



DISPUTE RESOLUTION SERVICE

D00019350

Decision of Independent Expert

Kendra Scott, LLC and Kendra Scott

and

Karen Harrington

1. The Parties:

Lead Complainant: Kendra Scott, LLC
3800 North Lamar Blvd
Suite 400
Austin
Texas
78756
United States

Additional Complainant: Ms Kendra Scott
3800 North Lamar Blvd
Suite 400
Austin
Texas
78756
United States

Respondent: Karen Harrington
Killeenmore Road
Prospect
Sallins
Co Kildare
Ireland

2. The Domain Names:

3. Procedural History and Procedural Matters:

3.1 I confirm that I am independent of each of the Parties. To the best of my knowledge and belief, there are no facts or circumstances, past or present, or that could arise in the foreseeable future, that need be disclosed as they might be of such a nature as to call in to question my independence in the eyes of one or all of the Parties.

3.2 Timeline

22 September 2017 15:23 Dispute received
26 September 2017 09:49 Complaint validated
26 September 2017 09:58 Notification of Complaint sent to Parties
13 October 2017 02:30 Response reminder sent
18 October 2017 09:14 No Response received
18 October 2017 09:15 Notification of no Response sent to Parties
19 October 2017 13:40 Expert decision payment received

3.3 For the purposes of this Decision, references to the “**Complainant**” shall be to the Lead Complainant, and “**Complainants**” shall mean, together, the Lead Complainant and the Additional Complainant.

4. Factual Background

4.1 The Complainant sells jewellery, beauty and gift items under the brand name “**KENDRA SCOTT**”. It was founded in 2002 when the Additional Complainant created her eponymous brand with her first collection of jewellery.

4.2 The Complainant now owns 39 retail stores, employs nearly 1,000 people, and operates a website under the domain name www.kendrascott.com where users can browse products from the **Complainant’s jewellery, beauty and gift collections, order products** online, create their own piece of jewellery and find their nearest stores stocking KENDRA SCOTT products. The KENDRA SCOTT brand is present in over 800 retail stores and orders placed on the www.kendrascott.com website can be shipped around the world.

4.3 The Complainant’s **revenue** was \$50million in 2016. The Complainant often donates part of its sales revenue to charity and other associations, including by donating 50% of its online sales to American Red Cross in support of the Hurricane Harvey relief programme. In 2016, the Complainant gave back more than \$3.5million and donated 75,000 pieces of jewellery to 3,500 local and national organisations.

- 4.4 The Complainants are also active on social media platforms including Facebook, Instagram, Twitter, Pinterest, Snapchat and YouTube.
- 4.5 The Additional Complainant is a designer who has been known by the name “Kendra Scott” since birth.
- 4.6 **The term “KENDRA SCOTT” is protected by** trade marks registered in, inter alia, the European Union and the United States of America.
- 4.7 Each of the Domain Names was registered on 2 February 2017.
- 4.8 The Respondent did not reply to these proceedings.

5. **Parties’ Contentions**

The Complainants - Rights

- 5.1 The Complainants submit that the brand name KENDRA SCOTT has been used in trade since 2002 and that, as part of their efforts to protect their intellectual property, they own several trade marks for the term “KENDRA SCOTT” within numerous jurisdictions including but not limited to the United Kingdom (a territory designated under an International Registration), the European Union and the United States of America. A number of these registrations pre-date the registration of the Domain Names by the Respondent.
- 5.2 The Complainants assert that, in addition to registered trade mark rights, rights exist in the term “KENDRA SCOTT” as it has been the personal name of the Additional Complainant since her birth. They say that as an example of her achievements, the Additional Complainant has received several awards over the years for her business contribution under the KENDRA SCOTT brand and in 2017 was ranked **at number 36 on Forbes America’s 2017 self-made women net-worth list** with a net-worth of \$500million.
- 5.3 **With regard to the Complainants’ activities in the United Kingdom, the Complainants say that in 2015 they spent approximately \$12.5 million on digital marketing which was accessible to all UK customers, and since 2015 they have spent over \$500,000 on marketing targeted at UK customers. The Complainants submit that the Complainant’s website at www.kendrascott.com was accessed by over 100,000 UK customers in 2014.**
- 5.4 The Complainants say that the Domain Names are identical to the **rights that they hold in respect of the mark “KENDRA SCOTT”.**

The Complainants – Abusive Registration

5.5 The Complainants contend that the Domain Names, in the hands of the Respondent, are Abusive Registrations, for the following reasons:

- Since registration, neither of the Domain Names appear to have resolved to any active content. As at the date of the Complaint, the Domain Name www.kendrascott.co.uk resolves to a blank page whilst the Domain Name www.kendrascott.uk resolves to a Names.co.uk parking page.
- When the Respondent was asked if the Domain Names were for sale, it responded that it would be willing to sell the Domain Names, together with the additional domain name www.kendrascott.shop, for £275,000 - **a figure that far exceeds the Respondent's out-of-pocket costs** in acquiring the Domain Names but a price which the Respondent said reflected the value of these names in use, both as marketing assets and sales outlets. In the alternative, the Respondent indicated that it would be interested in pursuing a partnership for online sales/retail sales.
- The Respondent **must have known of the Complainant's brand KENDRA SCOTT** and its rights in respect of that brand as (i) it referred to the domain names being used as marketing assets and sales outlets, (ii) it has proposed a sales partnership with the Complainants and (iii) it has also registered a domain name incorporating the KENDRA SCOTT mark with the .shop top level **extension (the word "shop" directly referring to the Complainants' activities)**.
- The average internet user will expect that the websites to which the Domain Names resolve are operated, authorised or otherwise connected with the Complainants. This applies equally to internet users in the UK **given the Complainants' activities in relation to UK customers** as described above.
- **To the best of the Complainants' knowledge, the Respondent has not used or made demonstrable preparations to use the Domain Names in connection with a genuine offering of goods and services nor has it been known by or legitimately connected with the mark "KENDRA SCOTT"**. Further, the Respondent is not using the Domain Names for a legitimate non-commercial or fair use purpose.

The Respondent

5.6 The Respondent did not respond to the Complaint.

6. Discussions and Findings

General

- 6.1 For the Complainant to succeed with its Complaint it is required under paragraph 2.2 of the Policy to prove to the Expert, on the balance of probabilities, that:
- 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.

Complainants' Rights

- 6.2 Paragraph 1 of the Policy provides that 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 may be established in a name or mark by way of a trade mark registered in an appropriate territory, or by a demonstration of unregistered so-called 'common law rights'.
- 6.3 The Complainants have adduced evidence to show that the term KENDRA SCOTT is protected by various trade mark registrations. A number of these registrations cover the word mark KENDRA SCOTT, including (i) various United States registrations and (ii) a European Union Trade Mark (EUTM) registration (no. 015335698) which is registered with effect from 19 August 2016 and covers various goods and services including jewellery and retail and online retail jewellery store services.
- 6.4 On this point I note that the proprietor of the majority of these trade mark registrations, including the EUTM registration, is the Additional Complainant and that the Complainant is not the proprietor of any of the trade mark registrations that the Complainants have adduced in evidence. The Complainants have not provided any explanation or submissions on (i) what the corporate relationship is between the Complainant and the Additional Complainant or (ii) under what (if any) terms the Complainant licenses the use of the KENDRA SCOTT trade mark registrations owned by the Additional Complainant. However, based on **the Complainants' submissions and its supporting evidence**, I accept that the Additional Complainant holds various trade mark **registrations for the mark "KENDRA SCOTT" in** a number of territories, including some that cover the United Kingdom, and that a number of these have been held since prior to the date of registration of the Domain Names by the Respondent.
- 6.5 I also accept, based on the submissions made by the Complainants and the evidence in support that they have adduced, that the Complainant (i) **has traded under the brand name "KENDRA SCOTT"**

for a number of years (since 2002), (ii) has invested in marketing its products and services, and (iii) now generates significant revenue from the sale of products and services offered under the brand name KENDRA SCOTT through numerous retail outlets (including a well-established website operated under the domain name www.kendrascott.com).

- 6.6 **In addition, the Additional Complainant's** personal name is “Kendra Scott”. Not only is this name protected by trade mark registrations held by the Additional Complainant (as noted above), it has been used in the course of trade to promote and sell products under this name since 2002 and the Additional Complainant is well-known under this name as a business entrepreneur and for philanthropic activity. As stated in paragraph 1.8 of **the Experts' Overview**¹, rights in a personal name can give rise to a right within the definition of Rights under the Policy if the personal name in question is a trade mark (registered or unregistered) – as is the case here.
- 6.7 Each of the Domain Names incorporate the KENDRA SCOTT mark in **its entirety and only differ from this mark by the removal of the 'space'** in-between KENDRA and SCOTT – a feature which is not possible to replicate in a domain name.
- 6.8 I therefore find that the Complainants have Rights in respect of a name or mark which is identical to each of the Domain Names and accordingly the Complainants have satisfied the first limb of the Policy.

Abusive Registration

- 6.9 **Paragraph 1 of the Policy defines “Abusive Registration” as 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. has been used in a manner which took unfair advantage of or has been unfairly detrimental to the Complainant's Rights.*
- 6.10 Paragraph 5 of the Policy sets out a non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration.
- 6.11 Paragraph 5.1 of the Policy states as follows:

¹ The **Experts' Overview** is a document put together by Nominet's panel of Experts which deals with a range of issues that come up in DRS disputes and provides further guidance on the Policy and Procedure for the benefit of prospective DRS parties. The current version is available on Nominet's website at: <https://s3-eu-west-1.amazonaws.com/nominet-prod/wp-content/uploads/2017/09/20161122/expert-overview.pdf>.

“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 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;*
- 5.1.5 The Domain Name was registered as a result of a relationship between the Complainant and the Respondent, and the Complainant:*
 - 5.1.5.1 has been using the Domain Name registration exclusively; and*
 - 5.1.5.2 paid for the registration and/or renewal of the Domain Name registration;*
- 5.1.6 The Domain Name is an exact match (within the limitations of the character set permissible in domain*

*names) for the name or mark in which the Complainant **has Rights, the Complainant's mark has a reputation and the Respondent has no reasonable justification for having registered the Domain Name.**"*

- 6.12 The main focus **of the Complainants' contentions on the** issue of Abusive Registration is that the Respondent registered the Domain Names with knowledge of the Complainants, and with the Complainants' rights in mind, with a view to unfairly profiting from the **Complainants' rights and also from** benefitting from substantial Internet traffic which would result from confusion.
- 6.13 The first issue to determine, given these contentions and this aspect of the Policy, is whether the Respondent is likely to have known of the Complainants' rights when it registered the Domain Names. The Respondent did not respond to the Complaint and accordingly there is no explanation from the Respondent before me as to why it chose to register the Domain Names (which, as noted above, incorporate the **Complainants' mark in its entirety**).
- 6.14 In light of the evidence provided by the Complainants in relation to (i) **the Lead Complainant's** trading history, (ii) **the Lead Complainant's** business operated under the KENDRA SCOTT brand, (iii) the **Additional Complainant's** activity under, and rights in respect of, her **personal name, and (iv) the Additional Complainant's** trade mark registrations which protect the word KENDRA SCOTT and a number of which pre-date the registration dates of the Domain Names, it is reasonable for me to infer that the Respondent would, on the balance of probabilities, have been aware of the Complainants and their KENDRA SCOTT brand when it registered the Domain Names.
- 6.15 Further, the Complainants have submitted evidence that the Respondent would be prepared (i) to sell the Domain Names, but only for an amount far in excess of its out-of-pocket costs it would have incurred in acquiring the Domain Names or in the alternative (ii) to forge some kind of retail partnership with the Complainants. In addition, it appears that no substantive use has been made of either Domain Name since they were registered, and the Domain Names were **registered after the Complainants' brand was established and** protected by trade mark registrations.
- 6.16 Whilst deciding to sell domain names at a profit is unlikely of itself to constitute abusive intent for the purposes of the Policy, I am prepared to accept, based on the above facts and circumstances, that the Respondent intended to sell the Domain Names to either or both of the Complainants for valuable consideration in excess of **the Respondent's** documented out-of-pocket costs directly associated with acquiring or using the Domain Name.

- 6.17 Turning now to the Complainants' case on paragraph 5.1.2 (confusion), I accept that the Domain Names will confuse people or businesses given that the Domain Names are identical to the **Complainants' mark KENDRA SCOTT** in which it has Rights and without any adornment (other than the generic domain suffixes). **Paragraph 3.3 of the Expert's Overview** notes that:

*“Commonly, Internet users will visit web sites either by way of search engines or by guessing the relevant URL. If the domain name in dispute is identical to the name of the Complainant and that name cannot sensibly refer to anyone else, there is bound to be a severe risk that a search engine, which is being asked for the Complainant, will produce high up on its list the URL for the web site connected to the domain name in issue. Similarly, there is bound to be a severe risk that **an Internet user guessing the URL for the Complainant's web site will use the domain name for that purpose.**”*

In such cases, the speculative visitor to the registrant's web site will be visiting it in the hope and expectation that the web site is a web site “operated or authorised by, or otherwise connected with the Complainant.” This is what is known as ‘initial interest confusion’ and the overwhelming majority of Experts view it as a possible basis for a finding of Abusive Registration, the vice being that even if it is immediately apparent to the visitor to the web site that the site is not in any way connected with the Complainant, the visitor has been deceived. Having drawn the visitor to the site, the visitor may well be faced with an unauthorised tribute or criticism site (usually the latter) devoted to the Complainant; or a commercial web site, which may or may not advertise goods or services similar to those produced by the Complainant. Either way, the visitor will have been sucked in/deceived by the domain name.”

- 6.18 Given (i) the inclusion of the Complainants' well-established KENDRA SCOTT mark in the Domain Names, (ii) the lack of any qualifying words which distinguish the Domain Names from the Complainants, and (iii) there being no other explanation before me as to what else the Domain Names could be used for other than to refer to the **Complainants' mark**, I find it very likely that the Domain Names were chosen and registered by the Respondent to create a false association **with the Complainants' KENDRA SCOTT mark and** that web users will expect, from the Domain Names alone, to find a web site that is operated by, or at least endorsed by or associated with, either or both of the Complainants. As a result, I accept that some confusion is likely between each of the Domain Names and the Complainants in this case.
- 6.19 Finally, notwithstanding the absence of a Response to this Complaint, paragraph 8 of the Policy invites the Expert to ask if there are circumstances which might assist the Respondent in arguing that the registrations are not abusive. A non-exhaustive list of such matters is

set out in this paragraph 8 but I do not believe that any of the possible lines of defence suggested in this paragraph can be of any assistance to the Respondent. The Respondent has not offered an explanation of its actions and in particular how it came to register two domain names **that incorporate the Complainants'** non-descriptive KENDRA SCOTT brand name in its entirety and without adornment. Even if the Respondent could be said to have not been aware of the **Complainants' rights** in the KENDRA SCOTT mark at the time that it registered the Domain Names, there is no evidence to show that it has used or made demonstrable preparations to use either Domain Name in connection with a genuine offering of goods or services, nor does it appear to have been known by the name or legitimately connected with a mark which is identical or similar to the Domain Names. In addition, by indicating that it would be prepared to sell the Domain Names for a **figure that far exceeds the Respondent's out-**of-pocket costs in acquiring the Domain Names or alternatively pursuing a partnership for online and/or retail sales with the Complainants, it cannot be said to have made legitimate non-commercial or fair use of the Domain Names.

- 6.20 In these circumstances I find on the balance of probabilities that each of the Domain Names has been registered and has been used in a manner which has taken unfair advantage of (and has been unfairly detrimental to) the Complainants' Rights. It follows therefore that each of the Domain Names, in the hands of the Respondent, is an Abusive Registration in accordance with both limbs of its Policy definition.

7. Decision

- 7.1 The Complainants have established that they have Rights in respect of a name or mark which is similar to each of the Domain Names and that each of the Domain Names, in the hands of the Respondent, is an Abusive Registration.
- 7.2 Accordingly, the Complaint succeeds and I direct that the Domain Names <kendrascott.co.uk> and <kendrascott.uk> be transferred to the Complainant as requested under the Complaint.

Signed

Ravi Mohindra

Dated

13 November 2017