

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Lululemon Athletica Canada Inc. v. hengying c, chengying Case No. D2022-4983

1. The Parties

The Complainant is Lululemon Athletica Canada Inc., Canada, represented by Sideman & Bancroft LLP, United States of America ("United States").

The Respondent is hengying c, chengying, China.

2. The Domain Names and Registrar

The disputed domain names <lemonfitnessclothes.com>, <lemonfitnessinetwork.com> and <lulugymclothes.com> are registered with Web Commerce Communications Limited dba WebNic.cc (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") in respect of the disputed domain names <lemonfitnessinetwork.com> and <lulugymclothes.com> on December 23, 2022. On December 27, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain names. On December 28, 2022, the Registrar transmitted by email to the Center its verification response, disclosing registrant and contact information for the above disputed domain names which differed from the named Respondent (Domain Admin, Whoisprotection.cc) and contact information in the Complaint. The Center sent an email communication to the Complainant on January 3, 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 amended Complaint on January 7, 2023 in which it requested that the disputed domain name <lemonfitnessclothes.com> be added to the amended Complaint. On January 9, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name <lemonfitnessclothes.com>. On January 16, 2023, the Registrar transmitted by email to the Center its verification response, confirming that the Respondent is the registrant of the mentioned disputed domain name and providing additional contact details. The Center sent an email communication to the Complainant on January 18, 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 on January 20, 2023.

The Center verified that the Complaint together with the amended Complaint and 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 of the Complaint, and the proceedings commenced on January 24, 2023. In accordance with the Rules, paragraph 5, the due date for Response was February 13, 2023. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on February 16, 2023.

The Center appointed Edoardo Fano as the sole panelist in this matter on February 22, 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.

The Panel has not received any requests from the Complainant or the Respondent 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 the 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 Respondent.

4. Factual Background

The Complainant is Lululemon Athletica Canada Inc., a Canadian company operating as designer and retailer of high-quality, yoga-inspired athletic apparel, frequently referred to as "Lulu" and owning several trademark registrations for LULULEMON, including the following:

- United States Trademark Registration No. 3,990,179 for LULULEMON, registered on July 5, 2011;
- United States Trademark Registration No. 6,166,483 for LULULEMON and design, registered on October 6, 2020.

The Complainant also operates on the Internet, being "www.lululemon.com" its main website.

The Complainant provided evidence in support of the above.

According to the Whols records, the disputed domain names <lemonfitnessinetwork.com> and <lulugymclothes.com> were registered on December 14, 2022, while the disputed domain name <lemonfitnessclothes.com> was registered on December 19, 2022. When the Complaint was filed, they resolved to almost identical websites where the Complainant's trademark and logo, as well as the Complainant's copyrighted product photos, were reproduced, and allegedly the same products as those of the Complainant were offered for sale at reduced prices.

5. Parties' Contentions

A. Complainant

The Complainant states that the disputed domain names are confusingly similar to its trademark LULULEMON, as the latter's dominant element is clearly recognizable in all three disputed domain names and the addition of the descriptive terms "fitness inetwork", "gym clothes" and "fitness clothes" does not decrease but instead increases confusion.

The Complainant asserts that the Respondent has no rights or legitimate interests in respect of the disputed domain names since it has not been authorized by the Complainant to register the disputed domain names or to use its trademark within the disputed domain names, it is not commonly known by the disputed domain names and it is 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 are resolving to almost identical websites where the Complainant's trademark and logo, as well as the Complainant's copyrighted product photos, are reproduced, and counterfeit versions of the Complainant's products are offered for sale, with the aim to divert consumers and/or to capitalize on the Complainant's notoriety.

The Complainant submits that the Respondent has registered the disputed domain names in bad faith, since the Complainant's trademark LULULEMON is distinctive and known in the field of high-quality, yoga-inspired athletic apparel retailing. Therefore, the Respondent targeted the Complainant's trademark 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 to sell likely counterfeit versions of the Complainant's products and attract, for commercial gain, Internet users by creating a likelihood of confusion with the Complainant's trademark as to an affiliation between the Respondent and the Complainant, qualifies as bad faith registration and use.

B. Respondent

The Respondent has made no reply to the Complainant's contentions and is 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 WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 4.3.

6. Discussion and Findings

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;
- (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 trademark LULULEMON both by registration and acquired reputation and that the disputed domain names are confusingly similar to the trademark LULULEMON.

The disputed domain names incorporate either "lulu" or "lemon" elements of the Complainant's trademark which remain recognizable in the disputed domain names and are combined with the terms "fitnessinetwork", "gymclothes" and "fitnessclothes". The Panel notes that it is now well established that the addition of other terms (whether descriptive, geographical terms, letters, or otherwise) to a domain name does not prevent a finding of confusing similarity between the disputed domain name and the trademark. Furthermore, UDRP panels have also found that the overall facts and circumstances of a case (including relevant website content) may support a finding of confusing similarity, particularly where it appears that the respondent registered the domain name precisely because it believed that the domain name was confusingly similar to a mark held by the complainant. In this case all of the disputed domain names resolved to almost

identical websites displaying the Complainant's LULULEMON trademark and logo, as well as the Complainant's copyrighted product photos, and offering for sale seemingly the same products as those of the Complainant. Under this broader context, the Panel concludes that the disputed domain names are confusingly similar to the Complainant's mark for purposes of the first element of the Policy. See WIPO Overview 3.0, sections 1.7 and 1.8.

It is also well accepted that a generic Top-Level Domain, in this case ".com", is typically ignored when assessing the confusing similarity between a trademark and a domain name. See <u>WIPO Overview 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 trademark, pursuant to the Policy, paragraph 4(a)(i).

B. Rights or Legitimate Interests

The Respondent has failed to file a response in accordance with the Rules, paragraph 5.

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, who is not associated with the Complainant in any way, is not commonly known by the disputed domain names and is not using the disputed domain names for a legitimate noncommercial or fair use or in connection with a *bona fide* offering of goods or services, but instead on the websites at the disputed domain names the Complainant's trademark and logo, as well as the Complainant's copyrighted product photos, were reproduced, and allegedly the same products as those of the Complainant were offered for sale, some bearing the Complainant's LULULEMON trademark.

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 products sold on the websites to which the disputed domain names are directing Internet users be the Complainant's 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 trademark 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 WIPO Overview 3.0, 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.

Even if the products sold by the Respondent were the Complainant's genuine products, based on the evidence provided by the Complainant, in addition to the composition of the disputed domain names themselves which give an impression of being affiliated with the Complainant, the Panel finds that the use of the Complainant's trademark and logo unadorned and very prominently on the top and center of the homepages and the lack of any disclaimer would falsely suggest to Internet users that the websites to which the disputed domain names resolved 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.

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:

- (i) 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 the complainant, for valuable consideration in excess of its documented out-of-pocket costs directly related to the domain name; or
- (ii) that [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) that [the respondent has] registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- (iv) that 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 trademark LULULEMON in the field of high-quality, yoga-inspired athletic apparel retailing is clearly established and the Panel finds that the Respondent likely knew of the Complainant and deliberately registered the confusingly similar disputed domain names, especially because the disputed domain names resolved to websites advertising for the sale seemingly the same products as those of the Complainant and where the Complainant's trademark and logo, as well as the Complainant's copyrighted product photos, were reproduced.

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 trademark in order to sell what appears to be the same products as those offered by the Complainant, 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

page 6

the Policy, and to attract, for commercial gain, Internet users to its websites in accordance with paragraph 4(b)(iv) of the Policy.

The Panel finds that the Complainant has presented evidence to satisfy its burden of proof with respect to the issue of whether the Respondent has registered and is using the disputed domain names in bad faith.

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 <lemonfitnessclothes.com>, <lemonfitnessinetwork.com> and <lulugymclothes.com> be transferred to the Complainant.

/Edoardo Fano/ Edoardo Fano Sole Panelist

Date: March 8, 2023