

ASOS PLC. v. Exception Ltd.

IL-DRP Panel Decision

1. The Parties

The Complainant is Asos PLC., Greater London House, Hampstead Road, London, NW1 7FB, United Kingdom, represented by Glusman & Co. Law offices

The Respondents are Exception Ltd. P.C. and Gil Peer both of Netanya, Israel (together: "the Respondent").

2. The Domain Name and Registrar

The disputed domain name <asos.co.il> is registered with LiveDns Ltd.

3. Procedural History

The Complaint was filed with ISOC-IL on December 11, 2016. The Complaint was transmitted to the Israeli Dispute Resolution Panel of ISOC-IL ("**IL-DRP**") under the IL-DRP Rules ("**Rules**").

On December 14, 2016, the IL-DRP appointed Jonathan Agmon as the sole panelist.

In accordance with the Rules, on December 25, 2016, the Panel transmitted to the Respondent by e-mail a copy of the Complaint and attached materials, providing the Respondent 15 days to respond to the Complaint.

On January 3, 2017, the Respondent submitted his Response to the complaint.

On January 11, 2017, the Complainant submitted an unsolicited Answer to the Respondent's Response submitted on January 3, 2017.

On January 15, 2017, the Respondent submitted an unsolicited Reply to the Complainant's Answer dated January 11, 2017.

4. Factual Background

The disputed domain name <asos.co.il> was created on August 20, 2012.

The Complainant, Asos PLC, is the parent company of the ASOS Group of online fashion retail companies. The Complainant founded in 1999, is a leading global online fashion and beauty retailer that ships to more than 240 countries and territories around the world, selling over 80,000 branded and own label products.

The Complainant is listed on the Alternative Investment Market (AIM) of the London Stock Exchange, and as of August 2016, the Complainant's annual turnover was over EURO 1.44 billion.

The Complainant is the owner of numerous trademark registrations for the mark ASOS worldwide. For example: United Kingdom trademark registration no. UK00002530115, with the registration date of October 28, 2009; International trademark registration no. 1265485, with the registration date of January 19, 2015; International trademark registration no. 1278966, with the registration date of January 19, 2015, and many more.

The Complainant also developed its presence on the Internet and operates mainly via <asos.com> domain name and through seven international websites, which consists its mark ASOS (hereinafter: "**the Mark**").

The Complainant owns, via its subsidiary, over 180 top-level domain names incorporating its ASOS mark.

The Respondent is a boutique software company based in Israel providing software solutions and web site building. The Respondent has been active since 1990 operating under the domain name <exception.co.il>. Mr. Gil Peer is the CEO of the 1st Respondent and is also the holder of the domain name <wallet.co.il> under which Mr. Peer is selling wallets.

The disputed domain name <asos.co.il> is currently inactive.

5. Parties' Contentions

A. Complainant

The Complainant argues that through its on-going and extensive use of the ASOS mark throughout the world, it has developed a substantial reputation and goodwill in the ASOS mark across a broad range of products and services.

The Complainant further argues that it is clear that the disputed domain name is confusingly similar to the Mark and to the Complainant's ASOS mark.

The Complainant further argues that the Respondent has no rights in the disputed domain name, and that the Respondent is not associated with the Complainant or its products or services, and in no way is authorized dealer, distributor or licensee of the Complainant.

The Complainant further argues that the Respondent's use of the disputed domain name is in bad faith.

The Complainant further argues that there could be no doubt that the disputed domain name is used by the Respondent, separately, and together, for one purpose only – to redirection of internet users, searching for the word ASOS to the Respondent's website - <wallet.co.il>, an online shopping website, offering for sale bags, wallets etc. The Complainant argues that this use is a clear indication of the Respondent's bad faith.

The Complainant further argues that the ASOS mark has become highly distinctive of ASOS.com. The Complainant further argues that the ASOS has no meaning in Hebrew and it is a coined term with no linguistic meaning other than a direct reference to ASOS and its business.

The Complainant further argues that by holding the disputed domain name the Respondent is preventing it from creating an Israeli website bearing its ASOS brand, and the fact the disputed domain name is registered on the name of Exception Ltd, in order to hide behind the Respondent's company veil, are also clear indications of the Respondent's bad faith.

The Complainant further argues that it approached the Respondent and offered to buy the disputed domain, the Respondent has declined while mentioning that he is negotiating with another company, and that the numbers are way higher, which were later specified as few thousands Euros.

For all of the above reasons, the Complainant requests the transfer of the disputed domain name or alternatively to revoke and cancel the allocation of the disputed domain name to the Respondent.

B. Respondent

The Respondent argued that the disputed domain name was purchased for a project related to the S.O.S services in Israel, and that the domain <SOS.co.il> was not available - so he chose the aSOS.co.il instead.

The Respondent further argues that the disputed domain name was purchased on 2012 – and at that time ASOS was not well recognized, like they are today, especially in the Israeli market.

The Respondent further argues that <aSOS.co.il> is not and will not be a competition to the Complainant's website.

The Respondent argues that from his information there are very few visitors to the disputed domain name, and that it shows that there is no abuse for this domain name.

The Respondent further argues that as a software company, they were well aware of the Internet rules and when buying the disputed domain name during 2012 the Respondent checked very carefully that they did not break any such rules.

The Respondent further argues that unlike the Complainant's claim, there was never any contact from an official representative of the Complainant's regarding the disputed domain name, and the only contact was few weeks ago - from a local company in Israel that asked the removal of the redirection from the disputed domain name to a web site selling wallets, and although there was no

domain name abusing the Respondent respected the request and removed the redirection immediately.

C. Additional unsolicited supplemental filing by the Complainant

The Complainant filed an unsolicited additional filing in the form of an Answer to the Respondent's Response. The Complainant argues in response to the Respondent response that the Respondent did not provide any information or supporting evidence as to why <aSOS.co.il> domain was chosen and not how taking the disputed domain name will affect the Respondent's project, nor why since 2012, the project did not commence.

The Complainant further argues in response to the Respondent claims that there are clear evidence showing that as of 2012 the disputed domain name has always re-directed visitors to <wallet.co.il>, also owned by the Respondent, an e-commerce fashion website, selling similar products to the Complainant's.

The Complainant argues that its own extensive earlier rights in the ASOS mark, which is confusingly similar to the dispute domain name, the disputed domain name was purchased by the Respondent in bad faith, with no intention to use it for "S.O.S services", and that the Respondent acquired the disputed domain name in order to use it to direct visitors to his e-commerce website.

D. Additional unsolicited supplemental filing by Respondent

The Respondent filed an unsolicited additional filing in the form of a Reply to the Applicant's Answer. The Respondent argue in response to the Complainant additional supplemental filing that the disputed domain name was redirected to another website only in the last few months.

The Respondent further argue in response to the Complainant additional supplement that the Complainant has maliciously contacted them anonymously requesting to buy the disputed domain name, and that the negotiated price reflected the value and potential of the S.O.S service project.

The Respondent further argue in response to the Complainant additional supplement that SOS is a very generic word and the Complainant cannot claim to get this name for his own use only.

6. Unsolicited Supplemental Filings

Both Parties submitted Supplemental filings in this IL-DRP proceeding. According to the Rules, the IL-DRP proceeding concludes when a Response is filed. In addition, section E of the Rules allows the Panel to request from the parties' additional materials relevant for its decision. The Rules do not indicate that the parties have the right to submit supplemental filings without the request of the Panel. The procedure that allows the parties to submit supplemental filings is by filing a request to the Panel for permission to request to file a supplemental filing. The Panel may then, at its discretion, allow such a supplemental filing to be made. The rationale for limiting the number of filings by the parties is to enable the conduct of the proceeding in an efficient and speedy manner. In the present case, the Complainant submitted a Supplemental Answer without filing a proper request and awaiting the Panel's decision. The Respondent filed a Supplemental Reply without filing a proper request and awaiting the Panel's decision.

The Panel decides that both Supplemental Answer and Reply are therefore both excluded from the case file and will not be regarded in this Panel's decision. To avoid doubt, this exclusion is made after the Panel has reviewed the Supplemental Response and finds that nothing contained therein would have changed the outcome of the present decision.

7. Discussion and Findings

The IL-DRP is an alternative dispute resolution procedure intended to provide expedited resolution to disputes regarding the allocation of domain names under the .IL ccTLD in accordance with the Rules. The Respondent submitted to this process and Rules when he applied for and registered the disputed domain name with LiveDNS Ltd. registration agreement provides that the applicant for the domain name accepts the ISOC-IL registration rules (see <https://domains.livedns.co.il/Terms.aspx>).

The ISOC-IL registration rules provide that "the [domain name] holder agrees to the jurisdiction of the IL-DRP." (See section 12.3). The Respondent, therefore, by applying for and registering the disputed domain name agreed to the IL-DRP and the Rules.

It is also noted that the Rules now adopted by ISOC-IL follow closely those of the Uniform Dispute Resolution Policy (UDRP) and therefore the WIPO Arbitration and Mediation Center case law (and others interpreting the UDRP) can be used as examples of how previous panels have adopted and interpreted provisions similar to the Rules and UDRP.

The Rules provide that disputes regarding the allocation of a domain name by a Holder may be brought by a Complainant on the following grounds:

- 3.1. the disputed domain name is the same or confusingly similar to a trademark, trade name, registered company name or legal entity registration ("Name") of the Complainant; and
- 3.2. the Complainant has rights in the Name; and
- 3.3. the holder has no rights in the Name; and
- 3.4. the application for allocation of the disputed domain name was made or the disputed domain name was used in bad faith.

A. Same or Confusingly Similar

It is up to the Complainant to show that the disputed domain name is the same or confusingly similar to a trademark, trade name, registered company name or legal entity registration of the complainant.

The Complainant is the owner of numerous trademark registrations, which consist of the mark ASOS. For example: United Kingdom trademark registration no. UK00002530115, with the registration date of October 28, 2009; International trademark registration no. 1265485, with the registration date of January 19, 2015; International trademark registration no. 1278966, with the registration date of January 19, 2015, and many more.

The disputed domain name <asos.co.il> comprises of the Complainant's ASOS trademark with the addition of the suffix ".co.il".

The suffix ".co.il" is ignored for the purpose of determination of the similarity between the disputed domain name since it is a common suffix showing that the domain name is part of the .il domain and associated with commercial activities (.co suffix).

Previous UDRP panels have ruled that the mere addition of a non-significant element does not sufficiently differentiate the domain name from the registered trademark: "The incorporation of a trademark in its entirety is sufficient to establish that a domain name is identical or confusingly similar to the Complainant's registered mark" (See *Britannia Building Society v. Britannia Fraud Prevention*, WIPO Case No. D2001-0505).

The Panel finds, that the Complainant's rights in the ASOS mark have been established in this case, both by virtue of its trademark registrations as well as by virtue of its long term of use and reputation.

It is therefore, the finding of the Panel that the disputed domain name is confusingly similar to a trademark owned by the Complainant.

B. Rights in the Name

Next, it is up to the Complainant to show that the Complainant has rights in the ASOS trademark, and that the Respondent has no rights in the ASOS trademark.

The Complainant showed sufficient evidence showing it has rights in the ASOS trademark. The evidence shows that the Complainant's ASOS trademark has gained significant goodwill, especially in Israel, since its launch in 2010.

It is also up to the Complainant to show that the Respondent has no rights in the Name. The Complainant has provided that it has not approved or permitted for the Respondent to use its trademark or name.

While the Complainant bears the "general burden of proof" under Rule 3.3, this burden shifts to the Respondent once the Complainant makes a prima facie showing that the Respondent lacks rights or legitimate interests. (See: *Neusiedler Aktiengesellschaft v. Kulkarni*, WIPO Case No. D2000-1769; see

also *Dow Jones & Company and Dow Jones LP v. The Hephzibah Intro-Net Project Limited*, WIPO Case No. D2000-0704.)

In the present case, the Complainant alleged that the Respondent has no rights or legitimate interests in respect of the disputed domain name.

The Respondent alleged that the disputed domain name was registered in order to use as a project relating to emergency (S.O.S) services. The Complainant showed that the disputed domain name was re-directed to another website associated with the Respondent <wallet.co.il>, that engages in marketing wallets, bags etc, The Respondent did not dispute the redirection but argued that he had registered the disputed domain name in 2012, before the Complainant was well-known in Israel.

The Panel notes the Complainant's evidence, and considers the fact that the Respondent did not provide any evidence to show any rights or legitimate interests in the disputed domain name.

The Panel also notes the fact that the Respondent engaged in an offer to sell the disputed domain name which is an indication of lack of legitimate interest in the disputed domain name.

Thus, in the present case and given the evidence presented before the Panel, the Panel finds that the Respondent did not rebut the Complainant's prima facie case.

Accordingly, the Panel finds that the Respondent has no rights or legitimate interests in respect of the disputed domain names.

C. Application and Use in Bad Faith

Finally, it is up to the Complainant to show that the Respondent applied for allocation of the disputed domain name or the disputed domain name was used in bad faith.

WIPO Panels, relying on Rule 4.1 of the UDRP Rules, often rule that the bad faith clause provides a non-exclusive list of circumstances which can be helpful in showing that the Respondent acted in bad faith when he or she applied for or used the disputed domain name:

"For the purposes of [Paragraph 3.4 above], the following circumstances, in particular but without limitation, if found to be present, shall be evidence of the allocation or use of a domain name in bad faith:

- a. the Holder continues to hold the domain name during or after termination of employment or work for hire contract where the domain name allegedly should have been allocated to the employing/contracting party; or
- b. the Holder has requested allocation of the domain name primarily for the purpose of disrupting the business of a competitor; or circumstances indicating that the Holder has requested allocation or holds the Domain Name primarily for the purpose of selling, renting, or otherwise transferring the Domain Name allocation to the complainant who is the owner of the trademark or service mark or to a competitor of that Complainant, for valuable consideration in excess of documented out-of-pocket costs directly related to the domain name; or

- c. the Holder has requested allocation of the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that there is evidence of having engaged in a pattern of such conduct; or
- d. by using the domain name, the Holder has intentionally attempted to attract, for commercial gain, Internet users to its web site or other on-line location, by creating a likelihood of confusion with the Complainant's Name as to the source, sponsorship, affiliation, or endorsement of its web site or location or of a product or service on its web site or location".

Rule 4.1(b) provides that this Panel can find that the Respondent acted in bad faith if there are circumstances showing that the Respondent requested allocation of the disputed domain name primarily for the purpose of disrupting the business of a competitor; or circumstances indicating that the Respondent requested allocation or holds the disputed domain name primarily for the purpose of selling, renting, or otherwise transferring the disputed domain name allocation to the Complainant, who is the owner of the trademark or the service mark, or to a competitor of the Complainant, for valuable consideration in excess of documented out-of-pocket costs directly related to the domain name. Since the IL-DRP and the Rules apply the "allocation or use" language when referring to bad faith the WIPO Rules should apply *mutatis mutandis* if the Respondent's acts relate to the allocation or the use of the disputed domain name.

In the present case, the disputed domain name is identical to the Complainant's ASOS trademark. Previous WIPO Panels ruled that "a likelihood of confusion is presumed, and such confusion will inevitably result in the diversion of Internet traffic from the Complainant's site to the Respondent's site" (see *Edmunds.com, Inc v. Triple E Holdings Limited*, WIPO Case No. D2006-1095). To this end, prior WIPO Panels have established that attracting Internet traffic by using a domain name that is identical or confusingly similar to a registered trademark is evidence of bad faith under paragraph 4(b)(iv) of the UDRP (see *Humana Inc., op. cit. supra; Edmunds.com v. Ultimate Search, Inc.*, WIPO Case No. D2001-1319).

Rule 4.1(d) provides that this Panel can find that the Respondent acted in bad faith if there are circumstances showing that the Respondent has intentionally attempted to attract, for commercial gain, Internet users to its web site or other on-line location, by creating a likelihood of confusion with the Complainant's

Name as to the source, sponsorship, affiliation, or endorsement of its web site or location or of a product or service on its web site or location.

The Panel finds, that the use of the disputed domain name <asos.co.il> to re-direct to another website of the Respondent, while offering for sale products similar to Complainant's, is a clear indication of the Respondent knowledge of the Complainant and its registered trademark, and is also an indication, in this specific case, of the Respondent's bad faith use of the disputed domain name.

It is also suggestive of the Respondent's bad faith when the trademark of the Complainant was registered before the allocation of the disputed domain name (See: *Sanofi-Aventis v. Abigail Wallace*, WIPO Case No. D2009-0735). The evidence provided by the Complainant shows that the ASOS trademark has acquired significant good will in the retail business of selling various brands in other countries and in Israel, since at least 2009. The Respondent registered the disputed domain name after the Complainant registered its ASOS trademark.

This Panel cites with approval that “[t]he concept of a domain name being used in bad faith is not limited to positive action: inaction is within the concept” See *Cho Yong Pil v. Kee Dooseok*, WIPO Case No. D2000-0754. See also: “[t]he significance of the distinction is that the concept of a domain name ‘being used in bad faith’ is not limited to positive action; inaction is within the concept. That is to say, it is possible, in certain circumstances, for inactivity by the Respondent to amount to the domain name being used in bad faith” (*Telstra Corporation Limited v. Nuclear Marshmallow*, WIPO Case No. D2000-0003). Coupled with other indications of bad faith, it is therefore sufficient for the Respondent to passively hold to the disputed domain name to be found to do so in bad faith. In the present case, the Panel notes the fact that the Respondent has engaged in negotiation to sell the disputed domain name is one such indication of bad faith.

Further, the Panel is not persuaded that the Respondent's alleged intent to use the disputed domain name for an emergency services web site is credible from a number of reasons. The Respondent failed to provide any evidence whatsoever to support this contention. If anything the Respondent use of the disputed domain name to redirect to a web site selling products competing with those sold by the Complainant shows exactly the opposite. Moreover, the Respondent provided no evidence to explain why he chose the disputed domain name when the <sos.co.il> was taken. If anything the addition of the letter “a” was inexplicable.

Therefore, in this case, the Panel finds that the facts established above are sufficient to establish that the Respondent had registered or is using the disputed domain name in bad faith, as provided in Rule 4.1(b) and 4.1(d).

Thus, it is the finding of the Panel that the Complainant met the burden of showing that the Respondent registered or used the disputed domain name in bad faith in accordance with Rule 3.4.

7. Decision

For all the foregoing reasons, in accordance with the Rules, the Panel orders that the domain name, <asos.co.il> be TRANSFERRED to the Complainant.



Jonathan Agmon

Sole Panelist

Date: January 23, 2017.