WIPO Arbitration and Mediation Center

ADMINISTRATIVE PANEL DECISION

ER Marks, Inc., QVC, Inc. v. VerCentre.com

Case No. D2003-0078

1. The Parties

The Complainants are QVC, Inc., Studio Park, West Chester, Pennsylvania 19380, United States of America and ER Marks, Inc., 3411 Silverside Road, Bancroft Building, Suite 205B, Wilmington, DE 19810, United States of America (hereinafter the "Complainant"), represented by Connolly Bove Lodge & Hutz, LLP of United States of America.

The Respondent is VerCentre.com of London, United Kingdom of Great Britain and Northern Ireland.

2. The Domain Name and Registrar

The disputed domain name <ukqvc.com> is registered with Tucows.

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on February 3, 2003. On February 4, 2003, the Center transmitted by email to Tucows a request for registrar verification in connection with the domain name at issue. On February 4, 2003, Tucows transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details for the administrative, billing, and technical contact. The Center verified that the Complaint satisfied the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the "Policy"), the Rules for Uniform Domain Name Dispute Resolution Policy (the "Rules"), and the WIPO Supplemental Rules for Uniform Domain Name Dispute Resolution Policy (the "Supplemental Rules").

In accordance with the Rules, paragraphs 2(a) and 4(a), the Center formally notified the Respondent of the Complaint, and the proceedings commenced on February 12, 2003. In accordance with the Rules, paragraph 5(a), the due date for Response was

March 4, 2003. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on March 5, 2003.

The Center appointed Charles Gielen as the Sole Panelist in this matter on March 17, 2003. The Panel finds that it was properly constituted. The Panel has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the Center to ensure compliance with the Rules, paragraph 7.

4. Factual Background

Complainant states that QVC, Inc. began providing electronic retail services for in-home shopping in connection with its QVC mark in 1986, and continued to do so, without interruption, to the present date. During the last 15 years, QVC, Inc.'s business expanded rapidly. Its net revenue increased from $112,000,000 (112 million U.S. Dollars) in 1987, to a global business with a net revenue in 2000 of $3,536,000,000 (3.536 billion U.S. Dollars).

QVC, Inc. sells both by television shopping channels and by means of interactive Internet sites on the worldwide web. It started as a business in the United States but now has a significant international presence through its foreign affiliates such as QVC UK, QVC Deutschland and others.

Complainant QVC, Inc. began obtaining United States service mark registrations for its QVC and QVC formative marks as early as 1987. In 1999, QVC, Inc. assigned certain of its marks and registrations to its wholly owned subsidiary, ER Marks, Inc. These marks almost all pertain to in-home shopping via television, telephone and/or the Internet.

Complainant also protected its trademarks internationally. QVC formative registrations exist in Algeria, Argentina, Australia, Austria, Bahrain, Brazil, Canada, Chile, China, Egypt, European Union, Germany, Hong Kong, Hungary, Indonesia, Israel, Japan, Morocco, New Zealand, Norway, Saudi Arabia, South Korea, Spain, Switzerland, Taiwan, Tangier Zone, Tunisia, Turkey, United Kingdom and Yemen.

In addition, Complainant states that QVC, Inc. is the registrant of hundreds of QVC formative domain names. These include top level domains such as <qvc.com> and <iqvc.com> and country code domains. In the UK, QVC operates its electronic shopping network on television and through its on-line website "www.qvcuk.com." They include domain names that are critical to QVC's national and international business, and even include domain names which QVC has no intention of using but has obtained to protect its own reputation (i.e., <adultqvc.com>).

5. Parties' Contentions

A. Complainant

Complainant contends that in July 2002, long after QVC had achieved worldwide fame as an electronic inhome shopping network via television and the Internet, the Respondent registered <ukqvc.com>.

When Complainant learned of Respondent's use of <ukqvc.com>, it sent by courier and e-mail, a cease and desist letter to Mr. Jean-Michael Vermeulen who was listed as the administrative contact for the Registrant, VerCentre.com. At that time the <ukqvc.com> domain name led the user to an Internet shopping site called MailOrderWorld.com.

On October 17, 2002, Mr. Vermeulen responded by e-mail stating that the information about <ukqvc.com> was "incorrect." And, as of that date, it was, because the Respondent had redirected users of its <ukqvc.com> domain name to a different commercial website for Capital One credit cards.

Complainant's counsel responded by e-mail and airmail informing Mr. Vermeulen that "incorrect" information to which he referred was insignificant with respect to the infringement of the QVC mark. Thereafter, Respondent again redirected users of its <ukqvc.com> domain name to yet another website. This website was a Barclay's Bank site which also provided on-line shopping. As of January 28,2003, the "ukqvc.com" website led to a Bank of Scotland site which offered credit cards in direct competition with the credit cards, debit cards, charge cards and discount cards; cheque guarantee cards; financing services; credit card, debit and charge card, and discount card services; and credit card management.

Complainant further contends that Respondent did not register its <ukqvc.com> domain name until July 30, 2002, over 15 years after QVC, Inc. began registering and using its QVC mark in connection with providing electronic retail services for in-home shopping, and almost 10 years after it began specifically marketing in the United Kingdom on QVC The Shopping Channel. There is no doubt that the worldwide fame of QVC was well established before July 2002, when Respondent registered its <ukqvc.com> domain name. The Respondent has no license from Complainant nor any other affiliate of Complainant. As described above, the Respondent has used its offending <ukqvc.com> domain name to lead users to online shopping and banking sites which have no connection to Complainant.

The <ukqvc.com> domain is confusingly similar on its face to the famous QVC mark. It includes the whole of the QVC mark as the key element of the domain name. It adds only the UK generic abbreviation for United Kingdom before the QVC letters. The addition of a generic term and ".com" to Complainant's QVC mark is legally insufficient to avoid a finding of confusing similarity. Complainant refers to *QVC, Inc. and ER Marks, Inc. v. Sticky Dicky*, WIPO Case No. D2001-0774; *Quixtar Investments, Inc. v. Dennis Hoffman*, WIPO Case No. D2000-0253; and *Telstra Corporation Limited v. Peter Lombardo et al.*, WIPO Case No. D2000-1511.

Respondent registered and began using its <ukqvc.com> domain four years after QVC had already registered and established its own <qvcuk.com> domain for online shopping. Respondent was obviously seeking to benefit from the fame of the QVC mark and misdirect users from QVC's own "www.qvcuk.com" website.

In the short time Complainant has been monitoring the offending "www.ukqvc.com" website, the Respondent has used it to connect users to at least four commercial websites (the MailOrderWorld site, and the Barclays Bank site, both of which offer online shopping in direct competition with QVC's online shopping, and The Capital One and Bank of Scotland sites which offer credit cards and would lead a user to believe they were sponsored or endorsed by QVC and which compete with QVC CARD).

There can be no doubt that Respondent was aware of Complainant's famous QVC mark when it registered <ukqvc.com> domain name. Such action constitutes bad faith registration. See *Telstra Corporation Limited v. Nuclear Marshmallows*, WIPO Case No. D2000-0003. It is also clear that Respondent used the domain name in bad faith by originally seeking to divert users to Respondent's own online shopping site and, thereafter diverting users to Capital One and Barclay Bank sites. See *Telstra, supra*, WIPO Case No.D2000-0003; *Nokia Corporation v. Liquid SMS Limited*, WIPO Case No. D2002-0292.

Finally Complainant contends that it informed Respondent of its position about the offending use in October 2002, but Respondent has refused to transfer the offending domain name and has never given any explanation of any legitimate rights it has in QVC or any QVC formative marks. These communications were sent by e-mail and also by courier, return receipt requested, as documented above.

These facts further buttress Respondent's lack of any legitimate rights in any QVC formative mark. There is no evidence that Respondent ever used or had any connection with any QVC formative mark or domain name prior to registering the infringing domain names. This was years after Complainant's QVC mark had become famous and at a time when no one would have elected to use QVC except with a bad faith attempt to profit from Complainant's rights.

B. Respondent

The Respondent did not reply to the Complainant's contentions.

6. Discussion and Findings

A. Identical or Confusingly Similar

The Panel agrees with Complainant that the domain name is confusingly similar to the trademarks of Respondent. The trademark QVC is distinctive and is widely used and well known. The domain name consists of these letters with the addition UK, which stands for United Kingdom. A particular circumstance to the confusing similarity is that Complainant also uses the domain name <qvcuk.com>.

B. Rights or Legitimate Interests

In the absence of any contrary evidence submitted by Respondent (Paragraph 4(c)), the Panel is sufficiently persuaded that Respondent has no rights or legitimate interests in respect of the domain names and therefore the Panel finds accordingly.

C. Registered and Used in Bad Faith

The Panel is of the opinion that by using the domain name and in particular in connection with mail order services, the core business of Complainant, Respondent has registered the domain name primarily for the purpose of disrupting the business of a competitor and has intentionally attempted to attract, for commercial gain, Internet users to the websites of Respondent by creating a likelihood of confusion with the Complainant's marks. Therefore the Panel concludes that the domain name is registered and has been used in bad faith.

7. Decision

For all the foregoing reasons, in accordance with Paragraphs 4(i) of the Policy and 15 of the Rules, the Panel orders that the domain name be transferred to the Complainant.

Charles Gielen
Sole Panelist

Dated: March 31, 2003