

DISPUTE RESOLUTION SERVICE

D00015447

Decision of Independent Expert

Creative Nail Design, Inc.

and

Arunas Bruzas

1. The Parties:

Lead Complainant: Creative Nail Design, Inc.
9560 Towne Centre Drive, Suite 200
San Diego
California
92121
United States

Respondent: Arunas Bruzas
317 Tollgate Road
LONDON
ESS
E6 5XW
United Kingdom

2. The Domain Name(s):

cnd-shellac.co.uk

3. Procedural History:

I can confirm that I am independent of each of the parties. To the best of my knowledge and belief, there are no facts or circumstances, past or present, or that could arise in the foreseeable future, that need be disclosed as they might be of such a nature as to call in to question my independence in the eyes of one or both of the parties.

30 January 2015 12:22	Dispute received
30 January 2015 12:27	Complaint validated
30 January 2015 12:36	Notification of complaint sent to parties
18 February 2015 01:30	Response reminder sent
23 February 2015 12:03	No Response Received
23 February 2015 12:03	Notification of no response sent to parties
25 February 2015 15:54	Expert decision payment received

4. Factual Background

The Complainant was incorporated in 1979 under the laws of California, USA and it manufactures and sells nail, hand and foot beauty products. In 2010 the Complainant launched a new line of cosmetic long-wear nail colour products under the mark SHELLAC and its house mark CND, which is an abbreviation of its corporate name. The products have been widely promoted and advertised including in the UK and the Complainant has sold many millions of dollars worth of product.

The Complainant has an extensive trade mark portfolio covering many countries including a registration dated 24 May 2011 in the UK, No 2582298 for the mark 'CND SHELLAC' in Class 3.

The Domain Name was registered on 17 May 2014 and the website to which the Domain Name was pointed offered hand and feet beauty products under the mark 'CND SHELLAC'. The Respondent is also the registrant of <cnd-shellac.net> and has incorporated the companies Shellac Limited and CND Shellac Limited.

The Complainant became aware of the Respondent's activities in October 2014. It made a test purchase from the Respondent's website and following an examination of the products purchased, concluded that the products being offered for sale were counterfeit products and therefore the use of the Complainant's marks was unauthorised. The Complainant's solicitors complained to the Respondent regarding his activities and this led to the website being taken down, although the Domain Name remains in the hands of the Respondent.

5. Parties' Contentions

a. Complaint

In support of its claim to Rights, the Complainant relies upon its registered trade marks and the goodwill that it has created as a result of the extensive promotion of its trade marks. It asserts that the Domain Name is identical or alternatively similar to a high degree to its trade marks.

In support of the claim that the Domain Name is an Abusive Registration the main grounds relied upon by the Complainant are:

- (i) that it was registered for the purpose of selling, renting or transferring it to the Complainant or a competitor;
- (ii) that it is a blocking registration;
- (iii) that it is disrupting the business of the Complainant;
- (iv) that its use will confuse or is likely to confuse people into believing that it is registered to, operated, authorised or connected to the Complainant;
- (v) that the Respondent is engaged in a pattern of registering well known trade marks; and
- (vi) that the Respondent has given false contact details.

In support of its grounds, the Complainant filed substantial evidence setting out how it conducted the test purchases referred to above and on what basis it was able to conclude that the products were counterfeit.

b. Response

No response has been filed.

6. Discussions and Findings

a. General

To succeed in this Complaint, the Complainants must, in accordance with paragraph 2 of the Policy, prove to the Expert on the balance of probabilities that:

- (i) it has Rights (as defined in paragraph 1 of the Policy) in respect of a name or mark identical or similar to the Domain Names; and
- (ii) the Domain Names in the hands of the Respondent are Abusive Registrations (as defined in paragraph 1 of the Policy).

Notwithstanding the failure by the Respondent to file a Response, the burden of proof as set out above remains on the Complainant, however the Expert is entitled to take into consideration when making his determination that the Respondent, despite having the opportunity to do so, has not availed himself of the opportunity to rebut the allegations that have been made by the Complainant.

b. Complainant's Rights

The DRS Policy defines Rights as follows:

"Rights means rights enforceable by the Complainant whether under English law or otherwise and may include rights in descriptive terms which have acquired a secondary meaning".

In my view the Complainant has shown that they have Rights as a result of its trade mark registration(s) and as a result of the goodwill that it has created from the extensive use and promotion of the marks CND and SHELLAC.

For the purpose of analysing whether the Domain Names are identical or similar to the name or mark in which rights are claimed, one should ignore the .co.uk suffix. The comparison is therefore between 'CND' and 'SHELLAC' on the one hand, and 'CND-SHELLAC'. The use of a hyphen is of little or no consequence to a comparison and in my opinion the Complainants have established that they have Rights in a mark or marks identical or similar to the disputed Domain Name.

c. Abusive Registration

I now go on to consider the extent to which the disputed Domain Name is an Abusive Registration.

The Complainants assert that the Domain Name is an Abusive Registration for the reasons identified above.

The Policy defines an Abusive Registration as -

"a Domain Name which either:

- i. was registered or otherwise acquired in a manner which, at the time when the registration or acquisition took place, took unfair advantage of or was unfairly detrimental to the Complainant's Rights; or*
- ii has been used in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights"*

and goes on to set out a (non-exhaustive) list of factors which may be evidence that a domain name is an Abusive Registration.

In most circumstances where a respondent has registered a domain name that is identical or similar to a name or mark in which the complainant has rights, the name or mark is well known or distinctive and the complainant and mark were known to the respondent, one would be unlikely to have a great deal of difficulty in concluding, as many Experts have previously, that the

relevant domain name would be an abusive registration and indeed that is the case here. On the basis of the evidence that has been submitted by the Complainant, I am satisfied that the products being offered for sale via the Respondent's website are counterfeit. It would be difficult to conceive of circumstances more abusive than in the present case where the Domain Name is identical (or highly similar) to the Complainant's trade marks and the Respondent is offering and selling counterfeit products via the same trade marks. There is no question in my mind that the Respondent's use of the Domain Name falls foul of paragraph 3(a)(ii) of the Policy, namely "*Circumstances indicating that the Respondent is using or threatening to use the Domain Name in a way which has confused or is likely to confuse people or businesses into believing that the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant*" and I have not been provided with any information or evidence that would enable me to reach a contrary conclusion. In light of that finding it is unnecessary for me to go on to consider the other grounds that the Complainant relies upon.

7. Decision

For the reasons set out above, I find that the Complainant does have Rights in respect of a name which is identical or similar to the Domain Name <cdn-shellac.co.uk> and the Domain Name in the hands of the Respondent is an Abusive Registration. The Complaint therefore succeeds.

Signed Simon Chapman

Dated 09 March 2015