

ADMINISTRATIVE PANEL DECISION

Lululemon Athletica Canada Inc. v. Virtual Real Estate Limited
Case No. D2022-3604

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 Virtual Real Estate Limited, Gibraltar, United Kingdom.

2. The Domain Name and Registrar

The disputed domain name <lululemonlikenew.com> is registered with Dynadot, LLC (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on September 29, 2022. On September 29, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On September 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 (Super Privacy Service LTD c/o Dynadot) and contact information in the Complaint. The Center sent an email communication to the Complainant on September 30, 2022 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 October 4, 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 the Respondent of the Complaint, and the proceedings commenced on October 18, 2022. In accordance with the Rules, paragraph 5, the due date for Response was November 7, 2022. The Respondent did not submit any formal response. The Respondent sent informal communications on September 30 and October 4, 2022. In his first email, the Respondent offered the disputed domain name for sale, whereas in the second communication, the Respondent mentioned that he is willing to settle. No settlement was reached between the Parties. Accordingly, the Center sent Commencement of Panel Appointment Process email on November 14, 2022.

The Center appointed Andrew F. Christie as the sole panelist in this matter on November 21, 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

The Complainant is a leading designer and retailer of high-quality, yoga-inspired athletic apparel. Since its founding in 1998, the Complainant has developed, manufactured, and sold premium apparel (including shirts, shorts, pants and leggings) bearing the Complainant's LULULEMON trademark and other related trademarks. The Complainant currently operates over 520 retail and outlet stores throughout the world.

The Complainant is the owner of a global portfolio of trademark registrations, including United States Trademark Registration No. 3990179 (filed on January 4, 2011, and registered on July 5, 2011) for the word trademark LULULEMON in International Class 35, and United States Trademark Registration No. 6762541 (filed on March 29, 2021, and registered on June 14, 2022) for the word trademark LULULEMON LIKE NEW in International Classes 35, and 40.

The Complainant maintains an online webstore at "www.shop.lululemon.com". Authentic LULULEMON products are sold exclusively through the Complainant's websites at "www.shop.lululemon.com" and "www.shop.lululemon.com/story/like-new", and at strategic partners such as premium yoga studios, gyms, and wellness centers. The Complainant does not sell its products through discount apparel stores or through wholesalers.

The disputed domain name was registered on April 1, 2021. The Complainant has provided a screenshot, taken on September 27, 2022, showing that the disputed domain name resolved to a webpage containing what appear to be pay-per-click ("PPC") links for products relating to unspecified clothing and apparel brands, as well as one labelled "LuluClothing". At the time of this decision, the disputed domain name resolves to a website very similar to the one shown in the Complainant's screenshot.

On August 29, 2022, the Complainant sent a cease and desist letter to the Respondent via the Registrar's Domain Holder Contact Request Form, to which it did not receive a reply.

5. Parties' Contentions

A. Complainant

The Complainant made the following contentions to establish that the disputed domain name is confusingly similar to a trademark in which the Complainant has rights. The disputed domain name begins with and wholly incorporates the Complainant's LULULEMON and LULULEMON LIKE NEW trademarks, which supports the likelihood that consumers seeking the Complainant and its website would be confused by the disputed domain name. By registering the disputed domain name, the Respondent is exploiting the substantial goodwill that the Complainant has built in its LULULEMON and LULULEMON LIKE NEW trademarks. The Respondent's use of the disputed domain name improperly creates the impression that the Respondent's domain name is owned and used by a party that is affiliated with, sponsored by, or approved by the Complainant, all of which is untrue.

The Complainant made the following contentions to establish that the Respondent has no rights or legitimate interests in respect of the disputed domain name. The Respondent has not been authorized to use the Complainant's trademarks in a domain name or in any fashion whatsoever. Merely presenting links to advertisements on a "parked" webpage is not a *bona fide* offering of goods and services using the disputed domain name. There is no evidence that the Respondent is commonly known as "lululemonlikene.com", and there are no sources that identify the Respondent as "Lululemon Like New". The Respondent is not

affiliated with the Complainant and is not an authorized reseller of LULULEMON-branded products. The Complainant has not licensed the LULULEMON or LULULEMON LIKE NEW trademarks to the Respondent, and has not consented to the Respondent's use of them. The Respondent does not have any other noncommercial or fair use reason for holding the disputed domain name, as evident by the Respondent's commercial use of the disputed domain name and its offering of it for sale. The Respondent is using, and has used, the disputed domain name in an effort to extort payment from the Complainant, and to lure potential and current LULULEMON customers to the Respondent's webpage, confusing customers and/or tricking them into clicking on links which profit the Respondent. The disputed domain name only derives value from its connection to the Complainant's trademarks. Without the existing popularity of the LULULEMON brand, the Respondent's webpage resolving from the disputed domain name would receive no traffic. The Respondent has not included any disclaimers or markings on the webpage resolving from the disputed domain name to distinguish itself from the Complainant.

The Complainant made the following contentions to establish that the disputed domain name was registered and is being used in bad faith. The Complainant has been using the LULULEMON trademark for years before the Respondent registered the disputed domain name, and the LULULEMON trademark has become well-known. The Respondent applied for the disputed domain name on April 1, 2021, just three days after the Complainant filed its application for registration of its LULULEMON LIKE NEW trademark with the USPTO, which shows that the Respondent was directly prompted by the intention to take advantage of the Complainant's trademark. The Respondent's use of the disputed domain name is a classic case of "cybersquatting", as it registered the disputed domain name even though it had no rights or legitimate interest in the LULULEMON or LULULEMON LIKE NEW trademarks and is unaffiliated with the Complainant. The Respondent's failure to respond to the Complainant's cease and desist letter is further evidence of the Respondent's bad faith. The Respondent's use of a privacy protection service (Super Privacy Service LTD c/o Dynadot) to further conceal its identity is evidence that the Respondent is trying to frustrate the Complainant's ability to protect its trademarks against cybersquatting. The unauthorized use of the Complainant's trademarks to generate PPC revenue constitutes bad faith. The Respondent's webpage has previously stated that the disputed domain name is for sale, and the disputed domain name continues to be offered for sale by the Respondent. Upon being notified of the submission of the Complaint, an individual identified as "Oliver Hoger" emailed outside counsel for the Complainant stating "i [sic] paid \$3000 for the domain name. So i [sic] will be asking to cover my cost at least. Please let me know", which affirms that the Respondent's sole intention in acquiring the disputed domain name was to extort payment from the Complainant. The Respondent's cybersquatting, combined with the fact that it does not, on information and belief, use the disputed domain name in connection with a legitimate business interest or other fair use, and the timing of the disputed domain name registration, is substantial evidence of bad faith.

B. Respondent

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

6. Discussion and Findings

A. Identical or Confusingly Similar

Once the generic Top-Level Domain ("gTLD") extension ".com" is disregarded (which is appropriate in this case), the disputed domain name consists of the Complainant's registered word trademark LULULEMON, followed by the string "likenew". The Complainant's trademark is clearly recognizable within the disputed domain name. The addition of the string "likenew", which most Internet users would read as the words "like new", does not avoid a finding of confusing similarity of the disputed domain name with the Complainant's trademark. Accordingly, the Panel finds that the disputed domain name is confusingly similar to a trademark in which the Complainant has rights

The disputed domain name also consists solely of the Complainant's registered word trademark LULULEMON LIKE NEW. Accordingly, the Panel finds that the disputed domain name is identical to a

trademark in which the Complainant has rights.

B. Rights or Legitimate Interests

The Respondent is not a licensee of the Complainant, is not otherwise affiliated with the Complainant, and has not been authorized by the Complainant to use its LULULEMON and LULULEMON LIKE NEW trademarks. The Respondent has not provided any evidence that it has been commonly known by, or has made a *bona fide* use of, the disputed domain name, or that it has, for any other reason, rights or legitimate interests in the disputed domain name. The evidence provided by the Complainant shows that the disputed domain name resolves to a webpage containing what appear to be PPC links for products and services related to clothing and apparel, including one labelled "LuluClothing". Given the confusing similarity of the disputed domain name to the Complainant's LULULEMON trademark, the identity of the disputed domain name to the Complainant's LULULEMON LIKE NEW trademark, the absence of any relationship between the Respondent and the Complainant, and the failure to avoid the implied false affiliation with the Complainant, the Respondent's use of the disputed domain name is neither a *bona fide* use nor a legitimate noncommercial or fair use.

The Complainant has put forward a *prima facie* case that the Respondent lacks rights or legitimate interests in the disputed domain name, and the Respondent has not rebutted this. Accordingly, the Panel finds that the Respondent has no rights or legitimate interests in the disputed domain name.

C. Registered and Used in Bad Faith

The disputed domain name was registered several years after the Complainant first registered its LULULEMON trademark, and three days after the Complainant filed its application to register its LULULEMON LIKE NEW trademark. It is inconceivable that the Respondent registered the disputed domain name ignorant of the existence of the Complainant's LULULEMON trademark, given the renown of the Complainant's trademark. It is also inconceivable that the Respondent registered the disputed domain name ignorant of the existence of the Complainant's LULULEMON LIKE NEW trademark, given the timing of the disputed domain name's registration and that it consists solely of that trademark.

Given the Respondent's lack of rights or legitimate interests in the disputed domain name and the confusing similarity and identity of the disputed domain name to the Complainant's trademarks, any use of the disputed domain name by the Respondent almost certainly implies an affiliation with the Complainant that does not exist. The Respondent's registration of the disputed domain name in these circumstances is a bad faith registration.

Furthermore, the evidence on the record provided by the Complainant indicates that the Respondent has used the disputed domain name in an attempt to attract, for commercial gain, Internet users to a webpage by creating confusion in the minds of the public as to an association between the webpage and the Complainant. The Respondent's use of the disputed domain name in this manner is a bad faith use.

Accordingly, the Panel finds that the disputed domain name has been registered and is being used 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, <lululemonlikene.com>, be transferred to the Complainant.

/Andrew F. Christie/
Andrew F. Christie
Sole Panelist
Date: December 5, 2022