



## NATIONAL ARBITRATION FORUM

### DECISION

The Neiman Marcus Group, Inc. and NM Nevada Trust v. Stanley Pace  
Claim Number: FA0610000820337

#### PARTIES

Complainants are **The Neiman Marcus Group, Inc.** and **NM Nevada Trust** (collectively, "Complainant"), represented by **David J. Steele**, of **Christie, Parker & Hale LLP**, 3501 Jamboree Road, Suite 6000, Newport Beach, CA 92660. Respondent is **Stanley Pace** ("Respondent"), 4700 Nantucket Ct., Flower Mound, TX 75022.

#### REGISTRAR AND DISPUTED DOMAIN NAME

The domain name at issue is <**neiummarcus.com**>, registered with **Domainstreet.ca**.

#### PANEL

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

Houston Putnam Lowry, Chartered Arbitrator, as Panelist.

#### PROCEDURAL HISTORY

Complainant submitted a Complaint to the National Arbitration Forum electronically on October 16, 2006; the National Arbitration Forum received a hard copy of the Complaint on October 17, 2006.

On October 17, 2006, Domainstreet.ca confirmed by e-mail to the National Arbitration Forum that the <**neiummarcus.com**> domain name is registered with Domainstreet.ca and that Respondent is the current registrant of the name. Domainstreet.ca has verified that Respondent is bound by the Domainstreet.ca 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 October 18, 2006, a Notification of Complaint and Commencement of Administrative Proceeding (the "Commencement Notification"), setting a deadline of November 7, 2006 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@neiummarcus.com by e-mail.

Having received no response from Respondent, the National Arbitration Forum transmitted to the parties a Notification of Respondent Default.

On November 13, 2006, pursuant to Complainant's request to have the dispute decided by a single-member Panel, the National Arbitration Forum appointed Houston Putnam Lowry, Chartered Arbitrator, as Panelist.

Having reviewed the communications records, the Administrative Panel (the "Panel") finds that the National Arbitration Forum has discharged its responsibility under Paragraph 2(a) of the Rules for Uniform Domain Name Dispute Resolution Policy (the "Rules") "to employ reasonably available means calculated to achieve actual notice to Respondent." Therefore, the Panel may issue its decision based on the documents submitted and in accordance with the ICANN Policy, ICANN Rules, the National Arbitration Forum's Supplemental Rules and any rules and principles of law that the Panel deems applicable, without the benefit of any response from Respondent.

#### **RELIEF SOUGHT**

Complainant requests that the domain name be transferred from Respondent to Complainant.

#### **PARTIES' CONTENTIONS**

A. Complainant makes the following assertions:

**a. Complainants' Rights in the NEIMAN MARCUS Trademarks.**

NM Nevada Trust owns and licenses to The Neiman Marcus Group, Inc. (collectively "Complainant") the Neiman Marcus trade name and NEIMAN MARCUS trademark which is the subject of numerous United States trademark registrations. Complainant's Neiman Marcus retail business was established in 1907 as a local specialty store in Dallas, Texas and over the decades has grown into a nationwide chain of retail stores and a worldwide mail order catalog retail business, internationally recognized as an innovator in high end fashion and merchandising. Complainant has developed a reputation for high quality goods and services, through the Neiman Marcus name.

Complainant owns numerous United States trademark registrations of its marks NEIMAN-MARCUS and NEIMAN MARCUS (the "Neiman Marcus Marks"). Since 1907, Complainant and its predecessors have continuously and exclusively used the Neiman Marcus Marks in the United States and around the world.

As a result of nearly a century of use, the Complainant has created in NEIMAN MARCUS one of the most famous and distinctive marks in retailing. The Neiman Marcus Marks have acquired a valuable goodwill and reputation, not only in the United States but throughout the world. Complainant now operates thirty-five NEIMAN MARCUS stores located in premier retailing locations in major markets nationwide. Hundreds of thousands of consumers hold Neiman Marcus charge accounts, and sales revenues for the Neiman Marcus stores and mail order catalogs are in excess of one billion dollars annually.

In the Fall of 1999, Complainant expanded its retailing business by launching an e-commerce website at [www.neimanmarcus.com](http://www.neimanmarcus.com). This site combines the modern technology of online retailing with the enduring philosophy developed by Complainant over 90 years ago. As such, Complainant's customers have developed an expectation of extraordinary merchandise and superior service in an elegant environment, be it in a store, a catalog, or on the Internet.

**b. The Subject Domain Names are Confusingly Similar to Complainant's Famous NEIMAN MARCUS Trademarks.**

Respondent is obviously engaging in typosquatting. Typosquatting is the intentional registration of a domain name that is a misspelling of a distinctive or famous mark, causing an Internet user who makes a slight spelling or typing error to reach an unintended site. In *Shields v. Zuccarini*, the court found that the defendant's registration of five domains was unlawful, further holding that the domain names [joescartoon.com](http://joescartoon.com), [joecarton.com](http://joecarton.com), [joescartons.com](http://joescartons.com), [joescartoons.com](http://joescartoons.com) and [cartoonjoe.com](http://cartoonjoe.com) were confusingly similar to plaintiff's [joescartoon.com](http://joescartoon.com) domain name and trademark. *Shields v. Zuccarini*, 254 F.3d 476 (3<sup>rd</sup> Cir. 2001). Typosquatting has also been found to satisfy the confusingly similar prong of the UDRP. See *AltaVista v. O.F.E.Z. et al.*, Case No. D2000-1160 (WIPO February 28, 2001) (finding a misspelling or typographical variation of a well known mark is deemed to be "confusingly similar" to the Complainant's mark in violation of paragraph 4(a)(i) of the UDRP); See also *AltaVista Company v. Astavista.com*, Case No. 95251 (NAF August 17, 2000) (finding [www.altavista.com](http://www.altavista.com) and [www.astavista.com](http://www.astavista.com) confusingly similar to ALTAVISTA); *Encyclopedia Britannica, Inc. v. John Zuccarini and The Cupcake Patrol a/k/a Country Walk a/k/a Cupcake Party*, Case No. D2000-0330 (WIPO June 7, 2000) (finding domain names [www.brtannica.com](http://www.brtannica.com), [www.britannca.com](http://www.britannca.com), and [www.britannica.com](http://www.britannica.com) virtually identical and confusingly similar to Complainant's marks "BRITANNICA" and [www.britannica.com](http://www.britannica.com)).

In the present case, Respondent registered the domain name [neiummarcus.com](http://neiummarcus.com), which is confusingly similar to Complainant's Neiman Marcus trademarks and [neimanmarcus.com](http://neimanmarcus.com) domain name except for slight typographical changes (e.g., replacing the letter "a" with the letter "u" in the Neiman portion of the mark). Because of the close similarity between the domain names and Complainant's marks, Internet users are likely to misspell the mark and reach Respondent's web site.

Accordingly, a finding that the subject domain names satisfy the "confusingly similar" prong of the UDRP is fully supported.

**c. Respondent Has No Rights or Legitimate Interest in the Contested Domain Name.**

Respondent uses the confusingly similar domain name to unlawfully misdirect Internet users searching for Complainant's website or its goods and services to its own commercial website. Respondent then features advertisements and an Internet directory containing links to directly competitive products on its website.

Respondent is merely using the reputation, and goodwill associated with Complainant's mark to attract users to its website for commercial gain. *See Pioneer Hi-Bred Int'l Inc. v. Chan*, FA154119 (Nat. Arb. Forum May 12, 2003) (finding that Respondent did not have rights or legitimate interests in a domain name that used Complainant's mark and redirected Internet users to a website that pays domain name registrants for referring those users to its search engine and pop-up advertisements); *see also Geoffrey, Inc. v. Toyrus.com*, FA150406 (Nat. Arb. Forum Apr. 5, 2003) (holding that Respondent's use of the disputed domain name, a simple misspelling of Complainant's mark, to divert Internet users to a website that featured advertisements and an Internet directory, was neither a *bona fide* offering of goods or services nor a legitimate noncommercial or fair use of the domain name); *see also Bank of Am. Corp. v. Out Island Props., Inc.*, FA154531 (Nat. Arb. Forum Jun. 3, 2003) (finding that Respondent's use of infringing domain names to direct Internet traffic to a search engine website that hosted advertisements was evidence that Respondent lacked rights or legitimate interests in the domain name).

Respondent cannot rely on Paragraph 4(c)(i), which provides a defense if Respondent's use is "in connection with a *bona fide* offering of goods or services." UDRP Paragraph 4(c)(i) (emphasis added). It is widely held that the unlawful registration and use of a domain name cannot be a *bona fide* use under UDRP Paragraph 4(c)(i). *See Viacom Int'l v. TVdot.net, Inc.*, D2000-1253 (WIPO Jan. 16, 2001) ("[The] illegal use of another's trademark cannot be considered a *bona fide* use."). The misdirecting of Internet traffic by using another party's trademark violates the Lanham Act, 17 U.S.C. §1125(a). *Brookfield Communs., Inc. v. West Coast Entertainment Corp.*, 174 F.3d 1036 (9th Cir. 1999).

Respondent is not known individually, or as a business, or in any other manner by any of the domain name, nor by Neiman Marcus. Respondent does not own any intellectual property rights in the domain name, or in the Neiman Marcus Marks. Respondent has no affiliation or relationship with the Complainant and has no legitimate reason for using Complainant's trademark within a domain name. Accordingly, Respondent cannot avail itself of the provisions of Paragraph 4(c)(ii) of the UDRP policy.

Paragraph 4(c)(iii) of the UDRP policy provides an affirmative defense for "a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue." Here, however, Respondent cannot avail itself of this defense because, as discussed *supra*, its use is clearly "commercial." Further, the defense fails because Respondent's intent is to misleadingly divert consumers for its own commercial gain. Accordingly, Respondent cannot avail itself of Paragraph 4(c)(iii).

**D. Respondent Has Registered and Is Using the Contested Domain Name in Bad Faith.**

The UDRP expressly details specific circumstances which, “if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith.” UDRP Paragraph 4(B). The registration of a confusingly similar domain name and redirection of users at issue in this case violates the UDRP policy. Paragraph 4(B)(iv) provides that bad faith is evidenced, “by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your website or other on-line location, by creating a likelihood of confusion with the Complainant’s mark as to the source, sponsorship, affiliation, or endorsement of your web site or location or of a product or service on your web site or location.” In the present case, Respondent registered the domain name with the intention of attracting users searching for Complainant’s trademark or attempting to reach Complainant’s website. Respondent then offers links to goods that are competitive with Complainant’s for Respondent’s commercial gain. Accordingly, Paragraph 4(B)(iv) is clearly satisfied, and a finding of bad faith is supported.

Respondent also offers a link on its webpage available at the subject domain name which allows buyers to make an “offer” to purchase the domain name. Clicking on the link creates a web-form which enables users to purchase the domain name, with a “minimum bid” of \$400. This conduct further evidences Respondent’s bad faith in violation of Paragraph 4(B)(i).

Lastly, it is settled that the registration of a confusingly similar domain name domain name that is obviously connected with a particular trademark owner by someone with no connection with the trademark owner suggests bad faith. *See Deutsche Bank AG v. Diego-Arturo Bruckner*, D2000-0277 (WIPO May 30, 2000) (“The domain name is so obviously connected with the Complainant and its services that its very use by someone with no connection with the Complainant suggests opportunistic bad faith”); *FAO Schwarz v. John Zuccarini*, FA95828 (Nat. Arb. Forum Dec. 1, 2000); *Household International, Inc. v. Cyntom Enterprises*, FA95784 (Nat. Arb. Forum Nov. 7, 2000) (inferring that Respondent registered well-known business name with hopes of attracting Complainant’s customers); *Woolworths plc. v. David Anderson*, D2000-1113 (WIPO Oct. 10, 2000). Here, because the Neiman Marcus Marks are so obviously connected with Complainant, the registration and use of the confusingly similar domain name by someone with no connection with Complainant suggests bad faith. Accordingly a finding of bad faith is also supported.

As Complainant has satisfied all three elements of the Policy, it requests the panel grant the requested remedy.

B. Respondent failed to submit a Response in this proceeding.

## **FINDINGS**

Complainant, NM Nevada Trust, owns and licenses the NEIMAN MARCUS family of marks to The Neiman Marcus Group, Inc. for use in commerce. Complainant, Neiman

Marcus Group, Inc., operates retail establishments worldwide developing a reputation for the merchandising of high quality goods and services at its thirty-five Neiman Marcus stores. In connection with the provision of these goods and services, Complainant has registered numerous marks including the NEIMAN MARCUS mark registered with the United States Patent and Trademark Office (“USPTO”) (Reg. No. 934,177 issued May 16, 1972).

Respondent registered the <neiummarcus.com> domain name on July 10, 2006. Respondent’s disputed domain name resolves to a website that features links to various unrelated commercial websites and contains a notice that “<neiummarcus.com> is for sale!” [exclamation point in original]

## **DISCUSSION**

Paragraph 15(a) of 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."

In view of Respondent's failure to submit a response, the Panel shall decide this administrative proceeding on the basis of Complainant's undisputed representations pursuant to paragraphs 5(e), 14(a) and 15(a) of the Rules and draw such inferences it considers appropriate pursuant to paragraph 14(b) of the Rules. The Panel is entitled to accept all reasonable allegations and inferences set forth in the Complaint as true unless the evidence is clearly contradictory. *See Vertical Solutions Mgmt., Inc. v. webnet-marketing, inc.*, FA 95095 (Nat. Arb. Forum July 31, 2000) (holding that the respondent’s failure to respond allows all reasonable inferences of fact in the allegations of the complaint to be deemed true); *see also Talk City, Inc. v. Robertson*, D2000-0009 (WIPO Feb. 29, 2000) (“In the absence of a response, it is appropriate to accept as true all allegations of the Complaint.”).

Paragraph 4(a) of the Policy requires 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 Respondent is identical or confusingly similar to a trademark or service mark in which Complainant has rights; and
- (2) 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**

Complainant has established rights in the NEIMAN MARCUS mark through registration with the USPTO. *See Men’s Wearhouse, Inc. v. Wick*, FA 117861 (Nat. Arb. Forum Sept. 16, 2002) (“Under U.S. trademark law, registered marks hold a presumption that they are inherently distinctive [or] have acquired secondary meaning.”); *see also Innomed*

*Techs., Inc. v. DRP Servs.*, FA 221171 (Nat. Arb. Forum Feb. 18, 2004) (“Registration of the NASAL-AIRE mark with the USPTO establishes Complainant's rights in the mark.”).

Complainant contends Respondent’s <neiummarcus.com> domain name is confusingly similar to Complainant’s mark. Respondent’s disputed domain name contains a misspelled version of Complainant’s NEIMAN MARCUS mark by including the letter “u” in the NEIMAN portion of Complainant’s mark and omits the letters “a” and “n.” The Panel finds Respondent has retained the dominant portions of Complainant’s mark and has failed to properly distinguish its domain name from Complainant’s NEIMAN MARCUS mark pursuant to Policy ¶4(a)(i). *See Victoria’s Secret v. Zuccarini*, FA 95762 (Nat. Arb. Forum Nov. 18, 2000) (finding that, by misspelling words and adding letters to words, a respondent does not create a distinct mark but nevertheless renders the domain name confusingly similar to the complainant’s marks); *see also Am. Online, Inc. v. Peppler*, FA 103437 (Nat. Arb. Forum Feb. 22, 2002) (finding the word “quest” and “crest” to be similar in sound and, thus, that the respondent’s <mapcrest.com> domain name and the complainant’s MAP QUEST mark are confusingly similar).

The Panel finds Policy ¶4(a)(i) satisfied.

### **Rights or Legitimate Interests**

Complainant contends Respondent lacks all rights or legitimate interests in the <neiummarcus.com> domain name. In instances where Complainant has made a *prima facie* case under Policy ¶4(a)(ii), the burden shifts to Respondent to set forth concrete evidence it does possess rights or legitimate interests in the disputed domain name. *See Do The Hustle, LLC v. Tropic Web*, D2000-0624 (WIPO Aug. 21, 2000) (holding that, where the complainant has asserted that the respondent has no rights or legitimate interests with respect to the domain name, it is incumbent on the respondent to come forward with concrete evidence rebutting this assertion because this information is “uniquely within the knowledge and control of the respondent”).

Complainant contends Respondent is using its disputed domain name to resolve to a website featuring links to various unrelated commercial websites from which Respondent presumably receives referral fees. The web site also contains a notice that “<neiummarcus.com> is for sale!” in red in the upper right-hand quadrant. The Panel finds Respondent’s use of the disputed domain name is neither a *bona fide* offering of goods or services pursuant to Policy ¶4(c)(i) nor a legitimate noncommercial or fair use pursuant to Policy ¶(c)(iii). *See Computer Doctor Franchise Sys., Inc. v. Computer Doctor*, FA 95396 (Nat. Arb. Forum Sept. 8, 2000) (finding that the respondent’s website, which is blank but for links to other websites, is not a legitimate use of the domain names); *see also TM Acquisition Corp. v. Sign Guards*, FA 132439 (Nat. Arb. Forum Dec. 31, 2002) (finding that the respondent’s diversionary use of the complainant’s marks to send Internet users to a website which displayed a series of links, some of which linked to the complainant’s competitors, was not a *bona fide* offering of goods or services).

Complainant contends Respondent is neither commonly known by the <neiummarcus.com> domain name nor authorized to register domain names featuring Complainant's NEIMAN MARCUS mark, or any variation thereof. In the absence of evidence suggesting otherwise, the Panel finds Respondent has not established rights or legitimate interests in accordance with Policy ¶4(c)(ii). *See Compagnie de Saint Gobain v. Com-Union Corp.*, D2000-0020 (WIPO Mar. 14, 2000) (finding no rights or legitimate interest where the respondent was not commonly known by the mark and never applied for a license or permission from the complainant to use the trademarked name); *see also Charles Jourdan Holding AG v. AAIM*, D2000-0403 (WIPO June 27, 2000) (finding no rights or legitimate interests where (1) the respondent is not a licensee of the complainant; (2) the complainant's prior rights in the domain name precede the respondent's registration; (3) the respondent is not commonly known by the domain name in question).

The Panel finds Policy ¶4(a)(ii) satisfied.

#### **Registration and Use in Bad Faith**

The Panel finds Respondent's use of the disputed domain name for the purpose of redirecting Internet users to websites from which Respondent (or anyone else, for that matter) receives referral fees is evidence of bad faith registration and use pursuant to Policy ¶4(b)(iv). *See Drs. Foster & Smith, Inc. v. Lalli*, FA 95284 (Nat. Arb. Forum Aug. 21, 2000) (finding bad faith where the respondent directed Internet users seeking the complainant's site to its own website for commercial gain). It is likely Internet users will become confused as to Complainant's sponsorship of or affiliation with the resulting website. The Panel finds this to be evidence of bad faith registration and use pursuant to Policy ¶4(b)(iv). *See Am. Univ. v. Cook*, FA 208629 (Nat. Arb. Forum Dec. 22, 2003) ("Registration and use of a domain name that incorporates another's mark with the intent to deceive Internet users in regard to the source or affiliation of the domain name is evidence of bad faith.").

The notice that "<neiummarcus.com> is for sale!" in red in the upper right-hand quadrant of the web site strongly suggests Respondent acquired this web site primarily for the purpose of resale in violation of UDRP ¶4(b)(i), which also indicates bad faith.

The Panel finds Policy ¶4(a)(iii) satisfied.

#### **DECISION**

Having established all three elements required under the ICANN Policy, the Panel concludes that relief shall be **GRANTED**.

Accordingly, it is Ordered that the <neiummarcus.com> domain name be **TRANSFERRED** from Respondent to Complainant.

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Houston Putnam Lowry, Chartered Arbitrator, Panelist  
Dated: Monday, November 20, 2006

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