Faith

Finally, Complainant must prove, by a preponderance of the evidence, that the disputed domain name has been registered and used in bad faith under paragraph 4(a)(iii) of the Policy. See, e.g., *Hallmark Licensing*, *LLC v. EWebMall, Inc.*, WIPO Case No. D2015-2202.

Paragraph 4(b) of the Policy sets out a non-exhaustive list of circumstances that point to bad faith conduct on the part of a respondent. The panel may, however, consider the totality of the circumstances when analyzing bad faith under Policy, paragraph 4(a)(iii) and may make a finding of bad faith that is not limited to the enumerated factors in Policy, paragraph 4(b). See *Do the Hustle, LLC v. Tropic Web*, WIPO Case No. D2000-0624.

First, Complainant contends and prior UDRP panels have found that the LILLY PULITZER Mark is a well-known trademark. See e.g., Sugartown Worldwide LLC v. Xuemei Kuang, WIPO Case No. D2022-2562.

Complainant further contends that given its LILLY PULITZER Mark is well known, and the disputed domain name incorporates the LILLY PULITZER Mark in its entirety, shows both Respondent's actual knowledge of the LILLY PULITZER Mark and widespread recognition, especially in the United States where Respondent is located, and the mark has been registered for at least thirty years and in use at least 50 years before Respondent registered the disputed domain name. Prior UDRP panels have found that where, as here, it would be implausible to believe that Respondent selected and was using the disputed domain name for any other purpose than to trade on Complainant's trademark rights and reputation, establishes a fact pattern that repeatedly has been held to constitute bad faith registration and use. See *Houghton Mifflin Co. v. Weathermen, Inc.*, WIPO Case No. D2001-0211; see also *Philip Morris Inc. v. Tsypkin*, WIPO Case No. D2002-0946.

Prior UDRP panels have also held that a respondent's selection of a disputed domain name that comprises the complainant's mark in its entirety demonstrates a respondent's actual knowledge to support a finding of bad faith in registering and using the domain. See, e.g., Lloyds Bank Plc v. Marc Wiese, WIPO Case No. D2015-0914; see also, Heineken Brouwerijen B.V. v Mark Lott, WIPO Case No. D2000-1487. Moreover,

panels have consistently found that the mere registration of a domain name that is identical or confusingly similar to a well-known trademark by an unaffiliated entity can by itself create a presumption of bad faith. See <u>WIPO Overview 3.0</u>, section 3.1.4.

Finally, as noted in section 6B above, the disputed domain name, which Respondent has intentionally configured to enhance confusing similarity to Complainant's LILLY PULITZER Mark by adding a descriptive term common to Complainant's retail apparel and lifestyle products industry, "warehouse sale", and using the disputed domain name to direct or redirect consumers to Respondent's website providing links to websites offering Complainant's products, used by Respondent for click-through revenue portals to redirect web traffic to Amazon to take advantage of Amazon's affiliate revenue program for Respondent's commercial gain and in competition with Complainant's business. Prior UDRP panels have found these facts demonstrate a clear indication that Respondent intentionally attempted to attract, for commercial gain, Internet users to its website, by creating a likelihood of confusion with Complainant's LILLY PULITZER Mark as to the source, sponsorship, affiliation or endorsement of respondent's website, and, therefore, evidence of registration and use of the disputed domain name in bad faith under paragraph 4(b)(iv) of the Policy. See, e.g., Microsoft Corporation v. Zerbo, WIPO Case No. D2005-0644; Royal Bank of Canada v. China Capital Investment Limited, WIPO Case No. D2017-1025; Travelscape, LLC v. WhoisGuard Protected, WhoisGuard, Inc. / Irwin Periola, WIPO Case No. D2020-2741.

The Panel finds Complainant's arguments and evidence persuasive and has received no arguments or evidence from Respondent to the contrary. Considering all the circumstances, the Panel concludes that Respondent has registered and used the disputed domain name in bad faith and Complainant has satisfied 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 disputed domain name <a href="https://link.nih.gov/link.gov/link.nih.gov/link.gov/link.nih

/Scott R. Austin/ Scott R. Austin Sole Panelist

Date: October 24, 2022