

ADMINISTRATIVE PANEL DECISION

Rent the Runway, Inc. v. Johnston, Julie Victoria
Case No. DAU2022-0032

1. The Parties

The Complainant is Rent the Runway, Inc., United States of America (“United States”), represented by Perkins Coie, LLP, United States.

The Respondent is Johnston, Julie Victoria, Australia.

2. The Domain Name and Registrar

The disputed domain name <rent-the-runway.com.au> is registered with Tucows (Australia) Pty Ltd trading as OpenSRS (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on October 25, 2022. On October 26, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On October 27, 2022, the Registrar transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details.

The Center verified that the Complaint satisfied the formal requirements of the .au Dispute Resolution Policy (the “Policy” or “.auDRP”), the Rules for .au Dispute Resolution Policy (the “Rules”), and the WIPO Supplemental Rules for .au Domain Name Dispute Resolution Policy (the “Supplemental Rules”).

In accordance with the Rules, paragraphs 2(a) and 4(a), the Center formally notified the Respondent of the Complaint, and the proceedings commenced on October 31, 2022. In accordance with the Rules, paragraph 5(a), the due date for Response was November 20, 2022. The Center received an email communications from the Respondent on November 3 and November 17, 2022. The Center notified the commencement of Panel appointment process on November 21, 2022.

The Center appointed John Swinson as the sole panelist in this matter on November 24, 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 corporation from the United States, with an address in Brooklyn, New York. The Complainant commenced business in 2009. The Complainant has an online retail clothing store services and related clothing rental service.

The Complainant operates its business from a website at <renttherunway.com>.

The Complainant owns Australian trademark registration number 1899566 for RENT THE RUNWAY that has a priority date of April 26, 2016.

The legal terms on the Complainant's website at <renttherunway.com> state "The Services are controlled or operated (or both) from the United States, and are not intended to subject Rent the Runway to any non-U.S. jurisdiction or law. You may not use the Services to rent or purchase Products outside of the United States".

According to the Registrar's records, the disputed domain name is owned by an organisation named "Rent the Runway" in the name of Julie Johnston, with an address in Far North Queensland, Australia.

According to the Whois records, the registrant of the disputed domain name is "JOHNSTON, JULIE VICTORIA" who is a sole trader and who has an Australian Business Number. The Panel will refer to Ms. Johnston as the Respondent. The Respondent owns Australian registered business name "RENT THE RUNWAY AU" which was registered on March 9, 2021.

The disputed domain name resolves to a website titled "RENT THE RUNWAY – DESIGNER DRESS HIRE". The contents of the website is summarized in a meta-tag for the website as follows: "Australia's finest designer dress hire service. *Rent* your dresses online from one of the largest designer *rental* wardrobes in Australia. Hire your dress." This website allows consumers to rent dresses and the like, and also to purchase clothing. The website has many pages of clothing. It appears that the Respondent will only ship items within Australia.

The Respondent started her business in 2021.

According to the Respondent, she operates her business from her bedroom and earns a couple of hundred dollars a week.

The domain name <renttherunway.com.au> is owned by Matrix Wealth Pty Ltd, who does not appear to be associated with the Complainant or the Respondent. This domain name does not resolve to an active website.

5. Parties' Contentions

A. Complainant

In summary, the Complainant makes the following submissions:

The Complainant owns the trademark RENT THE RUNWAY, which has been in use for an e-commerce website at "www.RentTheRunway.com" since 2009.

The Complainant owns United States and Australian trademark registrations for RENT THE RUNWAY. The disputed domain name is nearly identical to the Complainant's trademarks.

The Complainant's trademark registrations pre-date the Respondent registering the disputed domain name in 2019.

The Respondent is not licensed or otherwise authorised to use the Complainant's RENT THE RUNWAY trademark and is not commonly known by the disputed domain name or any variant of the Complainant's RENT THE RUNWAY trademark.

The Respondent is not making a *bona fide* offering of goods or services or a legitimate noncommercial or fair use of the disputed domain name.

The Respondent seeks to capitalise on the confusing similarity between the disputed domain name and the Complainant's RENT THE RUNWAY trademark and domain name, to attract consumers to the Respondent's website. The Respondent then seeks to profit from confused users who are diverted to the Respondent's website under the false belief that they have reached the Complainant's website. The Respondent's use of the disputed domain name to lure unsuspecting Internet users to the Respondent's website for profit does not constitute a *bona fide* offering of goods or services in connection with the disputed domain name.

At the time of registration of the disputed domain name, the Respondent was aware of the Complainant's rights in the RENT THE RUNWAY trademark. A respondent's actual knowledge of another's trademark rights prior to registration of a disputed domain name is evidence that the respondent lacks rights or legitimate interests in that domain name.

Given that the registered and inherently distinctive RENT THE RUNWAY trademark is well known and has received widespread media coverage, particularly in the online fashion community, it is inconceivable that the Respondent created the disputed domain name independently in order to offer competing online retail store services for clothing.

The Respondent's use of the disputed domain name in connection with retail store services for clothing clearly establishes that the Respondent registered the disputed domain name deliberately, with actual knowledge of the Complainant's RENT THE RUNWAY trademark, and in bad faith.

The Complainant sent a demand letter to the Respondent on August 17, 2022, and followed-up on August 29, 2022, but the Respondent failed to reply. The failure on the part of the Respondent to respond to the demand letter is additional evidence of bad faith.

B. Respondent

The Respondent did not submit a formal response. The Respondent sent two informal emails to the Center copied to the Complainant. In summary, these emails state:

The Respondent is a sole trader running a small business.

The Respondent decided to start her business in 2021. At that time, the Respondent completed a search on the Australian ASIC website to find a business name that reflects what the business is and was available to secure. The name "Rent The Runway AU" was available and the Respondent paid the fees to secure this name.

"Until very recently, I had absolutely no idea that a US based company called Rent The Runway even existed."

The Respondent questions why the Complainant did not acquire the disputed domain name first, and states if the Complainant had done so, that would have avoided this dispute.

"Once I had secured the domain name, the website was built, social media platforms set up, email addresses secured, logo/branding created, and marketing materials created with the logo. The initial set up costs to do so came from an inheritance I came into when a family member passed away."

The Respondent stated that she was “prepared to change our domain name, change our email address, re-brand the website, change all stationary etc, rebrand social media etc to remove the Rent the Runway AU name, however our costs to do this will need to be covered. After gaining the costs involved to do all of this we have been advised this will cost approx [AUD]7000”.

6. Discussion and Findings

Paragraph 4(a) of the auDRP provides that a complainant must prove each of the following elements:

- (i) the disputed domain name is identical or confusingly similar to a name, 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 has been registered or subsequently used in bad faith.

The burden of proof of each element is borne by the Complainant.

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 the Panel deems applicable.

A. Identical or Confusingly Similar

The first element that the Complainant must establish is that the disputed domain name is identical with, or confusingly similar to, the Complainant’s name, trademark or service mark.

There are two parts to this inquiry: the Complainant must demonstrate that it has rights in a name or mark at the date the Complaint was filed and, if so, the disputed domain name must be identical or confusingly similar to the name or mark.

For present purposes, the Complainant has proven that it owns a registered trademark for RENT THE RUNWAY as discussed in section 4 above.

Typically and as is appropriate in this case, it is permissible to disregard respectively the Top and Second Level Domains, “.com.au”, as a functional component of the domain name system.

Accordingly, the disputed domain name is confusingly similar to the Complainant’s RENT THE RUNWAY trademark.

The Complainant succeeds on the first element of the Policy.

B. Rights or Legitimate Interests

The second requirement the Complainant must prove is that the Respondent has no rights or legitimate interests in the disputed domain name.

Paragraph 4(c) of the Policy provides that the following circumstances may be situations in which a respondent has rights or legitimate interests in a disputed domain name:

- (i) before any notice to the respondent of the subject matter of the dispute, the respondent’s *bona fide* use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with an offering of goods or services (not being the offering of domain names that you have acquired for the purpose of selling, renting or otherwise transferring); or

(ii) the respondent (as an individual, business, or other organization) has been commonly known by the domain name, even if the respondent has acquired no trademark or service mark rights; or

(iii) the respondent is making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

These are illustrative only and are not an exhaustive listing of the situations in which a respondent can show rights or legitimate interests in a domain name.

The onus of proving this requirement, like each element, falls on the Complainant. Previous panels have recognised the difficulties inherent in proving a negative, however, especially in circumstances where much of the relevant information is in, or likely to be in, the possession of the respondent. Accordingly, it is usually sufficient for a complainant to raise a *prima facie* case against the respondent under this head and the burden of production will shift to the respondent to rebut that *prima facie* case. The ultimate burden of proof, however, remains with the Complainant. See, e.g., *GlobalCenter Pty Ltd v. Global Domain Hosting Pty Ltd*, WIPO Case No. [DAU2002-0001](#).

The Complainant's case on this element of the Policy is that the Respondent's business is similar to the Complainant's business, and that the Respondent capitalises on the Complainant's trademark to unfairly attract customers to the Respondent's website. Accordingly, the Complainant asserts that the Respondent's use of the disputed domain name to lure unsuspecting Internet users to the Respondent's website for profit does not constitute a *bona fide* offering of goods or services in connection with the disputed domain name.

The appropriate time to assess the Respondent's claim to rights or legitimate interests in the disputed domain name is at the time when the Respondent became aware of the dispute about the disputed domain name – which will be no later than the date of the filing of the Complaint, and may be earlier (e.g. upon receipt of a letter of demand from the Complainant). *Ogio International Inc v. Ogio Pty Ltd*, WIPO Case No. [DAU2019-0011](#); and *eScuba Pty Limited v. Underwater Australasia Pty Ltd*, WIPO Case No. [DAU2022-0023](#). The Complainant sent a demand letter to the Respondent on August 17, 2022, so this is the appropriate time to assess this issue.

At that time, the disputed domain name resolved to a website that appears to be the website of a legitimate business. The website does not appear to be a sham or fraudulent, and the Complainant does not allege that is the case. The website does not have a similar look and feel to the Complainant's website, and does not use the Complainant's logos or get-up. But it does use RENT THE RUNWAY as the title of the website.

The Respondent owns a registered business name for RENT THE RUNWAY AU. Registration of a business name is a regulatory requirement for a person trading in Australia under a name that is not their own personal name or the name of a company. It does not give a right to the exclusive use of the name. Without more, such as the use or demonstrated preparations to use the business name, the registration of a business name does not constitute a right or legitimate interest in the disputed domain name for the purpose of the Policy. See, for example, *Insure & Go Insurance Services Limited v. CoverDirect Pty. Ltd.*, WIPO Case No. [DAU2008-0019](#).

In the present case, as stated above, the Respondent actually uses the business name. The Respondent's business appears to be legitimate in the sense that it actually offers the services provided, has customers and is not a sham for the purposes of establishing rights under the Policy. See, for example, *Peacock Media Group Pty Ltd v. Your Solar Quotes Pty Ltd*, WIPO Case No. [DAU2017-0005](#).

The crux of the Complainant's submission is that despite such use by the Respondent, the Respondent's use of the disputed domain name is not *bona fide* because the Respondent must have known of the Complainant when the Respondent registered the disputed domain name and set up her website that provides similar services to the Complainant to take advantage of the Complainant's trademark. In an informal submission, the Respondent denies knowledge of the Complainant.

If the Respondent had searched the Australian trademarks register, the Respondent would have become aware of the Complainant's Australian trademark registrations. The Respondent, who appears to be a lay person in respect of intellectual property law, did not search the trademarks register, but instead searched the company and business names register.

The Complainant did not make submissions that the Respondent had a duty to search the Australian Trade Marks Register before the Respondent could claim *bona fide* use of the disputed domain name under paragraph 4(c)(i) of the Policy, and this appears to be an issue that has not been considered in detail in prior decisions under the Policy. The Panel makes no decision in this regard in the present case.

The Complainant is well-known in the United States but did not provide any evidence that the Complainant is known in Australia. (The Complainant provided articles from publications such as the New York Times but provided no evidence of reputation in Australia or from publications in Australia.) It does not appear the Complainant does business in Australia. The Complainant's website expressly states that it will not send clothing outside of the United States. In that regard, it is possible that the Respondent, who lives in Far North Queensland, was unaware of the Complainant when the Respondent set up her business in 2021. It is also unclear why an Australian consumer would be looking for the Complainant on the Internet when the Complainant does not appear to be doing business in Australia (and there is no evidence before the Panel of spill-over reputation in Australia or actual consumer confusion). Due to the hyphens in the disputed domain name and in particular the country code parts of the disputed domain name, it is also unlikely that a consumer who knew about the Complainant would enter the disputed domain name into their browser when looking for the Complainant.

On the other hand, a simple Google search by the Respondent for "rent the runway" or checking whether the domain name <renttherunway.com> was in use would have alerted the Respondent to the Complainant's business. Moreover, one may ask whether it is more than a coincidence that the Respondent provides similar services as the Complainant under a very similar domain name to the Complainant's trademark. The Complainant says that the Respondent's use of an identical brand for similar services is evidence that the Respondent had actual knowledge of the Complainant (whose trademark may be considered suggestive). The Respondent provided no information as to why she selected that name.

The Respondent did not address the issue of whether the Respondent could rely upon paragraph 4(c)(ii) of the Policy. The Panel finds that there is insufficient evidence to demonstrate that the Respondent is commonly known by the disputed domain name.

The Complainant included as part of the Complaint a letter to the Respondent from the Complainant's attorneys. The letter did not refer to the Policy. The letter did not directly allege infringement of the Complainant's Australian trademark registrations but stated that the Complainant was "vigilant" in protecting the Complainant's intellectual property rights. (The letter also referred to actual consumer confusion, but no evidence was provided of such confusion in the letter or in the Complaint.). Despite a follow up email, the Respondent did not reply to this letter.

It is not the role of the Panel to make determinations of trademark infringement. The tests applied under the Policy and in respect to Australian trademark infringement law differ in several respects. *Argyle Diamonds Limited v. Domain Manager / Argyle Diamond Investments Pty Ltd*, WIPO Case No. [DAU2021-0028](#). It is not settled if the test as to whether the selection and use of a domain name is *bona fide* under the Policy is the same test to determine whether use of a trademark is in good faith under the Trade Marks Act. Issues such as those discussed in the Federal Court's decision in *Flexopack S.A. Plastics Industry v Flexopack Australia Pty Ltd* [2016] FCA 235 (for example, in relation to the "own name" defence) are best determined by a court and not under the Policy.

The Policy is designed to deal with clear cases of cybersquatting. This is not a clear case. In the circumstances of this case, a finding that the Respondent has "no" rights would involve making findings about what is essentially a trademark or passing-off dispute. This involves larger issues which are

inappropriately resolved under the Policy. *Curtain Communications Pty Ltd. v. Leann Webb*, WIPO Case No. [DAU2008-0022](#); *Australian Postal Corporation v. Jason Soares*, WIPO Case No. [DAU2015-0003](#).

The Panel finds that the Complainant has failed to establish, on the balance of probabilities, that the Respondent has no rights nor any legitimate interests in respect of the disputed domain name.

The Complainant fails in respect of the second element of the Policy.

C. Registered or Subsequently Used in Bad Faith

In view of the findings above, the Panel does not need to decide the third element of the Policy.

7. Decision

For all the foregoing reasons, the Complaint is denied.

/John Swinson/

John Swinson

Sole Panelist

Date: December 8, 2022