

DISPUTE RESOLUTION SERVICE

D00018863

Decision of Independent Expert

Dollar Shave Club, Inc.

and

Yang HongJuan

1. The Parties:

Complainant: Dollar Shave Club, Inc.
13335 Maxella Avenue
Marina del Rey
Los Angeles County, California
90292
United States

Respondent: Yang HongJuan
No.4 ZhuLin Road, Futian District
Shenzhen
China
518000
China

2. The Domain Name:

dollarshaveclub.co.uk

3. Procedural History:

The Expert has confirmed (1) he is independent of each of the parties; and
(2) to the best of his knowledge and belief, there are no facts or circumstances, past or present, or that could arise in the foreseeable future, which need to be disclosed because they might be of such a nature as to call into question his independence in the eyes of one or both of the parties.

04 May 2017 23:35 Dispute received
08 May 2017 09:03 Complaint validated
08 May 2017 09:08 Notification of complaint sent to parties
26 May 2017 02:30 Response reminder sent
05 June 2017 10:33 Response received
05 June 2017 10:33 Notification of response sent to parties
08 June 2017 02:30 Reply reminder sent
13 June 2017 10:42 Reply received
13 June 2017 10:43 Notification of reply sent to parties
19 June 2017 10:51 Mediator appointed
19 June 2017 10:51 Mediation started
26 June 2017 11:47 Mediation failed
26 June 2017 11:47 Close of mediation documents sent
28 June 2017 11:16 Expert decision payment received

4. Factual Background

The Complainant is a corporation registered in California, United States of America, which offers an online full male grooming business, supplying shaving and other grooming products including monthly supplies of replacement razor blades for a regular subscription. It was bought by Unilever in July 2016, which is its current parent company. The Domain Name was registered on 6th March 2012.

The Respondent is an individual who gives an address in Shenzhen, China. He has been the subject of 5 previous adverse DRS decisions since 2013, despite actively contesting the two most recent decisions, DRS D00018025 *stitchfix.co.uk* (15 December 2016) and DRS D00018171 *sprinklr.co.uk* (1 March 2017). The previous complaints were unopposed.

5. Parties' Contentions

Complaint

In its Complaint the Complainant alleges the following matters in relation to the issues of (i) Rights and (ii) Abusive Registration:

(i) Rights

The Complainant owns a registered US trade mark DOLLAR SHAVE CLUB in class 35 covering computerised online ordering services in the field of shaving products and accessories, which was filed on 16 January 2012, and registered on 4 September 2012. It claims first use of the mark in commerce from 7 July 2011.

Among other registrations, it also owns a registered EU trade mark for the same name in classes 3, 8 and 21 which was filed on 1 August 2012, and registered on 28 December 2012, and an International Registration in class 35 including the EU (and others) as designated jurisdictions under the Madrid Protocol, with a priority date of 16 January 2012, claiming priority from the US mark referred to above.

In addition to registered rights, the Complainant also claims unregistered rights in the form of common law trademark rights from "at least as early as" the commencement of its using the mark in commerce in the US, and its registration of the domain name dollarshaveclub.com on 18 January 2011. The Complainant references news articles from 2016 showing the extent of its reputation. Those articles include press releases relating to the takeover by Unilever. In 2015, the Complainant had a turnover of \$152 million, it says it is on track to exceed \$200 million in 2016, and it has 3.2 million members.

The Complainant relies upon its non-UK and non-EU trademarks as being sufficient to constitute Rights under the Policy, relying upon section 1.5 of the Experts' Overview, and the DRS case referred to. The Complainant also notes that it would be sufficient to show Rights at the time of the Complaint, not necessarily at the time of registration, referring to the wording of DRS Policy 2.1.1 ("... has Rights.."), but in any event the Complainant says that it had both registered trademark rights (dating from filing dates) and unregistered trademarks which predate the registration of the Domain Name.

The Domain Name is effectively identical to the DOLLAR SHAVE CLUB mark (ignoring the spaces). Therefore, the Complainant has Rights in the Domain Name.

(ii) Abusive Registration

The Complainant believes the Respondent registered the Domain Name in response to positive news coverage on 6 March 2012, when the Complainant released a new video to promote its business, which went viral and was seen by millions of people on YouTube. It also announced millions of dollars of new funding on the same date. Both items were widely reported by news media on the same day, including on the mashable.com website. The Complainant therefore says the Respondent must have been aware of it when he registered the Domain Name, and that he did so in bad faith, intending to take unfair advantage of its goodwill.

This is alleged to be part of the Respondent's business of registering domain names for profit, with a view to selling the Domain Name to the Complainant or to a competitor for valuable consideration in excess of documented out-of-pocket costs directly associated with acquiring or using the Domain Name (Policy, 5.1.1.1). A reverse Whois report shows over 582 domain names associated with the Respondent, many of them .co.uk domain names. The Whois record for the Domain Name shows name servers associated with a provider, Bodis.com, which advertises itself as a domain parking platform designed to help domainers monetize their undeveloped domain names. The Respondent took active steps to put the Domain Name up for sale, by including a link on the website to which the Domain Name resolves, which in turn links to another page where it is said that the owner of the Domain Name has chosen to receive offer inquiries regarding the Domain Name. The Expert is invited to infer that the likely motive for the Respondent's cybersquatting is to sell the Domain Name back to the trademark owner, the Complainant.

The Complainant also contends that the registration of the Domain Name was intended to stop the Complainant registering it, despite its Rights in the trademark, and therefore a blocking registration under the Policy, 5.1.1.2. The Respondent was very likely to have been aware of the Complainant's Rights in the mark, following the publicity referred to above on 6 March 2012. The UK, as a major English-speaking market is a common market for US companies to expand into, and it would have

been reasonable to foresee that the Complainant would want to register the Domain Name itself.

The Complainant says that the registration is also primarily for the purpose of unfairly disrupting the Complainant's business (Policy, 5.1.1.3). The Domain Name resolves to a website, which includes links and advertisements to competing products in addition to links to products offered by the Complainant. As the Complainant's mark is used without adornment, those links could be viewed as an endorsement of those competing products by the Complainant, leading to additional lost sales and disruption to the Complainant's business.

The Complainant alleges that the use of the Domain Name is likely to confuse people or businesses into believing that it is registered to, operated or authorised by, or otherwise connected with the Complainant (Policy, 5.1.2). There is likely to be initial interest confusion, as the Domain Name is identical to the Complainant's trademark, and used without adornment. The risk of confusion may arise from use of a search engine, or from a consumer in the UK guessing the URL for the website. Visitors arriving at the website are likely to be further confused into believing that it is connected with the Complainant, because the links and advertisements relate to the type of business that the Complainant is engaged in.

There is also a pattern of registration of domain names corresponding to well-known names or trademarks in which the Respondent has no apparent rights (Policy, 5.1.3). The facts of the previous DRS cases decided against the Respondent are similar. The *sprinklr.co.uk* case involved registration of the domain name shortly after the announcement of major funding. The undefended case D00018171, *baupost.co.uk* involved registration after the announcement of the opening of a London office. The Complainant also cites 12 similar instances of registration by the Respondent of .co.uk domain names by the Respondent, corresponding to trademarks of other US companies shortly after major news announcements relating to success in securing funding from investors which do not yet appear to be the subject of DRS proceedings covering the period 2011-2015. The Expert is invited to infer that this is likely to reflect a deliberate strategy on the part of the Respondent.

The Complainant says that the Domain Name is an exact match for the Complainant's trade mark DOLLAR SHAVE CLUB in which the Complainant has a reputation, and the Respondent has no reasonable justification for having registered it (Policy, 5.1.6).

The Complainant also raises an additional factor, namely that one of the functions of the DRS Policy is to protect the .uk namespace from international cybersquatting. The evidence suggests that this Respondent has identified the .uk namespace as a lucrative target for cyberquatting against a class of fast-growing US companies, on the basis that the UK is a natural market for an expanding US business. An international cybersquatter such as the Respondent, where there are potential jurisdictional and contact detail issues may not be as concerned about prosecution for infringement, and therefore prone to act aggressively. With this in mind, the Complainant asks for a clear precedent to curtail this kind of practice. The Complainant seeks transfer of the Domain Name to itself.

Response

In his Response the Respondent alleges the following matters in relation to the issues of (i) Rights and (ii) Abusive Registration:

(i) Rights

The Respondent claims that the Complainant only owns registered trademark rights in limited classes (3, 8, 21 and 35), and another companies have registered trademarks including DOLLAR SHAVE. The Complainant cannot stop the use of the word Dollar Shave Club in other classes. "Dollar, shave and shave" (sic) are commonly used English words, with broad meanings, which do not belong to the Complainant uniquely.

The Complainant has not provided any evidence that it had either (1) registered a company in the UK, (2) advertised or promoted in the UK or (3) been commonly associated with the word Dollar Shave Club in the UK, before the registration of the Domain Name (on 6 March 2013) (sic).

(ii) Abusive Registration

The Respondent says that he registered the Domain Name on 6 March 2013 "for one project, though it is not started now so [he] parked the domain temporarily." He has a "detail plan to use this domain in the nearly future". The word Dollar Shave Club is his original creation, and not a generic term, and available to him to register on a "first come, first serving" basis. He plans to set up a site "about the feeling club of

people's use of a shaver", which is "Non-profit". The word Shave Club is "very fit for [his] usage".

He claims that he knew nothing about the Complainant when he registered the Domain Name. YouTube and mashable.com are both blocked in China, so it is impossible that he would have known about the Complainant.

He says that he registered the Domain Name for "good wish usage". He has no desire to sell the Domain Name, it is just parked through an automatically generated system, and he has not proactively sought to sell the Domain Name.

The Respondent contends that he has registered some .uk domain names, either for his own use, or to earn meagre income, and this did not affect other peoples' business (including the Complainant).

As a big company against an individual, the Respondent's suspicion is that this is a case of "big one bully the small one", and it is suggested that the Complainant is guilty of reverse domain name hijacking.

The Expert is therefore invited to reject the Complaint.

Reply

In its Reply the Complainant notes that the Respondent himself provides Whois evidence which contradicts his claim to have registered the Domain Name on 6 March 2013, as opposed to 6 March 2012, the date when the Complainant's video went viral.

It is noted that the Respondent has provided excuses which mimic claims he made in other DRS actions, which were rejected in those cases.

The claim that the registration was for the purposes of a project is vague, no evidence is provided, and the Respondent has owned the Domain Name for over 5 years without doing anything other than profiting from advertisements, and offering the Domain Name for sale. The other trademark "registrations" incorporating Dollar Shave referred to by the Respondent, are in fact a withdrawn application (for DOLLAR SHAVE), and an abandoned application (for WOMEN DOLLAR SHAVE CLUB), not registrations, and it is misleading to suggest otherwise.

The assertion that both YouTube and Mashable were blocked in China on 6 March 2012 is unsupported by any evidence, but in any event, other media outlets published articles as well.

Neither registration of a company in the UK nor evidence of commercial activities in the UK is a necessary prerequisite for a Complaint under the DRS Policy.

Finally the Complainant submits that the allegation of reverse domain name hijacking is not only completely unsubstantiated, but also a repeat of similar allegations made in the *stitchfix.co.uk* and *sprinklr.co.uk* DRS cases, both of which were decided against the Respondent.

6. Discussions and Findings

In order to succeed in its Complaint, in accordance with the Policy, the Complainant needs to establish:

*“i. The Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name; and
ii. The Domain Name, in the hands of the Respondent, is an Abusive Registration.”*

The Complainant needs to establish both elements on the balance of probabilities.

The definition of Abusive Registration under the Policy is 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. is being or has been used in a manner which has taken unfair advantage of or has been unfairly detrimental to the Complainant's Rights”.

The definition of Rights under the Policy is 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.”

Rights

As the Complainant has pointed out, the definition of “Rights” under the Policy requires present ownership of those Rights, not necessarily ownership of Rights at the date of registration. It does not matter whether the Rights are limited to a small number of classes or services in the case of registered trademarks, or to a limited field of activity in the case of unregistered trademarks. The question is whether the Rights are

legally enforceable. The Complainant has provided clear evidence in the form of trademark registrations for the word mark DOLLAR SHAVE CLUB, which is identical to the Domain Name (ignoring the spaces). Therefore, the Complainant has Rights in the name or mark DOLLAR SHAVE CLUB which is identical to the Domain Name.

Abusive Registration

Paragraph 5 of the Policy provides as follows, in relation to Abusive Registration:

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

5.1.1. Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily:

5.1.1.1 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;

5.1.1.2 as a blocking registration against a name or mark in which the Complainant has Rights; or

5.1.1.3 for the purpose of unfairly disrupting the business of the Complainant;

5.1.2 Circumstances indicating that the Respondent is using or is 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;

5.1.3 The Complainant can demonstrate that the Respondent is engaged in a pattern of registrations where the Respondent is the registrant of domain names (under .UK or otherwise) which correspond to well known names or trademarks in which the Respondent has no apparent rights, and the Domain Name is part of that pattern;

5.1.4 It is independently verified that the Respondent has given false contact details to us;...”

The Complainant has relied upon all of the above (with the exception of false contact details), with the addition of a further factor which relates to the protection of .uk namespace from international cybersquatting. On the face of the evidence and submissions which have been adduced, the Complainant has put forward a strong prima facie case which calls for a compelling answer. The Domain Name is not a generic term. There is no obvious reason why the Respondent should have happened to “create” it, as he puts it, on the exact date when the Complainant announced its funding, and launched a website which rapidly went viral. It would be a coincidence stretching credulity way beyond breaking point if that were the case. The obvious inference to be drawn is that the Respondent could only have had the Complainant in mind when he registered the Domain Name, and that he intended to profit from doing so from a sale to the Complainant as and when the Complainant, a US company, sought to extend its activities to other English-speaking jurisdictions. The Complainant has also provided evidence that the Respondent has done the same in at least a dozen other cases which have not yet produced a DRS complaint, registering .co.uk domain names shortly after the announcement of funding in the cases of US companies, where the domain names correspond to the trademarks of those companies. As has also been forcefully pointed out by the Complainant, the Respondent here has “form”, in his previous appearance as the unsuccessful respondent to 5 other DRS cases. Although the Respondent only contested 2 of those complaints, there are three full decisions which already explain in detail why the Respondent was guilty of abusive registrations in those cases.

Against that background, the protestations of the Respondent ring rather hollow. As noted above the facts of this case call for a compelling answer. Instead, he has not only put forward a response which is singularly lacking in any supporting evidence as to his supposed plans for the Domain Name, but which clearly is in many respects merely repetition of arguments previously used (and rejected) in the cases already decided against him. The Expert, in summarising the Respondent’s case above, has used a number of direct quotes from the Response, because the wording of those quotes matches exactly wording used, for example, in the *sprinklr.co.uk* case. Examples of identical wording are the

Respondent's claim in that case that his registration was for "the good wish usage", and "for one project, though it is not started now so I parked the domain temporarily". The expert in the *stitchfix.co.uk* case has "tidied-up" the use of English in his summary of the Respondent's arguments, but in that case, too, the wording remains recognisable, and the arguments are essentially unchanged, bar some minor tinkering to reflect slightly different circumstances. Neither expert in those cases was remotely persuaded by the Respondent's arguments.

The Expert also notes that the Respondent has failed to provide any response directly to the evidence provided by the Complainant as to the dozen or so other cases it has uncovered where registration of .co.uk domain names by the Respondent has followed shortly after the announcement by US companies of the receipt of funding, which it contends is the common factor linking this and all those cases (as well as the DRS cases already decided against the Respondent).

In the circumstances, the Expert has no hesitation in concluding that the Complainant has proven on the balance of probabilities that the Domain Name, in the hands of the Respondent, is an Abusive Registration. The timing of the previous decisions against the Respondent does not lead to the (rebuttable) presumption of abusive registration under 5.3 of the Policy, which would require a finding of 3 or more cases of abusive registration in the 2 years preceding the filing of this Complaint. Nevertheless, there is clearly a pattern of abusive of abusive registrations. The required standard of proof is on balance of probabilities. In this particular case there can be no doubt that the Respondent must have had the Complainant in mind when he registered the Domain Name. His likely motive was to seek to extract payment for the Domain Name from the Complainant (or failing that, a competitor of the Complainant); the effect of the registration has been to block the Complainant from registering the Domain Name itself; at the least there will have been initial interest confusion caused from the use of the unadorned trademark of the Complainant (and likely actual confusion, because of the nature of the links and advertising on the website); and it is likely that the Respondent intended to unfairly disrupt the Complainant's business for the purposes of seeking to secure payment from the Complainant.

Therefore, the Complaint succeeds on multiple grounds.

It remains for the Expert to address the question of the Complainant's request for a "precedent" to prevent reoccurrence. Unfortunately, the Expert can only decide on the basis of the Complaint in front of him, and the decision of an expert in a particular case does not have any binding effect on subsequent cases. There is certainly evidence to suggest that this particular Respondent is systematically abusing both the registration of .co.uk domain names, and the DRS process itself. However, the wider significance of that is not within the remit of the present Expert's appointment.

7. Decision

The Expert finds that the Complainant has Rights in the name or mark DOLLAR SHAVE CLUB, which is identical to the Domain Name, and that the Domain Name in the hands of the Respondent is an Abusive Registration. The Expert therefore directs that the Domain Name be transferred to the Complainant.

Signed Bob Elliott

Dated 21 July 2017