Panel Decision for dispute CAC-ADREU-007549

Case number	CAC-ADREU-007549
Time of filing	2017-12-14 15:22:21
Domain names	escadaoutlet.eu

Case administrator

	Aneta Jelenová (Case admin)

Complainant

Organization	ESCADA Luxembourg S.à r.l.

Respondent

Name	coirf zcmjoair

INSERT INFORMATION ABOUT OTHER LEGAL PROCEEDINGS THE PANEL IS AWARE OF WHICH ARE PENDING OR DECIDED AND WHICH RELATE TO THE DISPUTED DOMAIN NAME

The Panel is not aware of any other legal proceedings which are pending or decided and which relate to the disputed domain name.

FACTUAL BACKGROUND

The Complainant is the parent company of the ESCADA Group - a German luxury women's designer clothing company established in 1976.

The Complainant is the owner of a number of trademark registrations for the word “ESCADA” worldwide, including the following registrations (the “ESCADA trademark”):

- the EU trademark ESCADA with registration No.003254067, registered on September 22, 2004 for goods in International Classes 9, 14, 18, and 25;
- the EU trademark ESCADA with registration No.009488644, registered on March 20, 2011 for goods in International Class 24, and
- the EU trademark ESCADA with registration No.011102481, registered on May 28, 2013 for goods in International Classes 11, 20, 21, and 27.

The Complainant also owns the domain names <escada.com> and <escada.co.uk>.

The Respondent registered the disputed domain name on July 7, 2017.

The disputed domain name is used in connection with a website offering clothing and related products for sale.

A. COMPLAINANT

According to the Complainant, the website at the disputed domain name imitates the look and feel of the Complainant’s website and uses the Complainant’s photos, inter alia one of the Complainant’s official runway pictures, which is included in the Complainant’s look book “PRE-FALL 2017”. The website also offers third parties’ products for sale, including products of Philippe Ferrandis and GUCCI.

According to the Complainant, the disputed domain name confusingly similar to the ESCADA trademark, as it fully incorporates it. The inclusion in the disputed domain name of the additional generic word “outlet” does not eliminate the similarity with the ESCADA trademark.

The Complainant submits that the Respondent has no rights or legitimate interests in the disputed domain name.

The ESCADA trademark is well known and obviously connected with the Complainant and its products. “Escada” is not a word any market participant or other domain registrant would legitimately choose unless seeking to create an impression of an association with the Complainant. The Complainant has not licensed or otherwise permitted the Respondent to use any of its trademarks and has not permitted the Respondent to apply for or use any domain name incorporating the ESCADA trademark.

There is no evidence of the Respondent’s use of, or demonstrable preparations to use the disputed domain name or a name corresponding to the disputed domain name in connection with a bona fide offering of goods or services within the meaning of Art. 21(2)(a) of Regulation (EC) No.874/2004. The Respondent offers competing products for sale at the disputed domain name which constitutes a trademark infringement and is not bona fide use under the Regulation. Finally, there is also no evidence that suggests that the Respondent is making a legitimate non-commercial or fair use of the disputed domain name under Art. 21(2)(c) of Regulation (EC) no. 874/2004, or is commonly known by the disputed domain name under Art.21(2)(b) of Regulation (EC) No. 874/2004.

The Complainant contends that the Respondent has registered and is using the disputed domain name in bad faith. It is inconceivable that the Respondent registered the disputed domain name unaware of the Complainant and its rights in the ESCADA trademark. The fact that the Respondent maintains a shop offering ESCADA products clearly evidences that the Respondent is deliberately targeting the Complainant and its trademarks.

The Respondent’s use of the disputed domain name in connection with an online shop offering the Complainant’s products alongside third parties’ products for sale constitutes bad faith under Art. 21(3)(d) of Regulation (EC) No.874/2004, as the disputed domain name was intentionally used to attract Internet users, for commercial gain, to the Respondent’s website, by creating a likelihood of confusion with the ESCADA trademark.

In accordance with the ADR Rules, Paragraph B1(b)(11), the Complainant requests a decision for the transfer of the disputed domain name to it. The Complainant’s principal place of business is Luxembourg, so the Complainant complies with the eligibility requirements set out in Art. 4(2)(b)(i) of Regulation (EC) No.733/2002.

B. RESPONDENT

The Respondent did not submit a Response in this proceeding.

DISCUSSION AND FINDINGS

According to Article 21(1) of Regulation (EC) No 874/2004 and Paragraph B11(d)(1) of the ADR Rules, a respondent’s registration of the disputed domain name is considered abusive and speculative if
(i) the domain name is identical or confusingly similar to a name in respect of which a right is recognized or established by the national law of a Member State and/or Community law; and either
(ii) the domain name has been registered by the Respondent without rights or legitimate interest in the name; or
(iii) the domain name has been registered or is being used in bad faith.

Identity and confusing similarity

The Panel finds from the evidence submitted with the Complaint that it is the proprietor of the ESCADA trademark, details of which are given above. These trademark registrations give rise to rights in the name ESCADA within the meaning of Article 10 of the Commission Regulation (EC) 874/2004, i.e., rights established by Community law.

The Panel finds that the disputed domain name is confusingly similar to the ESCADA trademark. The dominant element of the disputed domain name is the word “escada”, which is identical to the ESCADA trademark. The other element of the disputed domain name – “outlet”, is descriptive and does not detract from that dominance. As to the suffix “.eu”, it is widely accepted that this element is not relevant for the purposes of the test for identity or confusing similarity. Therefore, the condition set forth under Article B11(d)(1)(i) of the ADR Rules is fulfilled.

Rights and legitimate interests

Under the ADR Rules, the burden of proof for the lack of rights and legitimate interests of the Respondent in the disputed domain name lies with the Complainant. However, the existence of negative facts is difficult to prove, and the relevant information for the Respondent is mostly in its sole possession. Therefore, the Panel holds that it is sufficient for the Complainant to make a prima facie demonstration that the Respondent lacks rights or legitimate interests in the disputed domain name. The burden of production then shifts to the Respondent to substantiate its rights or legitimate interests in the disputed domain name.

In this case, the Complainant has submitted that the ESCADA trademark is well known and obviously connected with the Complainant and its products, so this trademark is not a name that any domain registrant would legitimately choose unless seeking to create an impression of an association with the Complainant. The Complainant has also submitted that it has not licensed or otherwise permitted the Respondent to use the ESCADA trademark or to register and use any domain name incorporating the ESCADA trademark. The Complainant has pointed out that the Respondent offers its products alongside products of competitors for sale on the website at the disputed domain name. In this way, Complainant has made the prima facie showing discussed above.

Having reviewed the case file, the Panel is of the opinion that there is no evidence to rebut the prima facie case established by the Complainant. Rather, the evidence supports the Complainant's contentions. The disputed domain name is confusingly similar to the ESCADA trademark, and the Respondent's website associated to it offers what appear to be products of the Complainant alongside products of other designer clothing companies without disclosing the lack of any relationship or endorsement of the Respondent's website by the Complainant. In view of this, the Panel accepts that the disputed domain name was chosen and registered specifically in view of the ESCADA trademark and its goodwill in relation to designer clothing products, and that the operation of a website under the disputed domain name is likely to illegitimately extract benefit from this goodwill without the consent of the Complainant. In the Panel's view, these circumstances cannot be regarded as giving rise to rights and legitimate interests of the Respondent in the disputed domain name.

Taking the above circumstances into account, the Panel finds that the Respondent has registered the disputed domain name without rights or legitimate interests in it. The condition set forth under Article B11(d)(1)(ii) of the ADR Rules is therefore fulfilled as well.

Bad faith registration and use

The Panel notes that, in case the Respondent is found to have registered the disputed domain name without rights or legitimate interests in it, it is not necessary to investigate the Respondent's possible bad faith under Article B11(d)(1)(iii) of the ADR Rules. However, for the sake of completeness, the Panel decided to rule on this issue as well.

As noted in ADR Case No.02235: "Given the Complainant's rights to the use the name "Palmer's Cocoa Butter" in Europe, there are only a limited number of ways in which the Respondent could use the domain name that would not be in bad faith. ... If the domain name was used for any commercial purpose (including the offering of the domain name for sale, or for sponsored links or affiliate sales) this would therefore be evidence of bad faith." The Panel finds that the same reasoning applies here as well. The Complainant has established its rights in the name ESCADA for the territory of the European Union, and this name is obviously well-known and easily recognized by consumers. The disputed domain name is confusingly similar to the ESCADA trademark, so it is likely that Internet users would regard it as affiliated to or approved by the Complainant and as legitimately offering genuine designer clothing made by the Complainant. The risk of such confusion is increased by the design and content of the website at the disputed domain name. In the Panel's view, given the popularity and goodwill of the ESCADA trademark, it is difficult to conceive of any good faith use of the disputed domain name by the Respondent that would be legitimate without the consent of the Complainant, which is obviously lacking in this case. Rather, it appears that the Respondent has registered the disputed domain name with the intent to extract commercial gain from the goodwill of the ESCADA trademark by confusing and attracting Internet users to its website and offering them for sale products of different sources including competitors of the Complainant.

Therefore, the Panel accepts that the Respondent has registered the disputed domain name in bad faith, and the condition set forth under Article B11(d)(1)(iii) of the ADR Rules is also fulfilled.

As the Complainant is a company established in Luxembourg, it satisfies the general eligibility criteria for registration of the disputed domain name set out in Paragraph 4(2)(b) of Regulation (EC) No 733/2002. Therefore, Complainant is entitled to request the transfer of the disputed domain name to itself.

DECISION

For all the foregoing reasons, in accordance with Paragraphs B12 (b) and (c) of the Rules, the Panel orders that the domain name ESCADAOUTLET.EU be transferred to the Complainant.

PANELISTS

Name	**Assen Zahariev Alexiev**

DATE OF PANEL DECISION 2017-12-14

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

I. Disputed domain name: ESCADAOUTLET.EU

II. Country of the Complainant: Luxembourg, country of the Respondent: Great Britain (UK)

III. Date of registration of the domain name: 7 July 2017

IV. Rights relied on by the Complainant (Art. 21 (1) Regulation (EC) No 874/2004) on which the Panel based its decision:
1. the EU trademark ESCADA with registration No.003254067, registered on September 22, 2004 for goods in International Classes 9, 14, 18, and 25;
2. the EU trademark ESCADA with registration No.009488644, registered on March 20, 2011 for goods in International Class 24, and
3. the EU trademark ESCADA with registration No.011102481, registered on May 28, 2013 for goods in International Classes 11, 20, 21, and 27.

V. Response submitted: No

VI. Domain name is confusingly similar to the protected rights of the Complainant.

VII. Rights or legitimate interests of the Respondent (Art. 21 (2) Regulation (EC) No 874/2004):
1. No
2. Why: The disputed domain name is confusingly similar to the ESCADA trademark, and the Respondent's website associated to it offers what appear to be products of the Complainant alongside products of other designer clothing companies without disclosing the lack of any relationship or endorsement of the Respondent's website by the Complainant. In view of this, the Panel accepts that the disputed domain name was chosen and registered specifically in view of the ESCADA trademark and its goodwill in relation to designer clothing products, and that the operation of a website under the disputed domain name is likely to illegitimately extract benefit from this goodwill without the consent of the Complainant.

VIII. Bad faith of the Respondent (Art. 21 (3) Regulation (EC) No 874/2004):
1. Yes
2. Why: The Complainant has established its rights in the name ESCADA for the territory of the European Union, and this name is obviously well-known and easily recognized by consumers. The disputed domain name is confusingly similar to the ESCADA trademark, so it is likely that Internet users would regard it as affiliated to or approved by the Complainant and as legitimately offering genuine designer clothing made by the Complainant. The risk of such confusion is increased by the design and content of the website at the disputed domain name. In the Panel's view, given the popularity and goodwill of the ESCADA trademark, it is difficult to conceive of any good faith use of the disputed domain name by the Respondent that would be legitimate without the consent of the Complainant, which is obviously lacking in this case. Rather, it appears that the Respondent has registered the disputed domain name with the intent to extract commercial gain from the goodwill of the ESCADA trademark by confusing and attracting Internet users to its website and offering them for sale products of different sources including competitors of the Complainant.

IX. Other substantial facts the Panel considers relevant:

X. Dispute Result: Transfer of the disputed domain name

XI. Procedural factors the Panel considers relevant:

XII. If transfer to Complainant Is Complainant eligible? Yes