

DISPUTE RESOLUTION SERVICE

D00016700

Decision of Independent Expert

URBAN OUTFITTERS, INC.

and

onthenetmedia Ltd

1. The Parties:

Complainant: URBAN OUTFITTERS, INC.
5000 S Broad St.
Philadelphia, PA, 19112
United States

Respondent: onthenetmedia Ltd
Unit 3 Park Road Business Centre
Park Road
Bacup
Lancashire
OL13 0BW
United Kingdom

2. The Domain Name:

urbn.co.uk

3. Procedural History:

I 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 nature as to call in to question my independence in the eyes of one or both of the parties.

29 October 2015 18:17 Dispute received
30 October 2015 14:01 Complaint validated
30 October 2015 14:16 Notification of complaint sent to parties
18 November 2015 01:30 Response reminder sent
19 November 2015 15:01 Response received
19 November 2015 15:02 Notification of response sent to parties
24 November 2015 01:30 Reply reminder sent
26 November 2015 08:48 Reply received
26 November 2015 11:50 Notification of reply sent to parties
26 November 2015 11:51 Mediator appointed
01 December 2015 11:15 Mediation started
18 December 2015 12:39 Mediation failed
18 December 2015 13:37 Close of mediation documents sent
04 January 2016 01:30 Complainant full fee reminder sent
05 January 2016 13:19 Expert decision payment received

4. Factual Background

The Complainant is an American trading company operating in the clothing and fashion industry. It was incorporated in 1976. It has more than 230 URBAN OUTFITTERS stores in the USA, Canada and Europe, 29 of which are in the UK.

The Complainant's main trading brand is URBAN OUTFITTERS, a brand that was launched over 40 years ago. The Complainant owns and uses other brands, namely FREE PEOPLE, ANTHROPOLOGIE, TERRAIN and BHLDN. The Complainant describes itself as having a "corporate identity" which is URBN Inc. Its stocks are listed on the NASDAQ and other stock exchanges as URBN. The initial public offering was made in 1993. Its corporate website is hosted at www.urbn.com. A UK subsidiary of the Complainant was incorporated on 9 November 1995. It changed its name from Urban Outfitters UK Limited to URBN UK Limited on 19 May 2009.

The Complainant owns Community Trade Mark registration number 010598861 for the word mark URBN, registered on 25 June 2012 in respect of among other things retail services (including on-line services), clothing and accessories. It also owns US service mark registration number 2,518,432 for URBN.COM registered on 11 December 2001. The registration covers among other things on-line retail services and clothing. Annexed to the Complaint are examples of the use of the URBN mark in connection with the Complainant and its goods and services. Much of this use is in the USA. There is some evidence of use of the URBN mark in the UK, most notably on a blog at www.urbanoutfitters.co.uk which features a category of lifestyle postings under the heading “urbn”.

The Respondent registered the Domain Name on 4 February 2005. On its webpage at www.onthenetmedia.co.uk it describes itself as “a UK based internet marketing company”. In the Response, a director of the Respondent explains that the Domain Name was registered to be an extra domain name for his wife’s business plan to open a florist which was to be called Urban Fleur (the Respondent states that the domain name urbanfleur had also been registered in December 2004). The Domain Name has been parked on a holding page while the Respondent decided how to progress the floristry business plan. The Complainant has annexed to the Complaint screenshots from these holding pages for the period February 2011- December 2014 and the Respondent has not disputed them.

A search of the Domain Name by the Expert on 25 January 2016 showed that the webpage was unavailable suggesting that it was no longer linked to the holding page, at least at that date.

5. Parties’ Contentions

The Complainant- Complaint

Rights

The Complainant asserts Rights in the URBN mark through the trade mark registrations described in section 4 of this Decision.

It also relies on the goodwill associated with its use of the URBAN OUTFITTERS and URBN marks. The Complainant submits that through the use of the URBN mark in the course of trade the URBN trademark has become a well-known mark and has acquired a secondary meaning

such that the mark has come to be associated exclusively with the Complainant. This is demonstrated by the results of online Google searches against the word “urbn” and also “urbn .co .uk” which return results primarily for the Complainant. Copies of the search results are annexed to the Complaint.

Abusive Registration

The Complainant submits that the Domain Name is an Abusive Registration on the following grounds:

- 1) The details for the Registrant of the Domain Name are incorrect. The Registrant changed its corporate name from onthenetmedia Limited on 22 April 2015 and the company name has subsequently changed once more and is now WWW3 Group Limited. The Registrant should have updated this information with Nominet.
- 2) Under Paragraph 3(a)(iii) of the Nominet Policy the Complainant alleges that the Respondent is involved in a pattern of Abusive Registration. The Respondent has a portfolio of domain names including several domain names that are identical to or a variation of trade marks or which relate to British culture. Annexed to the Complaint are WHOIS searches showing that the Respondent is the registrant for grandnational.co.uk, metromoney.co.uk, play-euromillions.co.uk and facupbetting.co.uk together with corresponding trade mark registration documents showing that the domain names feature trade marks belonging to third parties. The Complainant submits that these examples show that the Respondent has purposefully targeted marks with which the British public are familiar in order to take advantage of the goodwill associated with them.
- 3) The Complainant submits that the Respondent has no connection with the Complainant. There is nothing to suggest that the Respondent is commonly known by the name URBN. There is no evidence that the Domain Name was being used for a legitimate purpose or that there have been demonstrable preparations for a genuine offering of goods or services under the Domain Name. The only logical inference is that the Respondent registered the Domain Name to sell for profit.

- 4) Under Paragraph 3(a)(ii) of the Nominet Policy where the use of the Domain Name is causing or threatening to cause confusion or an association with the Complainant this is sufficient to prove Abusive Registration. This encompasses “initial interest confusion” which could occur where an internet user is liable to be confused before they enter a website because they are expecting that the site the domain name resolves to will be associated with the Complainant’s services. This is regardless whether it is immediately obvious to the internet user that there is no connection to the third party website. At the time of the Complaint the Domain Name was resolving to a Pay-Per-Click (PPC) page displaying links for the Complainant’s URBAN OUTFITTERS brand (and to its sister FREE PEOPLE and ANTHROPOLOGIE brands) as well as links to unrelated products and services, none of which pertain to the generic word “urban”. The inclusion of such links on the holding pages reinforces an incorrect impression of association with the Complainant. When one of the URBAN OUTFITTERS links was clicked it generated another page of links-including advertisements for other clothing retailers and a link to a page providing details of third parties selling URBAN OUTFITTERS clothes on the EBAY online auction site. This use is detrimental to the Complainant’s brand as they are unable to control the quality of the garments or whether they are genuine.
- 5) The use of the Domain Name to resolve to PPC links has the potential to cause the Complainant damage via misdirection of its traffic. The Respondent is therefore taking unfair advantage of the Complainant’s mark. There is no plausible explanation for the use association of URBN with links to clothing other than to associate with the Complainant’s brand.
- 6) A director of the Respondent is a former employee of JD Williams, a home shopping company which operates one of the UK’s well-known clothing brands. He was employed by JD Williams as an IT operations analyst. He left that position a year before the Domain Name was registered. As an employee of JD Williams the director would have acquired knowledge about the clothing and fashion industry and it is therefore likely that at the time that the Domain Name was registered in 2005 he was familiar with the Complainant’s URBN mark and products.

The Respondent- Response

In its brief Response the Respondent claims that at the time of registration in February 2005 there was no trademark registered for URBN- “hence the registration”. The Domain Name was not registered maliciously or abusively.

The Domain Name has been held with an Internet Service Provider using their standard holding page.

The Complainant- Reply

In its Reply the Complainant notes the following:

The Respondent has provided no evidence of the business plan for the florist business for which it says that the Domain Name was intended.

The Complainant has provided evidence of its corporate identity which pre-dates registration of the Domain Name.

With respect to the holding page, the Respondent is responsible for ensuring that the content on the webpage does not infringe third party rights. It cannot pass the responsibility for content to its Internet Service Provider.

6. Discussions and Findings

Under Paragraph 2 of the Nominet Dispute Resolution Service Policy (the Policy) In order for the Complainant to succeed it must establish on the balance of probabilities, both:

that it has Rights in respect of a name or mark which is identical or similar to the Domain Name, and

that the Domain Name, in the hands of the Respondent, is an Abusive Registration as defined in Paragraph 1 of the Policy.

Rights

Rights are defined in Paragraph 1 of the Policy 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."

The Community Trade Mark (CTM) confers Rights in the URBN mark from 25 June 2012. The Rights include on-line retail and clothing and fashion.

The Complainant's URBN mark is identical to the Domain Name, it being customary to ignore the ".co.uk" suffix.

The US service mark registration also confers Rights from 11 December 2001. The definition of Rights in the Policy makes it explicit that rights are not limited to those enforceable under English law. The Experts' Overview guidance document also clarifies that overseas rights can constitute relevant rights (paragraph 1.5). The service mark is identical to the Domain Name- ignoring the ".com" and ".co.uk" suffixes.

In addition to the registered rights, the Complainant asserts unregistered Rights in the goodwill generated by its use of the URBN mark in the course of trade in the USA and in the UK since at least 1996. The Complainant has customers in the UK. There is evidence before the Expert showing commercial use of the URBN mark in the UK- in particular the corporate name of Urbn UK Limited, the blog on the urban outfitters website featuring an "urbn" category and the search engine results for "urbn" which indicate a high degree of brand association with the Complainant. There is more extensive evidence of the use of the URBN mark in the USA where it features in a range of promotional materials, press coverage and corporate literature, all of which is accessible online, including to UK Internet users. The Expert finds that this cumulative use of the URBN mark by the Complainant and its UK subsidiary in the course of trade has made the mark distinctive of the Complainant in the UK and the USA and has generated goodwill. This confers unregistered Rights for the purposes of the Policy.

On the evidence the Expert is unable to identify whether the unregistered rights existed at the time that the Domain Name was registered in February 2005. The evidence of use in both the UK and USA is recent. The Complainant has indicated that the URBN mark was being used in 2005 but the Expert has no information about the way that it was used at that time or how extensively. The Complainant's UK subsidiary had not yet changed its name to Urbn UK Limited. The Expert finds that the

Complainant has not therefore established its case that it owned unregistered Rights in the URBN mark in February 2005.

The Complainant has accordingly established that it has Rights in a name or mark which is identical or similar to the Domain Name. The first criterion that the Complainant must establish has been satisfied.

In terms of timing the US service mark pre-dates registration of the Domain Name. The CTM does not. The Complainant has not proved that the unregistered Rights in the URBN mark existed at the time of registration of the Domain Name in 2005. These dates will have significance in relation to Abusive Registration.

Abusive Registration

An Abusive Registration is defined in Paragraph 1 of the Policy as follows:

"Abusive Registration means 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".

Registration

The Complainant relies on the following provisions of the Policy:

3 a. A non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration is as follows:

- i. Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily:
 - A. for the purposes of selling, renting or otherwise transferring the Domain Name to the Complainant or to a competitor of the Complainant, for valuable consideration in excess of the Respondent's documented out-of-pocket costs directly associated

with acquiring or using the Domain Name;

There is no evidence that the Respondent has tried to sell the Domain Name. The Complainant is making a presumption that, in the absence of a legitimate reason for registering the Domain Name, the motive for registration must have been to take advantage of the reputation of the Complainant's URBN mark.

The Expert has found that at the date of registration of the Domain Name the Complainant had Rights in the US service mark which had been registered at the end of 2001. There is no direct evidence that the Respondent in the UK was aware of the existence of the URBN mark in 2005. The Respondent provides an explanation for its choice of the Domain Name. It was intended to be a secondary mark for a florist business. It denies that the registration of the Domain Name was for an improper purpose. The Complainant seeks to counter this by pointing out that there is no corroborative evidence to support this assertion.

On the other hand, the Complainant draws the Expert's attention to the fact that a director of the Respondent had in 2004 been employed by a leading UK on-line retailer and fashion brand, working in an IT capacity as an IT Operations Analyst. The Complainant submits that it could be expected that through this work he would have become aware of the Complainant and its URBN mark and corporate identity and that this must have influenced the registration of the Domain Name.

This is difficult to resolve. However, it must be kept in mind that the Complainant must prove its case on the balance of probabilities. The Respondent does not have to prove anything. In the absence of information about how the URBN mark was being used and marketed in 2005, the Expert is not persuaded by the Complainant's submission that because of his former IT focussed role the Respondent would have been aware of the URBN mark in 2005. Had the director been a fashion buyer the point might have been made out, but an IT role does not pre-suppose an awareness of the brands that are prevalent in the fashion industry at a given time.

Accordingly, the Expert finds that the Complainant has not displaced the Respondent's explanation for registration of the Domain Name. The Complainant's case that the *registration* of the Domain Name was an Abusive Registration in 2005 fails.

Use

Paragraph 3a(ii) of the Policy provides non-exhaustive guidance about what may amount to Abusive Registration. This includes the following:

- ii. 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;

Historically the Domain Name has resolved to parking pages. These feature links to a range of online businesses- including the Complainant, third parties offering the Complainant's goods and other businesses in competition with the Complainant. It is not clear when this use began but snapshots annexed to the Complaint show that it occurred from at least February 2011 and continued at least until December 2014.

The Expert notes that the Policy provides at Paragraph 4e as follows:

"Sale of traffic (i.e. connecting domain names to parking pages and earning click-per-view revenue) is not of itself objectionable under the Policy. However, the Expert will take into account:

- i. the nature of the Domain Name;
- ii. the nature of the advertising links on any parking page associated with the Domain Name; and
- iii. that the use of the Domain Name is ultimately the Respondent's responsibility."

The Expert is mindful of the observations of the Appeal Panel in *Oasis Stores Limited v Dale (DRS 06365)* who noted at Paragraph 8.15 of the decision "*In cases such as this, where the behaviour of a "parking page" is involved and an Expert or an Appeal Panel is asked to reach conclusions based on such behaviour, the relevant party would be well advised to provide full and detailed explanations as to exactly what is happening and what is causing the relevant page to behave in the manner concerned.*"

No such explanation has been forthcoming from the Respondent- save that it says that the parking page is the “standard” page operated by its Internet Service Provider.

The Expert finds that this use of the Domain Name to link to the holding pages constitutes an Abusive Registration under clause 3a(ii) of the Policy.

The Expert acknowledges that a visitor to the parking page would quickly realise that it was not the Complainant’s official website. Nevertheless, the parking pages feature links to urban outfitters (a brand belonging to the Complainant). The existence of this link in conjunction with the Domain Name, would on the balance of probabilities create a likelihood of confusion. It suggests that the site was approved or endorsed by the Complainant. This impression goes beyond initial interest confusion because it leaves a lasting mistaken impression in the mind of a customer. It is likely to cause detriment to the Complainant through potential lost sales and because it results in loss of control for the Complainant over its reputation. It will also dilute the exclusivity of the Complainant’s URBN mark.

Even if the customer does not make the assumption that the website is associated with the Complainant, the fact remains that the holding pages expose the customer to links to competitors of the Complainant. Having attracted custom to the website by use of the URBN mark, the Respondent or its agent is creating the risk that custom may be diverted or switched away from the Complainant’s goods. This is unfairly detrimental to the Complainant’s Rights because it will lead to lost revenue.

The Expert agrees with the Complainant that the final responsibility for ensuring that the risk of confusion and detriment was avoided lies with the Respondent. It cannot abrogate that responsibility by leaving the content of the holding pages to its Internet Service Provider.

The Complainant has therefore established on the balance of probabilities that the use of the Domain Name is an Abusive Registration.

There are two more grounds to the Complainant’s case- both of which fail.

Firstly, the Complainant relies on the fact that the Respondent has not updated Nominet on two changes of its company name. The Expert agrees that Nominet should have been kept up to-date but does not find

that the omission in itself gives rise to an Abusive Registration. The Policy requires that in order to constitute an Abusive Registration it must be independently verified that the Respondent has given false contact details (paragraph 3aiv). In this case the Respondent's correspondence address seems to be unchanged and there is no independent verification to suggest otherwise.

Secondly the Complainant seeks to show that the Respondent is engaged in a pattern of registrations which correspond to well-known names or trade marks in which the Respondent has no apparent rights and that the Domain Name is part of that pattern (this is one of the factors which can suggest an Abusive Registration under clause 3a iii of the Policy). In this case, the Complaint has provided examples of four of the Respondent's domain name registrations which it submits are linked to the marks of third parties. This is suggestive but, on balance, the Expert finds that these four registrations and the registration of the Domain Name do not in themselves amount to a pattern of abusive registrations. In this case, the Expert has found that the initial registration of the Domain Name was not abusive. In the absence of more evidence about the context in which the other registrations were made the Expert finds there are no grounds for finding that the Respondent is engaged in a scheme or pattern of abusive registration.

7. Decision

The Expert finds that the Complainant has Rights in respect of a name or mark which is similar to the Domain Name and that the Domain Name in the hands of the Respondent is an Abusive Registration. The Expert orders that the Domain Name be transferred to the Complainant.

Signed SALLIE SPILSBURY

Dated 3 February 2016