



NATIONAL
ARBITRATION
FORUM

DECISION

Geoffrey, Inc. v. Downmark Ltd., J Highmoor and George Highmoor
Claim Number: FA0201000103815

PARTIES

The Complainant is **Geoffrey, Inc.**, Arlington, VA (“Complainant”) represented by **Roberta S. Bren, of Oblon, Spivak, McClelland, Maier & Neustadt, P.C.** The Respondent is **Downmark Ltd., J Highmoor and George Highmoor**, Norfolk, United Kingdom (“Respondent”).

REGISTRAR AND DISPUTED DOMAIN NAMES

The domain names at issue are <appointments-r-us.com>, <bars-r-us.com>, <bars-r-us.net>, <bistros-r-us.net>, <burgers-r-us.net>, <cafes-r-us.com>, <carphones-r-us.com>, <carphones-r-us.net>, <cellphones-r-us.com>, <cellphones-r-us.net>, <cycles-r-us.com>, <destinations-r-us.com>, <destinations-r-us.net>, <drinks-r-us.com>, <golfclubs-r-us.com>, <gyms-r-us.com>, <inns-r-us.com>, <internetsales-r-us.com>, <jetskis-r-us.com>, <lodges-r-us.com>, <netsales-r-us.com>, <net-sales-r-us.com>, <recipes-r-us.com>, <restaurants-r-us.net>, <r-us-domains.com>, <shades-r-us.com>, <telecoms-r-us.com>, <telecoms-r-us.net>, <telephones-r-us.com>, <telephones-r-us.net>, <windsurfers-r-us.com>, and <yachts-r-us.com> registered with **Register.com**.

PANEL

The undersigned certifies that he has acted independently and impartially and to the best of his knowledge, has no known conflict in serving as Panelist in this proceeding.

Judge Irving H. Perluss (Retired) is the Panelist.

PROCEDURAL HISTORY

Complainant submitted a Complaint to the National Arbitration Forum (“the Forum”) electronically on January 10, 2002; the Forum received a hard copy of the Complaint on January 14, 2002.

On January 11, 2002, Register.com confirmed by e-mail to the Forum that the domain names <appointments-r-us.com>, <bars-r-us.com>, <bars-r-us.net>, <bistros-r-us.net>, <burgers-r-us.net>, <cafes-r-us.com>, <carphones-r-us.com>, <carphones-

r-us.net>, <cellphones-r-us.com>, <cellphones-r-us.net>, <cycles-r-us.com>, <destinations-r-us.com>, <destinations-r-us.net>, <drinks-r-us.com>, <golfclubs-r-us.com>, <gyms-r-us.com>, <inns-r-us.com>, <internetsales-r-us.com>, <jetskis-r-us.com>, <lodges-r-us.com>, <netsales-r-us.com>, <net-sales-r-us.com>, <recipes-r-us.com>, <restaurants-r-us.net>, <r-us-domains.com>, <shades-r-us.com>, <telecoms-r-us.com>, <telecoms-r-us.net>, <telephones-r-us.com>, <telephones-r-us.net>, <windsurfers-r-us.com>, and <yachts-r-us.com> are registered with Register.com and that the Respondent is the current registrant of the name. Register.com has verified that Respondent is bound by the Register.com registration agreement and has thereby agreed to resolve domain-name disputes brought by third parties in accordance with ICANN's Uniform Domain Name Dispute Resolution Policy (the "Policy").

On January 15, 2002, a Notification of Complaint and Commencement of Administrative Proceeding (the "Commencement Notification"), setting a deadline of February 4, 2002 by which Respondent could file a Response to the Complaint, was transmitted to Respondent via e-mail, post and fax, to all entities and persons listed on Respondent's registration as technical, administrative and billing contacts, and to postmaster@appointments-r-us.com, postmaster@bars-r-us.com, postmaster@bars-r-us.net, postmaster@bistros-r-us.net, postmaster@burgers-r-us.net, postmaster@cafes-r-us.com, postmaster@carphones-r-us.com, postmaster@carphones-r-us.net, postmaster@cellphones-r-us.com, postmaster@cellphones-r-us.net, postmaster@cycles-r-us.com, postmaster@destinations-r-us.com, postmaster@destinations-r-us.net, postmaster@drinks-r-us.com, postmaster@golfclubs-r-us.com, postmaster@gyms-r-us.com, postmaster@inns-r-us.com, postmaster@internetsales-r-us.com, postmaster@jetskis-r-us.com, postmaster@lodges-r-us.com, postmaster@netsales-r-us.com, postmaster@net-sales-r-us.com, postmaster@recipes-r-us.com, postmaster@restaurants-r-us.net, postmaster@r-us-domains.com, postmaster@shades-r-us.com, postmaster@telecoms-r-us.com, postmaster@telecoms-r-us.net, postmaster@telephones-r-us.com, postmaster@telephones-r-us.net, postmaster@windsurfers-r-us.com, and postmaster@yachts-r-us.com by e-mail.

A timely Response was received and determined to be complete on February 1, 2002.

Plaintiff's Additional Submission was received February 6, 2002.

On February 12, 2002, pursuant to Complainant's request to have the dispute decided by a single-member Panel, the Forum appointed Judge Irving H. Perluss (Retired) as Panelist.

RELIEF SOUGHT

The Complainant requests that the domain names be transferred from the Respondent to the Complainant.

PARTIES' CONTENTIONS

A. Complainant

1. The disputed "R US" domain names are confusingly similar to trademarks and service marks in which Complainant has rights. ICANN Rule 3(b)(ix)(1); ICANN Policy ¶4(a)(i).

2. Respondents have no rights or legitimate interests in the disputed "R US" domain names. ICANN Rule 3(b)(ix)(2); ICANN Policy ¶4(a)(ii).

3. The disputed "R US" domain names have been registered and used in bad faith. ICANN Rule 3(b)(ix)(3); ICANN Policy ¶4(a)(iii).

B. Respondent

1. The disputed domain names are not confusingly similar to Complainant's marks. Toys "R" Us has been utilized by Complainant for many years, and more recently it has utilized Babies "R" Us. These are the only domain names which could cause confusion, and Respondents have held the domain name Babies "R" Us for more than two years without challenge. Moreover, there are many businesses that use the "r-us" suffix.

2. Respondents have rights and a legitimate interest in the disputed domain names. This is because they have plans for a cookery outlet utilizing some of the disputed names for <cookeryclub.com>. The products and services to be offered are not identical or similar to any currently being offered by Complainant.

3. The disputed domain names have not been registered or are being used in bad faith. Respondents did not register the names for the purpose of selling them. Respondents were registering domain names in the area of cooking for its cookery club and related areas, *e.g.*, bars, drinks, restaurants, recipes, etc.

C. Additional Submissions by Complainant

1. The Response is defective procedurally because Respondents failed to conclude with a certifying statement and signature, as required by ICANN Rule 5(b)(vii), and their Response exceeds the page limit requirement imposed by the Forum. Supp. Rule 2(a); ICANN Rule 5(b)(i).

2. The use of a forward "R" in the disputed domain names is irrelevant in the determination of confusing similarity to Complainant's marks.

3. Complainant has been vigilant in protecting its marks, and it has not singled out and "victimized" Respondents because it has not taken action against other infringers.

4. Respondents' purported business plan is a smoke screen to hide their real intent to profit from Complainant's famous marks. They have not demonstrated that they have made preparations to use all of the disputed domain names.

5. Complainant did offer Respondents reasonable compensation.

D. Additional Submission by Respondent

1. Respondents submitted a Supplemental Response which cannot be considered because it was not accompanied by the required fee. The Supplemental Response consisted of an extensive listing of domain names wherein the "R-US" was used. As will be discussed, *infra*, in any event, the listing is neither probative nor relevant.

FINDINGS

1. The Panel finds that Complainant is the owner of a famous and well-known family of "R US" marks, including "R" US, TOYS "R" US, BABIES "R" US, KIDS "R" US, "R" US COLLECTION, RACERS "R" US, SPORTS "R" US, PARTIES "R" US, MOVIES "R" US, BOOKS "R" US, MATHEMATICS "R" US, LIGHTS "R" US, SWEETS "R" US, SNACKS "R" US, COMPUTERS "R" US, and other "R US" marks. Complainant licenses these marks to Toysrus.com, Toys "R" Us, Toys "R" Us (Ltd.) and other related companies.

2. The Panel finds that Toys "R" Us is a Delaware corporation having a place of business in Paramus, New Jersey, USA; Toysrus.com is a Delaware Limited Liability Company having a place of business in Fort Lee, New Jersey, USA; and Toys "R" Us (Ltd.) is a United Kingdom company having a place of business in Maidenhead, Berkshire, UK.

3. The Panel finds that Complainant, through its predecessors-in-interest, began using a family of "R US" marks in connection with retail sale of toys, sporting goods, and other items in at least as early as 1960. Complainant's use of the family of "R US" marks has expanded over time to including promoting and providing entertainment services and events, real estate leasing, insurance services, and the promotion and sale of toys, games, novelties, party goods, costumes, furniture, books, bicycles, clothing, video tapes, video games, computers, clocks, electronic devices, cosmetics, candy, sundries and numerous other products and services throughout the United States of America, the United Kingdom, and internationally.

4. The Panel finds that Complainant is the owner of the following valid and subsisting "R US" United States Trademark and Service Mark Registrations: No. 2,282,394 for "R US"; and No. 2,270,574 for "R" US COLLECTION.

5. The Panel finds that Complainant is the owner of over fifty (50) valid and subsisting United States Trademark and Service Mark Registrations for other "R US" marks such as TOYS "R" US, GRAND PARENTS "R" US, BIKES "R" US, DOLLS "R" US, GAMES "R" US, PORTRAITS "R" US, SHOES "R" US, STICKERS "R" US, and others.

6. The Panel finds that Complainant is the owner of the following valid and subsisting “R US” United Kingdom Trademark and Service Mark Registrations: No. 1,212,567 “R US”; No. 1,177,870 for “R US”; and No. 2,197,320 for “R US,” and is the owner of several valid and subsisting United Kingdom Trademark and Service Mark Registrations for marks that incorporate “R US,” such as KIDS “R” US, PARTIES “R” US, SWEETS “R” US, SNACKS “R” US, MUMS “R” US, BABIES “R” US DIRECT, TOYS “R” US, BIKES “R” US, and others.

7. The Panel finds that Complainant and its affiliated companies also have registered and used the Internet domain names <toysrus.com>, <babiesrus.com>, <toysrus.co.uk>, and <babiesrus.co.uk>.

8. The Panel finds that the wide variety of products and services promoted, sold, or offered for sale under the family of “R US” marks have been commercially promoted, sold, and rendered throughout the United States, the United Kingdom, and internationally with skill and care. Hundreds of millions of dollars each year have been expended to maintain the wholesome and family-oriented high quality of the products and services through the careful selection and careful methods used in the commercial promotion and sale of products and services under the family of “R US” marks. As a result, the sales of goods and services under the family of “R US” marks have grown tremendously. These marks have acquired substantial goodwill in connection with a wholesome family image.

9. The Panel finds that Complainant’s affiliated companies have expended, and continue to expend, hundreds of millions of dollars annually to advertise, publicize, and promote products and services under the family of “R US” marks throughout the United States, the United Kingdom, and/or internationally. The family of “R US” marks has been regularly and extensively advertised on radio and television, on signs, in publications, direct mail promotions, and newspaper having a national and international circulation, and in inserts to newspapers distributed across the United States, the United Kingdom, and elsewhere.

10. The Panel finds that as of February 2001, Geoffrey’s related companies had more than 700 TOYS “R” US, 190 KIDS “R” US, and 140 BABIES “R” US stores spread across the United States of America and more than 490 TOYS “R” US stores outside the United States, including 63 TOYS “R” US stores in the United Kingdom. One of these is located in Norwich, the location of Respondents. TOYS “R” US stores have been operating in the United States since at least as early as 1960, and in the United Kingdom at least as early as 1985.

11. The Panel finds that by reason of extensive advertising, promotion, and sale of products and services under the family of “R US” marks, these marks have acquired distinctiveness and substantial secondary meaning.

12. The Panel finds that Respondents have registered 74 domain names, many of which incorporate Complainant's "R US" mark. The Complaint herein has been filed with respect to 32 in the generic top level domains.

13. The Panel finds that Respondents did have a business plan that was based on a cookery club, but he further finds that their registration of 74 domain names exceeds the scope of their business plan. Most of the names registered have no relation to cooking and, in any event, their business plan could have been carried out without the use of the disputed "R US" domain names.

14. The Panel finds that Respondents registered the domain name <babies-r-us.co.uk> after Complainant began using the mark BABIES "R" US and after Complainant had registered <babies-r-us.com>.

DISCUSSION

Paragraph 15(a) of the Rules for Uniform Domain Name Dispute Resolution Policy (the "Rules") instructs this Panel to "decide a complaint on the basis of the statements and documents submitted in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable."

Paragraph 4(a) of the Policy requires that the Complainant must prove each of the following three elements to obtain an order that a domain name should be cancelled or transferred:

- (1) the domain name registered by the Respondent is identical or confusingly similar to a trademark or service mark in which the Complainant has rights;
- (2) the Respondent has no rights or legitimate interests in respect of the domain name; and
- (3) the domain name has been registered and is being used in bad faith.

Identical and/or Confusingly Similar

The disputed domain names are confusingly similar to Complainant's famous and distinctive registered marks, which have acquired a secondary meaning. The addition of a generic word to Complainant's mark, the deletion of quotes around the "R," and the addition of a hyphen do not dispel the confusing similarity between the mark and the domain names.¹

¹ See, *Arthur Guinness Son & Co. (Dublin) Ltd. v. Healy/BOSTH*, D2001-0026 (WIPO Mar. 23, 2001) (finding confusing similarity where the domain name in dispute contains the identical mark of the Complainant combined with a generic word or term); see also, *Parfums Christian Dior v. 1 Netpower, Inc.*, D2000-0022 (WIPO Mar. 3, 2000) (finding that four domain names that added the descriptive words "fashion" or "cosmetics" after the trademark were confusingly similar to the trademark); see also, *InfoSpace.com v. Tenenbaum Ofer*, D2000-0075 (WIPO Apr. 27, 2000) (finding that "[t]he domain name 'info-space.com' is identical to Complainant's INFOSPACE trademark. The addition of a hyphen and .com are not distinguishing features"); see also, *Mrs. World pageants, Inc. v. Crown Promotions*, FA 94321 (Nat. Arb. Forum Apr. 24, 2000) (finding that punctuation is not significant in determining the similarity of a domain name and mark).

Respondents' basic contention that Complainant does not hold the exclusive rights in the "R US" mark because other businesses have been trading under the "R US" suffix for "some time" now, is without merit, and it has been specifically so held in judicial proceedings.²

One cannot complain that he was arrested for going through a red light, because others, also in violation of the law, were not caught.

Rights or Legitimate Interests

It first is to be noted that Complainant's "R US" marks consist primarily of the coined term "R US" alone or with a descriptive noun, such as "bikes," "computers," "dolls," "parties," "racers," "shoes," or "sweets." The term "R US" was coined by Complainant's predecessor over 40 years ago and is registered as a mark by Complainant and is exclusively associated with Complainant and its affiliated companies.

The determination of "exclusive association" was specifically so found in *Geoffrey Inc. v. Stratton*, 16 USPQ2d 1691, 1694 (D.C. Cal. 1990), *aff'd*, 951 F.2d 359 (9th Cir. 1991), *cert. denied*, 506 U.S. 851 (1992) (stating that the "R US" designation was coined by, and exclusively associated with plaintiff).

Respondents, in the Panel's opinion, have not provided a sufficient basis that would legitimize their claim to the disputed domain names. Their purported business plan is so vague and speculative to the extent that it cannot be concluded that there was compliance with Policy ¶4c(i). In any event, it cannot use names that are "exclusively associated" with Complainant.

Respondent is not commonly known by the disputed domain names. (Policy ¶4c(ii).)³

Moreover, the Panel has concluded that the use of the disputed domain names by Respondents clearly would dilute Complainant's marks, *i.e.*, action described by the courts as "the gradual 'whittling away' of a trademark's value."⁴ Accordingly, in the view of this Panel, Respondents cannot comply with the requirement of Policy ¶4c(iii).

² See, *Eclipse Associates Ltd. v. Data General Corp.* (9th Cir. 1990) 894 F.2d 1114, 119; *E & J Gallo Winery v. Consorzio Del Gallo Nero* (N.D. Cal. 1991) 782 F.Supp.457.

³ See, *Gallup Inc. v. Amish Country Store*, FA 96209 (Nat. Arb. Forum Jan. 23, 2001) (finding that Respondent does not have rights in a domain name when Respondent is not known by the mark); *Victoria's Secret et al v. Asdak*, FA 96542 (Nat. Arb. Forum Feb. 28, 2001) (finding sufficient proof that Respondent was not commonly known by a domain name confusingly similar to Complainant's VICTORIA'S SECRET mark because of Complainant's well-established use of the mark); *Nike, Inc. v. B.B. de Boer*, D2000-1397 (WIPO Dec. 21, 2000) (finding no rights or legitimate interests where one "would be hard pressed to find a person who may show a right or legitimate interest" in a domain name containing Complainant's distinct and famous NIKE trademark).

⁴ See, *Academy of Motion Picture Arts & Sciences v. Creative House Promotions* (9th Cir. 1991) 944 F.2d 1446, 1457, citing J. McCarthy, *Trademarks and Unfair Competition* (2nd ed. 1984) ¶24:13.

Registration and Use in Bad Faith

Section 4b of the Policy sets forth certain circumstances, without limitation, that shall be evidence of registration and use of a domain name in bad faith. Subparagraph (iv) of Section 4b provides:

by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your website or other online location, by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of your website or location or of a product or service on your website or location.

The words "source, sponsorship, affiliation, or endorsement" are particularly apt here. Inevitably, the Panel believes that consumers would conclude that the domain name in issue was endorsed and sponsored by Complainant.

In addition to the demonstration of bad faith by the application of subparagraph (iv) of Section 4b of the Policy, there is a legal presumption of bad faith, when Respondents reasonably should have been aware of Complainant's trademarks, actually or constructively. How could it have not been?

Indeed, it has been found, *supra*, that Respondents registered the domain name <babies-r-us.co.uk> after Complainant began using the mark BABIES "R" US, and after Complainant had registered the domain name <babies-r-us.com>.

In *Interstellar Starship Services, Ltd. v. Epix, Inc.* (CA 9th 1999) 184 F.3d 1107, 1111, it was said:

However, ISS became aware of the 'EPIX' trademark when it applied for its own registration of 'EPIX'. Adopting a designation with the knowledge of its trademark status permits a presumption of intent to deceive. See, *Brookfield*, 174 F.3d at 1059 (*Official Airline Guides, Inc. v. Goss*, 6 F.3d 1385 (9th Cir. 1993).) In turn, intent to deceive is strong evidence of a likelihood of confusion. *Sleekcraft*, 550 F.2d at 354.

Thus, the domain name in issue was registered in bad faith.

The Panel believes that it is not necessary to its Decision to resolve any conflicts relating to whether there was or was not an offer to sell the disputed domain names and the price.

The Panel recognizes that "use" in bad faith also is required in addition to bad faith "registration."

The Panel heretofore has determined that Respondents have no rights or legitimate interest in the disputed domain names, and that they have registered the names in bad faith. It makes no sense whatsoever to wait until Respondents actually “use” the names, when inevitably, when there is such use, it will create the confusion described in the policy.

Under the circumstances, a preliminary, mandatory injunction was granted by a federal court requiring the transfer of a domain name even though a website had not yet been opened. *Green Products Co. v. Independence By-Products Co.* (N.D. Iowa 1997) 992 F.Supp. 1070. The threatened harm is “use.” See, *Phat Fashions v. Kruger*, FA 96193 (Nat. Arb. Forum, Dec. 29, 2000); *Bloomberg LP v. Peter Schorsch*, FA 96576 (Nat. Arb. Forum, Mar. 19, 2001); *Hungry Minds, Inc. v. Mall for Dummies*, FA 96635 (Nat. Arb. Forum Apr. 4, 2001).

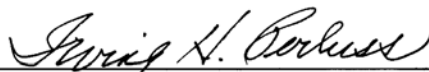
In any event, there is “use” because Respondents have “passively held” the disputed domain name since its registration. See, *Clerical Med. Inv. Group Ltd. v. Clericalmedical.com*, D2000-1228 (WIPO Nov. 28, 2000) (finding that merely holding an infringing domain name without active use can constitute use in bad faith); *DCI S.A. v. Link Commercial Corp.*, D2000-1232 (WIPO Dec. 7, 2000) (concluding that the Respondent’s passive holding of the domain name satisfies the requirement of ¶4(a)(iii) of the Policy); see also, *Sony Kabushiki Kaisha v. Inja, Kil*, D2000-1409 (WIPO Dec. 9, 2000) (finding that bad faith registration and use where it is “inconceivable that the Respondent could make any active use of the disputed domain names without creating a false impression of association with the Complainant”).

The Panel finds and determines, accordingly, that Respondents registered and used the disputed domain names in issue in bad faith, and the issue is “ripe” for decision.

By virtue of the Panel’s substantive decision herein, it is not necessary to consider the alleged procedural defects in the Response

DECISION

Based on the above findings and conclusions, and pursuant to Rule 4(i), it is decided that the disputed domain names registered by Respondents, shall be, and the same are, **transferred** to Complainant.



Honorable Irving H. Perluss
Arbitrator

JUDGE IRVING H. PERLUSS (Retired), Panelist

Dated: March 1, 2002