

ARBITRATION AND MEDIATION CENTER

# ADMINISTRATIVE PANEL DECISION

Gallery Department, LLC v. Muhammad Arqam Case No. D2024-1258

#### 1. The Parties

The Complainant is Gallery Department, LLC, United States of America ("United States"), represented by Adelman Matz P.C., United States.

The Respondent is Muhammad Arqam, United States.

### 2. The Domain Name and Registrar

The disputed domain name <gallerydepthoodie.net> (the "Disputed 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 March 23, 2024. On March 25, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Disputed Domain Name. On March 25, 2024, 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 (Redacted for Privacy) and contact information in the Complaint. The Center sent an email communication to the Complainant on March 26, 2024, 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 March 30, 2024.

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 April 3, 2024. In accordance with the Rules, paragraph 5, the due date for Response was April 23, 2024. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on April 26, 2024.

The Center appointed Lynda M. Braun as the sole panelist in this matter on May 6, 2025. 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 California limited liability company that owns a unisex clothing brand. Based in Los Angeles, United States, the Complainant sells its clothing online as well as in brick-and-mortar retail stores in Los Angeles and Miami and does everything from design and production to branding. According to the Complainant, each garment created and sold represents a unique and artistic inspiration, often including social and political images. As a result, the brand has developed a wide and loyal customer base.

The Complainant owns many trademark registrations in the United States and numerous jurisdictions worldwide. The trademarks most relevant to this case include, but are not limited to:

GALLERY DEPT, United States Trademark Registration No. 6,048,485, registered on May 5, 2020, in international class 25; GALLERY DEPT, Japan Trademark Registration No. 1430638, registered on September 6, 2018, in international class 25; and GALLERY DEPT, Hong Kong Trademark Registration No. 305253804, registered on April 22, 2020, in international class 25 (hereinafter collectively referred to as "the GALLERY DEPT Mark").

The Complainant owns the domain name <gallerydept.com> that resolves to its official website at "www.gallerydept.com" and through which the Complainant offers for sale its branded unisex clothing products bearing the GALLERY DEPT Mark.

The Disputed Domain Name was registered on October 14, 2022, and resolves to the Respondent's unauthorized website at "www.gallerydepthoodie.net", where it sells alleged counterfeit merchandise bearing the GALLERY DEPT Mark at a price similar to or lower than that of the Complainant's authentic merchandise. The Complainant submitted comparisons of the Complainant's and the Respondent's respective webpages as screenshots, attached as Annexes to the Complaint, to demonstrate that the Respondent's webpages contained non-genuine clothing bearing the GALLERY DEPT Mark. When the Complainant learned of the Respondent's use of the GALLERY DEPT Mark in its domain name and resolving website, the Complainant's counsel sent cease-and-desist letters, dated August 18 and September 09, 2023, respectively, to the Respondent, but received no reply.

### 5. Parties' Contentions

### A. Complainant

The Complainant contends that it has satisfied each of the elements required under the Policy for a transfer of the Disputed Domain Name. Notably, the Complainant contends that:

- the Disputed Domain Name is confusingly similar to the Complainant's GALLERY DEPT Mark;
- the Respondent has no rights or legitimate interests in respect of the Disputed Domain Name; and
- the Disputed Domain Name was registered and is being used in bad faith.

The Complainant seeks the transfer of the Disputed Domain Name from the Respondent to the Complainant in accordance with paragraph 4(i) of the Policy.

#### **B.** Respondent

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

### 6. Discussion and Findings

In order for the Complainant to prevail and have the Disputed Domain Name transferred to the Complainant, the Complainant must prove the following (Policy, paragraph 4(a)):

- (i) the Disputed Domain Name is 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 Name; and
- (iii) the Disputed Domain Name was registered and is being used in bad faith.

#### A. Identical or Confusingly Similar

Paragraph 4(a)(i) of the Policy requires a two-fold inquiry: a threshold investigation into whether a complainant has rights in a trademark, followed by an assessment of whether the disputed domain name is identical or confusingly similar to that trademark. The Panel concludes that in the present case, the Disputed Domain Name is confusingly similar to the GALLERY DEPT Mark.

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 the Complainant's trademark and the Disputed Domain Name. See WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition, ("WIPO Overview 3.0"), section 1.7.

It is uncontroverted that the Complainant has established rights in the GALLERY DEPT Mark based on its years of use as well as its registered trademarks for the GALLERY DEPT Mark before the USPTO and many other trademark offices worldwide. The consensus view of panels is that "registration of a mark is prima facie evidence of validity, which creates a rebuttable presumption that the mark is inherently distinctive". See *CWI, Inc. v. Domain Administrator c/o Dynadot*, WIPO Case No. <u>D2015-1734</u>. The Respondent has not rebutted this presumption, and therefore the Panel finds that the Complainant has rights in the GALLERY DEPT Mark as explained below.

The Disputed Domain Name consists of the GALLERY DEPT Mark in its entirety followed by the term "hoodie", and then followed by the gTLD ".net". It is well established that a domain name that wholly incorporates a trademark may be deemed confusingly similar to that trademark for purposes of the Policy despite the addition of other terms. As stated in section 1.8 of WIPO Overview 3.0, "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". Thus, the mere addition of the term "hoodie" to the Complainant's GALLERY DEPT Mark in the Disputed Domain Name does not prevent a finding of confusing similarity. See e.g., *Allianz Global Investors of America, L.P. and Pacific Investment Management Company (PIMCO) v. Bingo-Bongo*, WIPO Case No. D2001-0795; and *Hoffmann-La Roche Inc. v. Wei-Chun Hsia*, WIPO Case No. D2008-0923.

Finally, the addition of a gTLD such as ".net" in a domain name is a technical requirement. As such, it is well established that a gTLD may typically be disregarded when assessing whether a disputed domain name is identical or confusingly similar to a trademark. See *Proactiva Medio Ambiente, S.A. v. Proactiva*, WIPO Case No. <u>D2012-0182</u> and <u>WIPO Overview 3.0</u>, section 1.11.1. Thus, the Panel finds that the Disputed Domain Name is confusingly similar to the Complainant's GALLERY DEPT Mark.

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

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

Paragraph 4(c) of the Policy provides a list of circumstances in which the Respondent may demonstrate rights or legitimate interests in a disputed domain name. Although the overall burden of proof in UDRP proceedings is on the complainant, panels have recognized that proving that 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.

Having reviewed the available record, the Panel finds that the Complainant has established a prima facie case that the Respondent lacks rights or legitimate interests in the Disputed Domain Name. The Respondent has not rebutted the Complainant's prima facie showing and has not come forward with any relevant evidence demonstrating rights or legitimate interests in the Disputed Domain Name such as those enumerated in the Policy or otherwise. The Complainant has not authorized, licensed, or otherwise permitted the Respondent to use the GALLERY DEPT Mark nor does the Complainant have any type of business relationship with the Respondent. There is also no evidence that the Respondent is commonly known by the Disputed Domain Name or by any similar name, nor any evidence that the Respondent was using or making demonstrable preparations to use the Disputed Domain Name in connection with a bona fide offering of goods or services. See Policy, paragraph 4(c). Further, the Respondent is not now, nor has it ever been an authorized retailer of the Complainant's merchandise. Based on the use made of the Disputed Domain Name to resolve to a website presumably promoting and selling counterfeit goods bearing the GALLERY DEPT Mark, and copying other elements of the Complainant's website, the Panel finds that the Respondent is not making a bona fide offering of goods or services nor making a legitimate noncommercial or fair use of the Disputed Domain Name. Such use would not support a claim to rights or legitimate interests and even if the goods allegedly offered for sale were to be genuine goods from the Complainant, the lack of disclaimer on the website reinforces the inference of ownership or endorsement by the Complainant (contrary to the fact) that cannot constitute fair use. WIPO Overview 3.0, section 2.8.1.

Moreover, the Panel concludes that nothing on the record before it would support a finding that the Respondent is making a legitimate noncommercial or fair use of the Disputed Domain Name. Rather, the Panel finds that the Respondent is using the Disputed Domain Name for commercial gain with the intent to mislead by deceiving the Complainant's customers into incorrectly believing that they arrived at the Complainant's website. Such use cannot conceivably constitute a bona fide offering of a product within the meaning of paragraph 4(c)(i) of the Policy or a noncommercial or fair use of the Disputed Domain Name.

Panels have held that the use of a domain name for illegal activity, here claimed impersonation/passing off and the sale of counterfeit goods, can never confer rights or legitimate interests on a respondent. WIPO Overview 3.0, section 2.13.1.

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

### C. Registered and Used in Bad Faith

The Panel finds that, based on the record, the Complainant has demonstrated the existence of the Respondent's bad faith pursuant to paragraph 4(b) of the Policy as set forth below.

The Panel notes that, for the purposes of paragraph 4(a)(iii) of the Policy, paragraph 4(b) of the Policy establishes circumstances, in particular, but without limitation, that, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith. Paragraph 4(b) of the Policy sets out a list of non-exhaustive circumstances that may indicate that a domain name was registered and used in bad faith, but other circumstances may be relevant in assessing whether a respondent's registration and use of a domain name is in bad faith. WIPO Overview 3.0, section 3.2.1.

First, the Panel concludes that the Respondent is using the Disputed Domain Name for an illegitimate purpose that demonstrates knowledge of the Complainant's trademark rights and a bad faith intent to register and use the Disputed Domain Name. By registering the Disputed Domain Name that is confusingly similar to the Complainant's mark purportedly to offer and sell the same or similar items of clothing – albeit allegedly

counterfeit items -- to the clothing sold by the Complainant, it is evident that the Respondent had knowledge of the Complainant, its business, and its GALLERYDEPT Mark when registering the Disputed Domain Name. In light of the circumstances in this case, it is not possible to conceive of a plausible situation in which the Respondent would have been unaware of the Complainant's GALLERY DEPT Mark at the time the Disputed Domain Name was registered.

Second, the use of a domain name to intentionally attempt to attract Internet users to a respondent's website by creating a likelihood of confusion with a complainant's mark as to the source, sponsorship, affiliation or endorsement of the respondent's website demonstrates registration and use in bad faith. Based on the circumstances here, the Respondent registered and is using the Disputed Domain Name in bad faith to target the Complainant's GALLERY DEPT Mark to disrupt the Complainant's business, and to drive Internet traffic seeking the Complainant's goods to the website to which the Disputed Domain Name resolves, which purportedly offers counterfeit versions of the Complainant's clothing. Whether the goods sold are genuine goods from the Complainant need not be determined given the overall impersonating nature of the disputed domain name and the use to which it has been put, which support a finding of registration and use of the disputed domain name in bad faith.

Third, by registering and using the disputed domain name, the Respondent has sought to mislead Internet users by creating a likelihood of confusion with the Complainant's GALLERY DEPT Mark as to the source, sponsorship, affiliation or endorsement of the Respondent's website. In so doing, the Respondent, by means of the inherently misleading Disputed Domain Name, fraudulently attempts to hold itself out as the "official" website for "Gallery Dept" clothing, which conduct is tantamount to bad faith.

Panels have held that the use of a domain name for illegal activity here, claimed impersonation/passing off and the sale of counterfeit goods, constitutes bad faith. <u>WIPO Overview 3.0</u>, section 3.4.

Finally, the Panel has concluded that the Respondent also exhibited bad faith when it failed to respond to the Complainant's August 18 and September 9, 2023, cease-and-desist letters.

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

#### 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 <gallerydepthoodie.net> be transferred to the Complainant.

/Lynda M. Braun/ Lynda M. Braun Sole Panelist Date: May 20, 2024