



ARAB CENTER FOR DISPUTE RESOLUTION
ADMINISTRATIVE PANEL DECISION

Case No. A2019-0015

1. The Parties

The Complainant is Brand For Less L.L.C. (the Complainant), a limited liability company established under the laws of the United Arab Emirates, represented by Mr. Toufic Kreidieh.

The Respondent is Growth Capital Partner Inc., USA (the Respondent), represented by Mr. Philip D. Gunn..

2. The Disputed Domain Names and Registrar

The disputed domain name < brandsforless.com> registered with GoDaddy.com, L.L.C.

3. Procedural History

The Complaint was filed at the Arab Center for Dispute Resolution (the “Center”) on February 25, 2019. In accordance with paragraphs 4(c) and 5 (II) of the Supplemental Rules. The Center has verified that the Complaint satisfies the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the “Policy” or “UDRP”), the Rules for Uniform Domain Name Dispute Resolution Policy (the “Rules”), and the Arab Center for Dispute Resolution Supplementary Rules (the “Supplemental Rules”).

In accordance with paragraphs 2 and 4 of the Rules, the Center formally notified the Respondent of the Complaint and the proceedings commenced on February 28, 2019. In accordance with paragraph 5 of the Rules, the due date for Response was March 20, 2019. On March 22, 2019 the Respondent requested an automatic extension and sent its response the same day.

The Center appointed Prof. Dr. Hossam El-Saghir as the sole panelist in this matter on March 26, 2019. The Panel finds that it was properly constituted. The Panel has submitted the Statement of



ARAB CENTER FOR DISPUTE RESOLUTION

Acceptance and Declaration of Impartiality and Independence, as required by the Center to ensure compliance with paragraph 7 of the Rules.

4. Factual Background

The Complainant, Brands for Less, L.L.C., incorporated under the United Arab Emirates Laws, is a successful closeout retailer of consumer goods with established market recognition in several Countries. During the period from 2009 through 2018, the Complainant registered its trademark “Brands for Less” in 11 Countries including almost all Gulf States and its trademark applications are pending in many other Countries. The Complainant’s brand is widely recognized. It operates through a large number of retail stores and an e-commerce portal.

The Complainant has also registered the domain names <brandsforless.ae> and <brandsforless.com.lb> and uses them to offer and deliver its consumer goods.

The Respondent is an independent retailer of consumer goods based in the USA. It acquires the domain name <brandsforless.com> by which it offers a selection of fine handbags, luggage, wallets, watches, gifts and accessories.

In 1997, the Respondent incorporated “Brands for Less, L.L.C.” in the State of Delaware. On Jan.18, 2000, the Respondent registered “Brands for Less” as a service mark of its affiliate at the United States Patent and Trademark Office. Such mark was first used on Sept.10, 1997 in relation to online retail services via a global computer information network in relation to clothing and consumer electronics, in class 35.

The Complainant submitted its complaint to the ACDR on February 25, 2019 alleging that the Respondent possesses no legitimate or lawful interest in holding the domain name <brandsforless.com> and that it holds this domain name only to extract unjust gain. The Complainant referred to the email in which the Respondent has attempted to derive US\$ 25,000 for his alleged rights to the domain.

The Complainant has previously submitted a complaint (Case No. A2018- 0010) regarding the same subject matter.

The Complainant seeks that the domain name be seized and provided solely to him.



ARAB CENTER FOR DISPUTE RESOLUTION

5. Parties' Contentions

A. Complainant

The Complainant submitted its claim via email on February 25, 2019 to the Center together with an attached copy of its “ Statement of Reply to Statement of Defence of Respondent” dated February 24, 2019, which sets forth the substance and nature of the its Complaint.

The Complainant states that it has been operating continuously under the name “ Brands for Less” for at least 22 years and has registered the Brands for Less trademark in 11 Countries, and its trademark applications are pending in at least 16 other Countries. The Complainant alleges that the Respondent’s domain name < brandsforless.com > is identical and confusingly similar to its own registered trademark.

The Complainant also claims that the Respondent possesses no legitimate or lawful interest in holding this domain name and that it holds it only to extract unjust gain. In its prior submission, the Complainant provided proof of a “dead trademark” to which the Respondent erringly referred. The Complainant alleged that the Respondent is, simply put, a cybersquatter attempting to derive profit by falsely asserting rights to a clearly infringing name. The Complainant referred to the email in which the Respondent has attempted to derive the amount of US \$ 25.000 for its alleged rights to the domain name to which it is not entitled.

The Complainant re-iterates that the Respondent is simply hoping to force the Complainant into a lucrative financial settlement in order to acquire what the Complainant is already legally entitled to. It added that any use of the domain name by the Respondent is in bad faith.

B. Respondent

The Respondent submitted its response on March 22, 2019 arguing that the Complaint is largely a restatement of the previous Case No. A2018-0010, to which it has already responded, and asserted that its previous response stands with some amendments.

The Respondent contends that the Complainant’s original statement is a clear admittance of two facts: First, that the Complainant’s goal is to expand e-commerce activities by forcing the Respondent to give up the URL rather than obtaining it through mutually negotiated commercial terms. Second, that the Complainant has been pursuing a strategy of obtaining numerous



ARAB CENTER FOR DISPUTE RESOLUTION

trademarks filings particularly in the last few years after it was aware of the Respondent's ownership and continued registration of the URL.

The Respondent also claims that in 1997, it designed and registered the “ Brands for Less” as its service mark, and legally incorporated “ Brands for Less, L.L.C.” in the State of Delaware. The company then registered its own URL “brandsforless.com”. By May 1999, over \$ 2 million Dollars had been invested in the brand and the concept of the site where consumers could find quality brands at a discount. The trademark application was filed on February 13, 1998 and the registration was approved on January 18, 2000. The Respondent acknowledges that its trademark registration expired, but its rights to use the trademark in the USA continue. The Complainant's program to obtain more trademarks in other Countries will not affect its entitlement to such use.

The Respondent assures that it has registered the domain name for valid commercial reasons, that the registration was not in bad faith, and such registration was not for the purpose of disrupting the business of a competitor. Moreover, The Respondent argues that it meets each of the three tests under paragraph 4(c) of the Policy demonstrating its rights to legitimate interest in the domain name, and that the fulfilment of any of these three tests demonstrates its rights or legitimate interests in the domain name .The Respondent also states that Complainant openly seeks to obtain ownership of its URL through unsupported, frivolous and deceitful claims to compel the Respondent to surrender the URL at the price the Complainants wants to pay, or even without payment; without regard to the time and money it has invested in it or its legitimate rights to it. Therefore, the Respondent requests the rejection of the Complainant's claim.

6. Discussion and Findings

As per the Respondent's request submitted on March 22, 2019 for an automatic extension of the response deadline and the Complainant's objection on granting such extension, the panel finds that, according to paragraph 5 (a) of the Rules, the submission of Respondent's request for such extension during the 4 days following the deadline on March 20, 2019 is not prohibited. Therefore, the Respondent's submission of its response on March 22, 2019, is acceptable.



ARAB CENTER FOR DISPUTE RESOLUTION

The Respondent claims in its correspondence with the ACDR Manager that the Complainant is compelling him to respond a new to claims that were previously filed and that the Panel is not to allow the continuation of two disputes concerning the same claims. The panel finds no evidence that a petition has been submitted to the first Administrative Panel in order to consolidate the two disputes before a single Administrative Panel in accordance with paragraph 4 (f) of the Policy. Therefore, the objection of the Defendant regarding this issue is unacceptable.

Under paragraph 4(a) of the Policy, to succeed the Complainant must prove that:

- (i) the disputed domain name is identical or confusingly similar to a trademark or service mark in which the Complainant has rights; and
- (ii) the Respondent has no rights or legitimate interests in respect of the disputed domain names; and
- (iii) the disputed domain name is registered and is being used in bad faith.

These elements are discussed in turn below. In considering these elements, paragraph 15(a) of the Rules provides that the Panel shall decide the Complaint on the basis of statements and documents submitted in accordance with the Policy, the Rules and any other rules or principles of law that the Panel deems applicable.

A. Identical or Confusingly Similar

Paragraph 4(a)(i) of the Policy requires the Complainant to show that the disputed domain name is identical or confusingly similar to a trademark or service mark in which the Complainant has rights. The question whether the Respondent has a registered trademark on the mark “Brands for less” does not relate to the element of similarity. This question relates to the second and third elements.

The Complainant is the owner of multiple trademark registrations for the mark “Brands for less”. It has shown it has registered the trademark “Brands for less” relating to its products, and provided evidence of its registration in 11 Countries. The registered trademark provides a clear indication that the rights in the trademark shown on the trademark certificate belong to its respective owner, the Complainant. The Complainant has also shown that its trademark application is pending in other countries.



ARAB CENTER FOR DISPUTE RESOLUTION

The Panel has no doubt that the Complainant has rights in its registered trademark relating to its products.

It is established that the Respondent's disputed domain name integrates the Complainant's trademark "brands for less" in its entirety, as a dominant element of the domain name, with additional generic Top-Level Domain (gTLD) ".com " that does not sufficiently serve to distinguish or differentiate the disputed domain name from the Complainant's trademark.

Previous UDRP panels have ruled that the mere addition of a non-significant element does not sufficiently differ 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" (*Britannia Building Society v. Britannia Fraud Prevention*, WIPO Case No. D2001-0505).

Also, the addition of the generic Top-Level Domain (gTLD) ".com" to the disputed domain name typically does not avoid confusing similarity. See, *F. Hoffmann-La Roche AG v. Macalve e-dominios S.A.*, WIPO Case No, D2006-0451. Thus, the gTLD ".com" is without legal significance since the use of a gTLD is technically required to operate the domain name and it does not serve to identify the source of the goods or services provided by the registrant of the domain name.

Consequently, the Panel finds that the Complainant has shown that the disputed domain name is identical or confusingly similar to the trademarks in which the Complainant has rights.

It is noted that the domain name was registered on January 21st, 1998 prior to the registrations of the Complainant's trademark. However, this issue is usually disregarded when assessing the first element and be considered on the assessment of the second and third elements.

For the above reasons, the Panel finds that the Complainant has established its case under paragraph 4(a)(i) of the Policy.



ARAB CENTER FOR DISPUTE RESOLUTION

B. Rights or Legitimate Interests

The Complainant alleges that the Respondent is a cybersquatter and possesses no legitimate or lawful interest in holding the domain name. It claims that the respondent holds the domain name only to extract unjust gain from the Complainant. In this regard, the Complainant refers to an email in which the Respondent has attempted to derive the amount of US \$ 25.000 for his alleged rights to this domain.

The Panel accepts the Respondent's contention that the name "Brands for less" and the URL BrandsForLess.com are valuable. They convey a simple idea, are valued by consumers, and have an important reputable. Therefore, the Respondent's correspondence with Complainant regarding offering the domain name for sale and negotiating its price does not constitute illegal conduct and does not necessarily constitute an attempt to garner unjust gain.

Notwithstanding the Policy and Rules that place the burden of proof in domain Names proceedings on the complainant, panels have recognized that requiring claimants to prove a respondent's lack of rights or legitimate interests in a domain name may result in the often impossible task of "proving a negative" factual situation and requires information that is often primarily within the knowledge or control of the respondent. Panels have thus established that where a complainant provides *prima facie* evidence that the respondent lacks rights or legitimate interests in respect of the domain name, the burden of prove shifts to the respondent. If the respondent fails to provide evidence of having rights or legitimate interests regarding the domain name, the complainant is deemed to have established absence of right or legitimate interest and thus satisfies the second element. The Respondent is thus to provide rebuttal.

Considering the facts and circumstances of the dispute, the Panel finds that the Complainant provided a *prima facie* case that the Respondent lacks rights or legitimate interests in the domain name. Therefore, the burden of providing evidence of rights or legitimate interests in the domain name shifts to the Respondent.

To demonstrate rights or legitimate interests in a domain name, non-exclusive respondent defences under UDRP paragraph 4(c) include the following:



ARAB CENTER FOR DISPUTE RESOLUTION

- (i) before any notice of the dispute, the respondent's use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a bona fide offering of goods or services; or
- (ii) the respondent (as an individual, business, or other organization) has been commonly known by the domain name, even if the respondent has acquired no trademark or service mark rights; or
- (iii) the respondent is making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

The Respondent submitted that in 1997, it designed and registered Brands for Less as its service mark, and legally incorporated Brands for Less in the State of Delaware. The Respondent supplied copies of documents in support of this assertion, which certify the formation of a Delaware limited liability Company called "Brands For Less, L.L.C." executed as of the 3rd day of October, 1997. In addition, the copy of the Brands for Less Trademark Registration shows that the Brands for Less, L.L.C., Growth Capital Partners, Inc. registered a service mark "Brands for Less" Reg. No. 2,310,031 on Jan.18, 2000. Such service mark was first used on September 10, 1997 in relation to online retail services via a global computer information network in the fields of clothing and consumer electronics, in class 35.

The fact that the Respondent's service mark registration was expired and cannot be renewed does not itself entail that the respondent lacks rights or legitimate interests in its registered domain name. This is particularly the case given that the Respondent has incorporated his business, Brands For Less, under Delaware Limited Liability Act and operated this business under this name. The Complainant has not established that this business has ceased to operate.

The facts are devoid of any evidence that the Respondent incorporated Brands for Less under the Delaware Limited Liability Act, and used and registered its service mark Brands for Less with the Complainant's trademark in mind. The Panel believes that the Complainant has not used its trademark nor applied for its registration in the United States where the Respondent is based. The domain name was registered on January 21, 1998, prior to the registrations of the Complainant's trademark. Moreover, the Complainant alleges that it is a globally recognized and successful



ARAB CENTER FOR DISPUTE RESOLUTION

closeout retailer of consumer goods and that it has been operating under the name Brands for Less for at least 22 years. However, it has provided no evidence to support this allegation.

In light of the above, the Panel believes that Respondent has been commonly known by the domain name, and therefore, has legitimate interest in the domain name notwithstanding the expiry of its service mark.

For these reasons, the Panel finds that the Complainant failed to establish its case under paragraph 4(a)(ii) of the Policy.

C. Registered and Used in Bad Faith

Given the Panel findings on the above element of “Rights or Legitimate Interest”, it is unnecessary to consider the element of “Registered and Used in Bad Faith”.

7. Decision

For the foregoing reasons, the complaint is denied.

Prof. Dr. Hossam El-Saghir

Sole Panelist

Dated: April 7, 2019