Decision for dispute CAC-UDRP-101942

Case number	CAC-UDRP-101942
Time of filing	2018-04-03 09:00:57
Domain names	PHILIPPEPLEINPASCHER.COM

Case administrator

Organization	Iveta Špiclová (Czech Arbitration Court) (Case admin)

Complainant

Name	Philipp Plein

Complainant representative

Organization	Barzanò & Zanardo Milano S.p.A.

Respondent

Organization	Guo jiayu

OTHER LEGAL PROCEEDINGS

The panel is not aware of any other proceedings.

IDENTIFICATION OF RIGHTS

The Complainant relies on its various registered rights including its International Registration No. 794860, for the word mark Philipp Plein of 13 December 2002, for goods in classes 3, 14, 18, 20, 21, 24, 25 and 28 in over 60 countries.

It also has various EUTMs (formerly CTMs), including the PP PHILIPP PLEIN device mark, Registration No. 012259503, filed on October 28, 2013 and registered on March 24, 2014, for goods in classes 3, 14, 18, 20, 21, 24, 25, 28 and the word mark Registration No. 002966505, filed on December 6, 2002 and registered on 21 January 2005 for goods in classes 3, 14, 18, 20, 21, 24, 25, 28.

It also relies on its rights arising from use online and offline and in trade and at http://world.philipp-plein.com/.

FACTUAL BACKGROUND

The Complainant is the well-known German fashion designer, Philipp Plein, and the founder of the brand, Philipp Plein.

This is a leading brand in the luxury fashion industry. Its website is at http://world.philipp-plein.com/ The Complainant participates in the major fashion shows around the world (Milan, Paris, New York, among others) and its advertising

campaigns are universally renowned as unique and high impact. The label enjoys growth and success and today has showrooms all over the world with more than 36 mono-brand stores and over 500 retail clients worldwide, including Russia. Philipp Plein runs at a double-digit rate of expansion, and currently has a turnover of over one hundred million Euros.

Philipp Plein has several sponsorship agreements, with among others, AS Roma (one of the most important Italian soccer teams), Mauro Icardi, (one of the most important footballers in the world) and Nico Hulkenberg, (the Formula one racer). Due to its longstanding use, and substantial promotional and advertising investments, the Philipp Plein trademark is a well known mark.

The disputed domain name was registered on 13 December 2017, by Mr. Guo Jiayu and the disputed domain name resolved to a webpage offering for sale alleged Philipp Plein items and displaying the well-known Philipp Plein trade mark.

The disputed domain name contains the words Philipp Plein with the French word ‘pascher’—the last word being in French and meaning ‘cheap’ so that the overall meaning is sale or discounted Philipp Plein.

PARTIES CONTENTIONS

PARTIES' CONTENTIONS:

COMPLAINANT:

1. Similar or Identical to Complainant's mark

The Complainant's word mark is entirely contained in the disputed domain name. It is a well-established principle that when a domain name wholly incorporates the Complainant's registered mark, the first requirement under the UDRP shall be considered accomplished (see Six Continent Hotels, Inc. v. The Omnicorp, WIPO Case No. D2005-1249 and Oki Data Americas, Inc. v. ASD, Inc., WIPO Case No. D2001-0903). Furthermore, the addition of generic and descriptive words, such as “pas”, “cher”, rather than excluding a similarity with the earlier well-known Philipp Plein trade mark, increase the likelihood of confusion, since these words are all related to the fashion field and to the selling of discounted clothing (i.e. “pas cher” is the French translation of “cheap”). It is clear that the combination of the well-known Philipp Plein mark and such generic words, transmits that the idea that the disputed domain name will be used to offer for sale discounted Philipp Plein goods. Finally, the addition of a gTLD such as ".com" in a domain name is technically required. Thus, it is well established that such element may be disregarded when assessing whether a domain name is identical or confusingly similar to a trademark (see Proactiva Medio Ambiente, S.A. v. Proactiva, WIPO Case No. D2012- 0182). Therefore, the disputed domain name is confusingly similar to the earlier Philipp Plein well-known trademarks, and the first requirement under para. 4 (a)(i) of the Policy and of para. 3(b), (viii), (b)(ix)(1) of the Rules is satisfied.

2. The Respondent has no rights or legitimate interests in respect of the domain name

According to paragraph 4(a) of the Policy, the burden of proving the absence of the Respondent’s rights or legitimate interests in respect of the Domain Name lies with Complainant. It is nevertheless a well-settled principle that satisfying this burden is unduly onerous, since proving a negative fact is logically more difficult than establishing a positive. Accordingly, it is sufficient for the Complainant to produce a prima facie evidence in order to shift the evidential burden of production to Respondent. See, e.g., Document Technologies, Inc. v. International Electronic Communications Inc., WIPO Case No. D2000-0270; Belupo d.d. v. WACHEM d.o.o., WIPO Case No. D2004-0110; Audi AG v. Dr. Alireza Fahimipour, WIPO Case No. DIR2006-0003.

In the present case, the Complainant denies the Respondent is an authorized dealer, agent, distributor, wholesaler or retailer of Philipp Plein. In fact, the Complainant has never authorized Guo Jiayu to include its well-known trademark in the disputed domain name, nor to make any other use of its trademark in any manner whatsoever. Complainant also confirms that it is not in possession of, nor aware of the existence of, any evidence tending to demonstrate that the Respondent is commonly known by the Domain Name, as individual, business, or other organization. Moreover, to the best knowledge of the Complainant, Guo Jiayu does not own Philipp Plein formative trademarks, which would grant rights on the disputed domain

names. In light of these considerations, the Complainant submits the Respondent is not commonly known by the disputed domain name under paragraph 4(c)(ii) of the Policy.

Currently, the disputed domain name is used to offer for sale alleged Philipp Plein clothing, footwear and other items. As noted above, the websites to which the disputed domain name redirect display in a prominent position the Philipp Plein word mark and figurative mark. It is very significant to note, that the Respondent is also using the original images from Philipp Plein's past and current advertising campaigns. This increases the likelihood of confusion for the relevant consumer and constitutes a clear violation of the Complainant's copyrights.

It is clear that the Respondent is using the disputed domain name to present his website as an official e-commerce platform of the Complainant, offering for sale "alleged" Philipp Plein goods. Thus, the Respondent is taking unfair advantage from the distinctive character and reputation of the Complainant's trade mark and unduly seeking to profit from the Complainant's goodwill for its own financial gain.

3. The disputed domain name was registered and is being used in bad faith

In accordance with paragraph 4(a)(iii) of the Policy in order to succeed in a UDRP Proceeding, the Complainant must prove, as a third and last requirement, that the Respondent registered and used the disputed domain name in bad faith. As far as registration in bad faith is concerned, the disputed domain name contains a very well-known third party's trademark without authorization. The Respondent could not have been unaware of the existence of the PHILIPP PLEIN trade mark at the time of the registration of the disputed domain name, not only because it is a very well-known mark, but also due to the nature of the domain name (consisting of the Complainant's trademark + terms that potential consumers may very well associate with the Complainant's activity) and of the website content. As far as use in bad faith is concerned, we note that the disputed domain name links to a website offering alleged "Philipp Plein" goods, and displaying copyrighted pictures taken from the Complainant's official website without right or consent. The website also features the Complainant's figurative and word marks, in connection with conflicting goods. This use is certainly not a use in good faith. It may cause substantial damages not only to the Complainant, but also to consumers. On the one side, the Complainant's image and reputation are strongly affected by the website, which is very similar to the official one and offers for sale conflicting goods. On the other side, consumers share confidential financial information when they purchase goods, with the concrete risk that this information misused by the Respondent. It appears from the above that the disputed domain name has been registered and is used to intentionally attract for commercial gain, Internet users to the Respondent's web site, by creating a likelihood of confusion with the Complainant's official website, also creating the impression that the Respondent's website is sponsored/affiliated or endorsed by the Complainant. In view of the above, Complainant respectfully submits that the Domain Name was registered and is being used in bad faith in full satisfaction of paragraphs 4(a)(iii) and 4(b) of the Policy.

RESPONDENT:

NO ADMINISTRATIVELY COMPLIANT RESPONSE HAS BEEN FILED.

RIGHTS

The Complainant has, to the satisfaction of the Panel, shown the disputed domain name is identical or confusingly similar to a trademark or service mark in which the Complainant has rights (within the meaning of paragraph 4(a)(i) of the Policy).

NO RIGHTS OR LEGITIMATE INTERESTS

The Complainant has, to the satisfaction of the Panel, shown the Respondent to have no rights or legitimate interests in respect of the disputed domain name (within the meaning of paragraph 4(a)(ii) of the Policy).

BAD FAITH

The Complainant has, to the satisfaction of the Panel, shown the disputed domain name has been registered and is being used in bad faith (within the meaning of paragraph 4(a)(iii) of the Policy).

PROCEDURAL FACTORS

There is one procedural issue and that is language. Under para. 11 of the UDRP the language of the proceedings is the language of the registration agreement unless the parties agree otherwise or the panel makes a different finding. This panel does make a different finding and the language of these proceedings will be English based on the burden to the Complainant otherwise and also the use of English terms on the site to which the disputed domain name resolves.

The Panel is therefore satisfied that all procedural requirements under UDRP were met and there is no other reason why it would be inappropriate to provide a decision.

PRINCIPAL REASONS FOR THE DECISION

There is no question that the Complainant has Rights in a name and mark similar to the Disputed Domain Name, both from its registered marks and arising from its substantial use in trade. It is a well known mark.

The key issue in this case is whether the Respondent is making a bona fide offering of goods or services as a reseller and has a legitimate right or interest in doing so under the second limb of the Complainant's burden.

Firstly, no trade mark owner in the EU, including the Complainant, has the right to monopolise the resale of second hand or previously sold goods. This is the limit to/exhaustion of the rights of a trade mark owner. This is the policy of the law to promote honest competition.

The rule protects descriptive use if necessary to indicate purpose and in accordance with honest practices—which encompasses a duty to act fairly in relation to the legitimate interests of the trade mark owner. This extends to protect third parties' use of a mark as an indication of the kind, quality, quantity, intended purpose... of goods or services and where it is necessary to indicate the intended purpose of a product or service. The proviso of honest use means unless the mark is used in a way that may create the impression that there is a commercial connection, in particular that the reseller's business is affiliated to the trademark proprietor's distribution network or that there is a special relationship between the two undertakings—then such use would not meet the honest practices test. The rule is also more strictly applied in relation to luxury goods due to the spending and exclusivity required to maintain such an image and the need for strict enforcement of brand guidelines in order to remain in that market.

In UDRP jurisprudence this is reflected in the OKI DATA principles from WIPO Case No.D2001-0903 which provide that a reseller/distributor can make a bona fide offering of goods and services and have a legitimate interest in a domain name, provided that:

(a) The use involves the actual offering of goods and services in issue;
(b) The site sells only the trade marked goods;
(c) The site accurately and prominently discloses the registrant's relationship with the trademark holder;
(d) The Respondent must not try to "corner the market" in domain names that reflect the trademark.

We note that there may now be said to be a consensus amongst UDRP panels that provided there is no impersonation or sale of completing goods under the trade mark, then the OKI DATA principles are broadly fair. Turing to the application of these points.

(1) the site appears to be selling genuine goods. More likely than not, these goods have been placed on the market in the EU by the Complainant, whose rights may then be exhausted. We have no real evidence however the burden is the Complainant's.

(2) It appears the site sells only the trade marked goods (this is a contentious requirement in any event as arguably overbroad).

(3) As to disclaimers and representations, we are hampered by the fact that the site is in French and no longer online.

(4) The addition of the word cheap arguably operates as a kind of disclaimer and avoids impersonation and also responds to (d) above in that it does not block or corner the Complainant. This addition also represents in the view of the panel, that the site is not official. It is well established that the OKI DATA rule applies to unauthorized or unofficial resellers and repairers just as it does to official agents, per WIPO Case D2001- 1292 (Volvo Trademark Holdings AB) (OKI DATA principles apply as long as he operates a business genuinely revolving around the owners' goods and services) and WIPO Case D2007 -1524 (nascartours) (OKI DATA applies to authorized and unauthorized sellers). See also Bettinger, 2nd Ed. P1387 IIIE.310. In any event, there is not a misrepresentation of a connection or relationship – rather the opposite.

(5) Other: The evidence does not appear to show use of the logo mark as opposed to the word mark. The copyright issues are not relevant to this inquiry and we are in no position to take a view on this and it was a bare allegation without supporting evidence in any event. There is also no evidence that the site is not a genuine reseller or that it is engaging in anything other than legitimate resales.

The view of the panel is that the OKI DATA principles are broadly met and the Respondent has a legitimate interest in the use of the disputed domain name. That said, we note that the rule gives way in EU law in the luxury goods market, see the legitimate reasons for limiting exhaustion under the Directive and Regulation, and the established categories which include cases where the condition of the goods is altered, luxury goods and commercial connection cases. Luxury goods cases often concern unlicensed or unauthorised dealers and dilution by tarnishing or blurring.

In Parfums Christian Dior SA v Evora BV C-337/95 (the defendant chain of chemists, Kruidvat, were not authorised distributors for Dior Netherlands but sold Dior products (stockings) obtained by parallel imports from within the EEA. Dior took exception to a Christmas advertisement featuring the goods — on the basis it did not correspond to their luxurious and prestigious image — and claimed infringement and an order that the defendant desist from use of DIOR marks in catalogues, brochures or advertisements. The court noted that the Directive was to be interpreted in the light of the Treaty and that the purpose of the "exhaustion of rights" rule is to prevent owners of trade marks from partitioning national markets to facilitate the maintenance of price differences between Member States. Without the right to make use of a trade mark in order to attract attention for further commercialisation, the right of resale, would be considerably more difficult and exhaustion would be undermined. The court held that where the marketing was by a retailer habitually marketing goods of the same kind (but not quality) in a manner customary in the trade, the marketing could not be opposed unless in the specific circumstances of the case, the use seriously damaged the luxu-rious and prestigious image of the mark and aura of luxury created by the mark owner's presentation and advertising of the goods. Some commentators have since described this as damage to the advertising function of the mark. This was applied in Copad SA v Christian Dior Couture SA C-59/08 (The case concerned resales by a licensed seller but without consent and where consent was sought and refused of genuine luxury corsetry to a discount house in breach of licence where the court held the sales could be legitimately opposed if damaging, as above).

In light of this limit to the rule at law – which the Complainant has expressly relied on, we find that the Respondent is not making a bona fide offering of goods or services as a reseller and has no legitimate right or interest under the second limb of the Complainant's burden.

Bad Faith

A finding of legitimate interests will often dictate the bad faith limb also. We note this is the case here and do find bad faith registration and use.

FOR ALL THE REASONS STATED ABOVE, THE COMPLAINT IS

Accepted

AND THE DISPUTED DOMAIN NAME(S) IS (ARE) TO BE

1. **PHILIPPEPLEINPASCHER.COM**: Transferred

PANELLISTS

Name	**Victoria McEvedy**

DATE OF PANEL DECISION 2018-05-23

Publish the Decision