

ADMINISTRATIVE PANEL DECISION

The Calvin Klein Trademark Trust and Calvin Klein, Inc v. Yangjae Kim (t/a
Primary Blue)
LEADR Case No. auDA /08

Domain Name: www.calvinklein.com.au
Name of Complainants: The Calvin Klein Trademark Trust; and
Calvin Klein, Inc
Name of Respondent: Yangjae Kim (trading as Primary Blue)
Provider: LEADR
Panel: RC McNally

THE PARTIES

1. The Complainants are The Calvin Klein Trademark Trust and Calvin Klein, Inc.
2. The Respondent is Ms Yangjae Kim (trading as "Primary Blue").

THE DOMAIN NAME, REGISTRAR AND PROVIDER

3. The domain name in dispute is www.calvinklein.com.au ("the Domain Name").
4. The registrar of the Domain Name is SmartyHost ("the Registrar").
5. The provider in relation to this administrative proceeding is LEADR ("the Provider").

PROCEDURAL HISTORY

6. The complaint was submitted for decision in accordance with the auDRP Policy ("the Policy"), the auDRP Rules ("the Rules") which were approved by auDA in 2001 and commenced operation on 1 August 2002 and the Provider's Supplemental Rules.
7. The Provider provided a document entitled "Procedural History" which states that:
 - (a) The completed application was received from the Complainants by the provider on 12 November 2008;
 - (b) On 14 November 2008 the Provider express posted to the Respondent a dispute notification letter and a copy of the application;

- (c) A copy of the application and a copy of the dispute notification letter were also posted to the Registrar on 14 November 2008.
 - (d) The Provider advised auDA of the complaint on 14 November 2008 via email.
 - (e) The Registrar confirmed that the website was locked on 18 November 2008;
 - (f) On 19 November 2008 the Provider contacted the Respondent via email and confirmed that the application had been received after 14 November 2008, by express post.
 - (g) On 9 December 2008 the Provider approached the Panellist. The Panellist confirmed her availability, informed the Provider that they had no conflict issues with the parties and accepted the matter on 9 December 2008.
 - (h) The response was due on 7 December 2008.
8. No response was received from the Respondent by the due date of 7 December 2008.

FACTUAL BACKGROUND

9. The Complainants are:
- (a) The Calvin Klein Trademark Trust, a Delaware Business Trust in its capacity as the legal owner of the trade mark registrations and applications for the mark "CALVIN KLEIN" around the world (a list of which trademarks was annexed to the application) ("the CALVIN KLEIN Trade Marks"); and
 - (b) Calvin Klein Inc. a New York Corporation, being the beneficial owner of and (what is described in the application as) "the irrevocable perpetual licensee of the CALVIN KLEIN Trade Marks and the owner of the domain names calvinklein.com, calvinkleinin.com, calvinklein.tv, calvinklein.org, calvinklein.net and calvinklein.us ("the CALVIN KLEIN Domain Names").
10. It appears from the materials submitted by the Complainants that they are "one of the leading fashion design and marketing studios in the world" with "a substantial reputation, internally and in Australia, as a manufacturers, marketers, licensors, distributors and/or retailers of high quality apparel and fashion products."
11. The Complainants say that their products are distinguished from those of other traders by several well-known trademarks, including the mark CALVIN KLEIN.
12. In support of their application the Complainants provided evidence of prior use and registration of the following:
- (a) the trust name Calvin Klein Trademark Trust and the company name Calvin Klein Inc;

- (b) their exclusive rights in respect of the CALVIN KLEIN Trade Marks in Australia and overseas (a list of which Trade Marks was annexed to the application); and
 - (c) their rights to the CALVIN KLEIN Domain Names (a list of which was annexed to the application)
13. The Domain Name was registered on 3 May 2004 in the name of the Respondent, Kim Yangjae, a sole trader having ABN 73554619616 and trading as "Primary Blue".

THE POLICY

14. Pursuant to Rule 15 of the Rules, a Panel is required to decide a complaint on the basis of the statements and documents submitted and in accordance with the Policy, the Rules and any rules and principles of law that the Panel deems applicable.
15. Paragraph 4(a) sets out those matters that are required to be established by a complainant, being that:
- (i) [the Respondent's] domain name is identical or confusingly similar to a name, trademark or service mark in which the complainant has rights; and
 - (ii) [the Respondent has] no rights or legitimate interests in respect of the domain name; and
 - (iii) [the Respondent's] domain name has been registered or subsequently used in bad faith."
16. All of the elements of 4(a) (i), (ii) and (iii) must be met and the complainant bears the onus of proof in this respect.

DELIBERATIONS

As to whether the Domain Name is identical or confusingly similar to a name, trademark or service mark in which the Complainants have rights (Para 4(a)(i))

17. In this respect the Complainants assert that the Domain Name is either identical to or confusingly similar to:
- (a) the Complainants' names;
 - (b) the CALVIN KLEIN Trade Marks; and/or
 - (c) the CALVIN KLEIN Domain Names
- in respect of which the Complainants have legal rights and considerable reputation for the purposes of Paragraph 4 of the Policy.
18. The Domain Name comprises www.calvinklein.com.au, and I accept that this is (save for the ".com.au") identical to and/or confusingly similar to the Complainants' names, CALVIN KLEIN Trade Marks and/or the CALVIN KLEIN Domain Name.

As to whether the Respondent has any rights or legitimate interests in respect of the Domain Name (Para 4(a)(ii))

19. The Complainants submitted that the Respondent has no right or legitimate interests in the Domain Name on the basis that:
- (a) to the Complainants' knowledge, the Respondent is not the owner of any intellectual property right that relates to the words "Calvin Klein", nor does she have any reputation in Australia or elsewhere that relates to the words "Calvin Klein";
 - (b) as a result of the Complainants' extensive use of the CALVIN KLEIN Trade Marks since 1968, the Complainants have developed a significant reputation on the Trade Mark in Australia and worldwide;
 - (c) mere registration of the Domain Name does not establish a right or interest in it;
 - (d) The Respondent did not conduct any website from the Domain Name from registration on 3 May 2004 until the Complainants contacted the Respondent requesting the transfer of the Domain Name; whereupon the Respondent commenced redirecting the Domain Name to a searching engine website;
 - (e) use of the Domain Name in relation to any goods or services was likely to constitute trade mark infringement or misleading and deceptive conduct which significantly restricted the Respondent's ability to use the Domain Name; and
 - (f) Given the Complainants' extensive reputation in the Trade Mark and name, it was "difficult if not impossible" for the Respondent to claim any legitimate right to the Domain Name.
20. Paragraph 4(c) of the Policy sets out how a respondent might, if they wished to do so, demonstrate their rights or legitimate interests to the domain name however nothing has been received in this respect from the Respondent.
21. I am satisfied from the Complainants' material (and there being no material provided by the Respondent) that the Respondent has no right or legitimate interest in respect of the Domain Name.

As to whether the Domain Name has been registered by the Respondent or subsequently used by the Respondent in bad faith (Para 4(a) (iii))

22. The Complainants have submitted that the registration and/or the use of the Domain Name by the Respondent was in bad faith for the purposes of clause 4 of the Policy, and refer to various matters which they say attract the operation of provisions of Paragraph 4(b). Para. 4(b) sets out various circumstances which will, if found to be present, constitute evidence of the registration and/or use of a domain name in bad faith.

23. The Complainants say that it can be inferred from the Respondent's conduct that the Domain Name was registered in bad faith and for the purpose of disrupting the Complainants' use of the Domain Name, as contemplated in Para. 4(b) (ii).
24. The Complainants point to the following:
 - (a) That the Respondent does not appear to have traded or otherwise operated under a website with the URL www.calvinklein.com.au for more than 4 years since the registration of the Domain Name; and
 - (b) that the Respondent does not appear to have started using the Domain Name until she was approached by the Complainants requesting the transfer of the Domain Name to the Complainants.
25. I am not satisfied that the matters above are sufficient to show that the Respondent was motivated to register the Domain Name by an intention of disrupting the business of Calvin Klein.
26. Registration of the Domain Name is essential however if one intends to prevent the owner of a name, trademark or service mark from reflecting that name or mark in a corresponding domain name (Para 4(b)(ii)), or if one wishes to subsequently hold out the domain name for sale for valuable consideration in excess of documented out-of-pocket costs directly related to the domain name, this also constituting registration or use in bad faith (Para. 4(b)(i)).
27. In this respect the Complainants have provided the Panel with copies of email correspondence wherein the Respondent has proposed payment of a fee in exchange for the domain.
28. By email of 12 September 2008, the Respondent advised, inter alia, that she had "no interest in selling any products related to [Calvin Klein] products" but would accept \$25,000 plus GST being her "expenses relating to her new project set up", such sum to be paid within 7 days "to handover this domain immediately".
29. When this offer was not accepted, the Respondent subsequently asked: "How much is [Calvin Klein] willing to compensate? Or is it just to muck around and waste the time..." The Respondent also made the point that she guessed [Calvin Klein] "don't want to bring this issue to the public." She then offered to sell the Domain Name for a reduced sum, which was also declined by the Complainants.
30. While it was the Complainants who approached the Respondent regarding the transfer of the Domain Name, and the Complainants who asked for a proposal for resolution of the issue, it is apparent that the Domain Name had remained dormant until such time as the Complainants became aware of it and contacted the Respondent.

31. Furthermore, the Respondent has not articulated in any of the correspondence how she proposed to use the site for legitimate or any purpose, other than to advise in 2008 that the site was "under preparation" and that she had "good reasons to have this domain and it will be opening very soon".
32. The circumstances in which the Respondent has held the Domain Name and the content of the Respondent's correspondence point strongly to the Respondent having registered and held the Domain Name for purposes of the kind referred to in Para 4(b)(i) and (ii), both being indicia of the registration and use of a domain name in bad faith.
33. The Complainants say, in the alternative to other subsections of Para 4(b) that it can also be inferred that the Domain Name was registered or used to intentionally attempted to attract, for commercial gain, Internet users to a website or other online location, by creating a likelihood of confusion with the complainant's name or mark as to the source, sponsorship, affiliation, or endorsement (as referred to in Para 4(b)(iv)).
34. In support of this contention the Complainants point to the following:
 - (a) the website that is now being conducted at the Domain Name links to a website which the Complainants say generates "click-through" revenue with the likelihood that the Respondent is receiving revenue;
 - (b) internet users looking for the Complainants' website in connection with products manufactured and distributed under the CALVIN KLEIN mark would be easily and mistakenly directed to the Domain Name;
 - (c) there does not appear to be any association between the Respondent and either the Domain Name or the words "Calvin Klein";
 - (d) there is and has been no relationship between the Respondent and the Complainants, nor have the Complainants endorsed or authorised the registration or use of the Domain Name;
 - (e) The Respondent has alleged an intention to use the Domain Name in association with a "project" not related to Calvin Klein fashion products, but offered to transfer the domain name to the Complainants in exchange for payment of a significant sum.
35. I find that there are circumstances indicating that the Respondent registered or acquired the Domain Name for the primary purpose of ultimately selling the domain name registration for valuable consideration in excess of those documented out-of-pocket costs which directly related to the domain name.

36. I also find that there is sufficient in the material before me to indicate that the Respondent: has used the Domain Name by attempting to attract, for commercial gain, Internet users to a website or other online locations by creating a likelihood of confusion with the Calvin Klein name or mark; as contemplated by Para 4(b)(iv).
37. Those circumstances, having been found to be present, are evidence of the use of the Domain Name in bad faith for the purposes of Para 4(b).

SUMMARY

38. I am satisfied that the Complainants have made out each of the elements of Paragraph 4 of the Policy.

RELIEF

39. The Complainants have sought alternative remedies, being either that:
- (a) the Domain Name be transferred to it pursuant to Clause 6.1(b) of the Policy; or
 - (b) The Respondent's registration of the Domain Name be cancelled.

DECISION

40. The application has been made on behalf of both The Calvin Klein Trademark Trust and Calvin Klein Inc, together comprising the Complainants.
41. I am satisfied that the Complainants have the use and registration of the trust name Calvin Klein Trademark Trust and the company name Calvin Klein Inc., exclusive rights in respect of the Calvin Klein Trade Marks in Australian and overseas (as evidenced in annexures to the application) and the rights to the CALVIN KLEIN Domain Names.
42. While I was minded to direct that the Domain Name be transferred, I have not done so for the following reasons:
- (a) The application records the owner of the Trade Marks as the Calvin Klein Trademark Trust while the owner of all the various domain names identified in the application is recorded as Calvin Klein Inc.;
 - (b) Paragraph 7.1 (Grounds for complaint) states that the Complainants seek the transfer of the Domain Name to

- The Calvin Klein Trademark Trust or alternatively, that the registration of the Domain Name be cancelled;
- (c) Paragraph 8.1 (Remedies Sought) states that the Complainants seek the transfer of the Domain Name to "it" or alternatively, that the Respondent's registration of the Domain Name be cancelled.
- (d) The result is that although logically it seems that the domain name should be transferred to Calvin Klein Inc (because it is the owner of the other "Calvin Klein" domain names), that is not what the Complainants have asked for in the application (unless I treat the word "it" as referring to both Complainants, or alternatively to Calvin Klein Inc and not to The Calvin Klein Trademark Trust).
- (e) Rather than direct the transfer of the Domain Name in a manner which may not reflect the true intentions of the Complainants, I will leave it the Complainants, or either of them, to apply for registration of the Domain Name in due course once it becomes available.

43. Given that this Complainants have identified cancellation as a suitable alternative remedy, I direct that the Respondent's registration of the Domain Name be cancelled pursuant to Clause 6.1(a) of the Policy.

Date: 23 December 2008



RC McNally
Sole Panelist