

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Gallery Department, LLC v. Naeem Aslam Case No. D2024-1808

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 Naeem Aslam, Pakistan.

2. The Domain Name and Registrar

The disputed domain name <gallerydeptclothing.ltd> 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 April 30, 2024. On April 30, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On April 30, 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 (Registration Private, Domains By Proxy, LLC) and contact information in the Complaint. The Center sent an email communication to the Complainant on May 2, 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 May 4, 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 May 7, 2024. In accordance with the Rules, paragraph 5, the due date for Response was May 27, 2024. On May 16, 2024, a third party contacted the Center regarding the claimed unauthorized use of contact details in relation to the disputed domain name in the present proceedings. No official Response to the Complaint was submitted with the Center. The Center, therefore, notified the Commencement of Panel Appointment Process on May 28, 2024.

The Center appointed Ganna Prokhorova as the sole panelist in this matter on June 5, 2024. 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 clothing brand founded in Los Angeles, United States, by the artist and designer Josué Thomas. The Complainant is the owner of several trademark registrations for GALLERY DEPT., including:

- United States trademark registration No. 6048485 for GALLERY DEPT., registered on May 5, 2020, in class 25;
- China trademark registration No. 1430638 for GALLERY DEPT., registered on September 6, 2018, in class 25;
- United Kingdom trademark registration No. UK00801430638 for GALLERY DEPT., registered on March 27, 2019, in class 25.

The Complainant is also the owner of the domain name "www.gallerydept.com", registered on October 19, 2014, and used by the Complainant to promote and offer for sale its clothing products under the trademark GALLERY DEPT.

The disputed domain name was registered on June 16, 2023, and is currently not pointed to an active website. However, according to the screenshots submitted by the Complainant, prior to the present proceeding the disputed domain name was redirected to a website featuring the Complainant's trademark GALLERY DEPT. and offering purported GALLERY DEPT. products.

On October 19, 2023, the Complainant sent a cease-and-desist letter dated to the Respondent, informing of the Complainant's Gallery Dept. trademark rights and demanding that the Respondent take down all merchandise with the Gallery Dept. trademarks and relinquish the domain ownership to the Complainant. No response was received from the Respondent.

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:

- (1) The disputed domain name is confusingly similar to the Gallery Dept. trademarks. Disregarding the Top-Level Domain ("gTLD") ".ltd", on a side-by-side comparison of the disputed domain name and the Complainant's trademark, the entirety of the Gallery Dept. trademark is not just recognizable in the disputed domain name, but is identical to the Gallery Dept. trademark. The addition of the word "clothing" does nothing to differentiate the disputed domain name. The addition of the word "clothing" implies that the Respondent's website is specifically engaging in the sale of authentic clothing of the Complainant.
- (2) The Respondent has no rights or legitimate business interest in the disputed domain name. The Respondent has never used its disputed domain name in connection with a bona fide offering of goods and services. The Respondent was previously directly using the Complainant's domain name directly and selling illegitimate counterfeit merchandise using the Complainant's Gallery Dept. trademarks without authorization.

The Respondent is not commonly known by the disputed domain name and is intentionally trying to benefit from the confusion for its own unauthorized commercial gain. The Respondent is not associated in any way with the Complainant, and the Complainant has never given the Respondent any permission to use its trademarks. The Respondent registered its disputed domain name to intentionally confuse and redirect consumers away from the Complainant's website to its own website. The Respondent is using its disputed domain name to intentionally attract consumers to its website where it is selling counterfeit merchandise using the Complainant's Gallery Dept. trademarks without any authorization. The Respondent is using its disputed domain name to intentionally attract consumers to its website for the Respondent's own commercial gain and to the detriment of the Complainant, by selling counterfeit merchandise using the Complainant's Gallery Dept. trademarks without any authorization.

(3) The Respondent registered and is using the disputed domain name in bad faith. Had the Respondent done a quick search, it would have been notified of the Complainant's domain name which had been registered on October 19, 2014, nearly nine (9) years before the Respondent acquired its disputed domain name. A quick search for trademarks would have further notified the Respondent that the Complainant has also acquired the Gallery Dept. trademarks as early as February 2, 2017, over five years prior to the Respondent registering its disputed domain name. The Respondent has failed to respond to the cease-and-desist letter or take any action thereto. The Respondent is intentionally trying to attract consumers to the website at the disputed domain name for its own commercial gain by creating a likelihood of confusion with the Complainant's GALLERY DEPT. trademarks as to the source, sponsorship, affiliation, or endorsement of the Respondent's Website. Moreover, the Respondent is selling counterfeit merchandise using the Complainant's GALLERY DEPT. trademarks without any authorization.

The Complainant requests transfer of the disputed domain name.

B. Respondent

The Respondent did not reply to the Complainant's contentions. The Panel recalls here the third-party communication regarding unauthorized use of postal address details in relation to the disputed domain name registration.

6. Discussion and Findings

To succeed, the Complainant must demonstrate that all of the elements enumerated in paragraph 4(a) of the Policy have been satisfied, namely:

- (i) that the disputed domain name is identical or confusingly similar to a trademark or service mark in which the Complainant has rights; and
- (ii) that the Respondent has no rights or legitimate interests in respect of the disputed domain name; and
- (iii) that the disputed domain name was registered and is being used in bad faith.

The onus of proving these elements is on the Complainant even though the Respondent failed to submit a Response.

Paragraph 15(a) of the Rules directs the Panel to decide the complaint on the basis of the statements and documents submitted and in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable.

A. Identical or Confusingly Similar

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. WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 1.7.

The Complainant has shown rights in respect of the GALLERY DEPT. trademark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.2.1.

The trademark GALLERY DEPT. is reproduced in its entirety in the disputed domain name, eliminating the dot at the end of the trademark which is not included in the disputed domain name. Although the addition of other terms, here "clothing", may bear on assessment of the second and third elements, the Panel finds the addition of such term does not prevent a finding of confusing similarity between the disputed domain name and the mark for the purposes of the Policy. WIPO Overview 3.0, section 1.8.

It is well accepted by UDRP panels that a gTLD, such as ".ltd", is typically ignored when assessing whether a domain name is identical or confusing similar to a trademark. See WIPO Overview 3.0, section 1.11 of the

The Panel therefore finds 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 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.

In this case, the Complainant has established a prima facie case demonstrating its rights to the trademark GALLERY DEPT. and asserts that the Respondent has no legitimate reason to acquire or use the disputed domain name. There is no evidence that the Respondent is using the disputed domain name for a bona fide offering of goods or services. Instead, the unrebutted evidence in the case file indicates that the website associated with the disputed domain name offers GALLERY DEPT. goods at significantly lower prices. A comparison of product prices on the Complainant's website and the disputed domain name's website suggests that the products offered on the latter are likely counterfeit. Therefore, the Panel finds it probable (balance of probabilities) that the website associated with the disputed domain name sells counterfeit versions of the Complainant's products. Previous UDRP panels have determined that using a domain name for illegal activities, such as selling counterfeit goods, cannot confer rights or legitimate interests on a respondent. See WIPO Overview 3.0, section 2.13.1).

Even if the products were genuine, the lack of any disclaimer on the website at the disputed domain name regarding the Respondent's relationship with the trademark owner, or the absence thereof, would falsely suggest to Internet users that the website to which the disputed domain name resolves is owned by or at least affiliated with the Complainant, in accordance with the Oki Data principles outlined in *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. D2001-0903.

Also, there is no evidence that the Respondent is commonly known by the disputed domain name.

Furthermore, the nature of the disputed domain name, that includes the Complainant's well-established trademark in its entirety, carries a risk of implied affiliation and cannot constitute a fair use as it effectively impersonates or suggests sponsorship or endorsement by the Complainant. See <u>WIPO Overview 3.0</u>, section 2.5.

The Panel considers that the Complainant has made a prima facie case that the Respondent has no rights or legitimate interests in respect of the disputed domain name. The Respondent failed to rebut that prima facie case because the Respondent did not respond to the Complainant's contentions.

With the evidence on file, the Panel finds the second element of the Policy has been established.

C. Registered and Used in Bad Faith

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.

Having reviewed the record, the Panel finds the Respondent's registration and use of the disputed domain name constitutes bad faith under the Policy.

In the present case, the Panel notes that the disputed domain name resolved to a website reproducing the Complainant's trademark and purportedly offering for sale the Complainant's products but at a much lower price. Given the distinctiveness and renown of the Complainant's trademark, it is reasonable to infer that the Respondent has registered the disputed domain name with full knowledge of the Complainant's trademarks, and to target those trademarks.

The use of the term "clothing" reinforces the impression that the disputed domain name is the Complainant's website as a clothing brand. The disputed domain name resolves to a website, which appears to offer counterfeits of the Complainant's products. As such, the disputed domain name suggests affiliation with the Complainant in order to attract consumers and offer alleged counterfeit products. Prior UDRP panels have held that the use of a domain name for illegal activity, here sale of counterfeit goods constitutes bad faith. WIPO Overview 3.0, section 3.4.

The Panel also finds that the third-party submission corroborates the Panel's findings regarding bad faith.

The Panel finds that the Complainant has established the third element 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 <gallerydeptclothing.ltd> be transferred to the Complainant.

/Ganna Prokhorova/
Ganna Prokhorova
Sole Panelist

Date: June 13, 2024