

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Swarovski Aktiengesellschaft v. Privacy service provided by Withheld for Privacy ehf / David Jacef / Arturoe Rierat / Martin Mia Case No. D2022-2178

1. The Parties

The Complainant is Swarovski Aktiengesellschaft, Liechtenstein, represented by LegalBase, Sri Lanka.

The Respondent is Privacy service provided by Withheld for Privacy ehf, Iceland / David Jacef, United States of America / Arturoe Rierat, United States of America / Martin Mia, Hong Kong, China.

2. The Domain Names and Registrar

The disputed domain names <swarovskiholiday.com>, <swarovski-necklaces.com>, and <swarovskisummer.com> are registered with NameCheap, Inc. (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on June 15, 2022. On June 15, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain names. On June 15, 2022, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the disputed domain names which differed from the named Respondent and contact information in the Complaint. The Center sent an email communication to the Complainant on June 16, 2022, providing the registrant and contact information disclosed by the Registrar, and inviting the Complainant to submit an amendment to the Complaint. The Complainant filed an amendment to the Complaint on June 28, 2022.

The Center verified that the Complaint together with the amendment to the Complaint satisfied the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the "Policy" or "UDRP"), 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 and 4, the Center formally notified the Respondent of the Complaint, and the proceedings commenced on June 29, 2022. In accordance with the Rules, paragraph 5, the due date for Response was July 19, 2022. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on July 20, 2022.

The Center appointed Taras Kyslyy as the sole panelist in this matter on August 2, 2022. 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

The Complainant is a family-run, independent company, which was founded more than 120 years ago in Austria. The Complainant uses the SWAROVSKI marks in connection with crystal jewelry stones and crystalline semi-finished goods for the fashion, jewelry, home accessories, collectibles, and lighting industries. The Complainant's group employs 34,500 individuals and its products are sold in approximately 170 countries. In 2019, the Complainant's were sold in about 1,500 of its own boutiques and through about 1,500 partner-operated boutiques worldwide. The Complainant's approximate worldwide revenue in 2019 was EUR 3.5 billion.

The Complainant owns registrations in numerous jurisdictions for its trademark SWAROVSKI, including for instance international registration No. 528189, registered on September 6, 1988.

The Complainant spends substantial time, effort, and money advertising and promoting the SWAROVSKI trademark worldwide. The Complainant is present on major social media platforms, including Instagram, with about 7.4 million followers, and Facebook with about 9.6 million followers.

The Complainant has registered many domain names, including <swarovski.com> resolving to the Complainant's official website.

The disputed domain names <swarovskiholiday.com> and <swarovskisummer.com> were registered on June 28, 2021. The disputed domain name <swarovski-necklaces.com> was registered on January 7, 2022. The disputed domain names resolved to websites prominently featuring the Complainant's trademarks and offering for sale the Complainant's products with discounts. At the time of the decision the disputed domain names <swarovskiholiday.com> and <swarovskisummer.com> do not resolve to any active web-pages. The use of the disputed domain name, <swarovski-necklaces.com>, remains unchanged.

5. Parties' Contentions

A. Complainant

The disputed domain names are identical or confusingly similar to the Complainant's trademark. The Complainant's trademark is recognizable within the disputed domain names. The addition of the terms "holiday", "summer" and "necklaces" as suffixes to the Complainant's trademarks does not lessen the confusing similarity between the disputed domain names and the Complainant's trademarks. The addition of a hyphen to separate the terms "swarovski" and "necklaces" does not lessen the confusing similarity but only reinforces the false sense of association between the Complainant's trademark and the respective disputed domain name. The disputed domain names incorporate the Complainant's trademark in its entirety.

The Respondent has no rights or legitimate interests in the disputed domain names. The Respondent has no connection or affiliation with the Complainant and has not received any license or consent, express or implied, to use the Complainant's trademark in the disputed domain names or in any other manner. The Respondent has never been known by the disputed domain names and has no legitimate interest in the Complainant's trademark or the name SWAROVSKI. The Respondent cannot satisfy requirements set out in *Oki Data Americas, Inc. v. ASD, Inc.,* WIPO Case No. <u>D2001-0903</u> ("Oki Data"), since it has not disclosed the relationship (or lack thereof) between themselves and the Complainant and thereby cannot claim that it has a right or legitimate interest in the disputed domain names. The Respondent has used the Complainant's trademark in the disputed domain names to create the impression that they are associated with the Complainant. The disputed domain names are being used to advertise and sell purported

Complainant's products and misdirect Internet traffic to the infringing websites. The Respondent is seeking to trade on the Complainant's goodwill and reputation. Accordingly, the Respondent does not have a legitimate interest in the Complainant's trademarks. The registration of several disputed domain names that incorporate a well-known trademark, by the Respondent, does not create a legitimate interest in the infringing domain names.

The disputed domain names were registered and are being used in bad faith. The Respondent has registered the disputed domain names in bad faith because they were registered with the knowledge of the Complainant's rights in its trademarks. The Complainant's trademarks are well-known worldwide and the selection of the disputed domain names, which wholly incorporate the Complainant's trademarks, cannot be a coincidence, "swarovski" is not a descriptive or generic term. The Respondent would not have advertised products purporting to be Swarovski products if they were unaware of the Complainant's reputation. The Respondent had registered the disputed domain names long after the Complainant had established its trademarks, it is inconceivable that the Respondent was unaware of the existence of Complainant and its trademarks. The Respondent has done nothing to identify themselves as being independent from the Complainant. On the contrary, the Respondent has incorporated the Complainant's trademarks in the disputed domain names and respective websites and attempts to attract consumers for commercial gain by purporting to sell the Complainant's products. The Respondent's very method of infringement, using the exact Complainant's trademark to lure consumers to its website demonstrates bad faith use. It is not possible to conceive any plausible or credible, actual, or contemplated good faith use of the disputed domain names by the Respondent. The disputed domain names are so obviously indicative of the Complainant's products and services that the Respondent's use of the disputed domain names would inevitably lead to confusion of some sort and cause disruption to the Complainant's business. Registration of a famous mark, like the Complainant's trademark, as a domain name by an entity that has no legitimate relationship with the mark is itself sufficient to demonstrate bad faith.

B. Respondent

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

6. Discussion and Findings

A. Preliminary Issues - Consolidation

The Complainant requested the Panel to hear the present dispute brought against four respondents as a consolidated Complaint.

Paragraph 10(e) of the Rules states that a "[p]anel shall decide a request by a Party to consolidate multiple domain name disputes in accordance with the Policy and these Rules." Paragraph 10(c) of the Rules provides, in relevant part, that "the [p]anel shall ensure that the administrative proceeding takes place with due expedition".

Section 4.11.2 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0") summarizes the consensus view of UDRP panels on the consolidation of multiple respondents, in part, as follows: "Where a complaint is filed against multiple respondents, panels look at whether (i) the domain names or corresponding websites are subject to common control, and (ii) the consolidation would be fair and equitable to all parties. Procedural efficiency would also underpin panel consideration of such a consolidation scenario".

The Complainant asserts, among other things, that the Respondents should be treated as one respondent in this proceeding, as the Respondents appear to be the same person controlling connected websites based on the following: (i) The infringing websites found on <swarovskiholiday.com> and <swarovskisummer.com> have identical sitemap and navigation options with similar design, (ii) the infringing websites at <swarovskiholiday.com> and <swarovskisummer.com> do not have "About Us" sections, (iii) the composition

of the disputed domain names <swarovskiholiday.com> and <swarovskisummer.com> follow a specific theme, particularly as they both use the suffixes "summer" and "holiday", (iv) the disputed domain names <swarovskiholiday.com> and <swarovskisummer.com> were registered on the same date, they share the same ISP and employ the same name servers, (v) all of the Infringing websites have a similar layout as they all use the Complainant's trademark to sell purported Complainant's products at visibly "discounted" prices, (vi) the social media handles displayed on both websites at <swarovski-necklaces.com> and <swarovskisummer.com> do not lead to any actual social media accounts, (vii) the disputed domain names share the same registrar and have listed the same registrant details in the Whols records, (viii) the contact details provided for the named respondents of the disputed domain names also share certain irregularities which suggests that the details are inaccurate or entirely fabricated and all registered under the same Respondent, (ix) the physical address provided for the disputed domain name <swarovski-necklaces.com> does not point to a real place in Hong Kong, China (x) given the inconsistencies and irregularities in the contact details for the disputed domain names it is evident that the details provided are false and all registered by the same Respondent.

The Panel accepts these arguments in favor of consolidation and grants the request to consolidate the Respondents into one proceeding and will refer to the Respondents as "the Respondent".

B. Identical or Confusingly Similar

According to section 1.11.1 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition (the "WIPO Overview 3.0") the applicable generic Top-Level Domain ("gTLD") in a domain name (e.g., ".com", ".club", ".nyc") is viewed as a standard registration requirement and as such is disregarded under the first element confusing similarity test. Thus, the Panel disregards gTLD ".com" for the purposes of the confusing similarity test.

According to section 1.7 of the <u>WIPO Overview 3.0</u> in cases where a domain name incorporates the entirety of a trademark, the domain name will normally be considered identical or confusingly similar to that mark for purposes of UDRP standing. The Panel finds that in the present case the disputed domain names incorporate the entirety of the Complainant's trademark.

According to section 1.8 of the <u>WIPO Overview 3.0</u> where the relevant trademark is recognizable within the disputed domain name, the addition of other terms (whether descriptive, geographical, pejorative, meaningless, or otherwise) would not prevent a finding of confusing similarity under the first element. The Panel finds that in the present case the addition of the term "holiday" to the disputed domain name <swarovskiholiday.com>, hyphen and the term "necklaces" to the disputed domain name <swarovski-necklaces.com>, and the term "summer" to the disputed domain name <swarovskisummer.com> do not prevent a finding of confusing similarity to the Complainant's SWAROVSKI trademark.

Considering the above the Panel finds the disputed domain names are confusingly similar to the Complainant's trademark, therefore, the Complainant has established its case under paragraph 4(a)(i) of the Policy.

C. Rights or Legitimate Interests

The Complainant has established *prima facie* that the Respondent has no rights or legitimate interests in the disputed domain names.

Furthermore, the Respondent provided no evidence that it holds rights or legitimate interests in the disputed domain names.

The available evidence confirms that the Respondent is not commonly known by the disputed domain names, which could demonstrate its rights or legitimate interests (see, e.g., World Natural Bodybuilding Federation, Inc. v. Daniel Jones, TheDotCafe, WIPO Case No. D2008-0642).

The Complainant did not license or otherwise agree for use of its prior registered trademarks by the Respondent, thus no actual or contemplated *bona fide* or legitimate use of the disputed domain names could be reasonably claimed (see, e.g., Sportswear Company S.P.A. v. Tang Hong, WIPO Case No. <u>D2014-1875</u>).

According to section 2.8.1 of the <u>WIPO Overview 3.0</u> resellers, distributors using a domain name containing complainant's trademark to undertake sales related to the complainant's goods may be making a *bona fide* offering of goods and thus have a legitimate interest in such domain name. Outlined in *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. <u>D2001-0903</u> (the "*Oki Data* Test"), the following cumulative requirements will be applied in the specific conditions of a UDRP case:

- (i) the respondent must actually be offering the goods at issue;
- (ii) the respondent must use the site to sell only the trademarked goods;
- (iii) the site must accurately and prominently disclose the registrant's relationship with trademark holder; and
- (iv) the respondent must not try to "corner the market" in domain names reflecting trademark.

The Panel finds that the Respondent failed to satisfy at least the third above requirement and did not in any way disclose its actual relationship with the Complainant, and thus failed to pass the *Oki Data* Test. The Respondent's use of the disputed domain names misleads consumers into thinking that the websites are operated by or affiliated with the Complainant. As such, the Respondent's use of the disputed domain names cannot be considered *bona fide*.

The disputed domain names incorporate the SWAROWSKI trademark of the Complainant in its entirety and it is its distinctive element. Since SWAROWSKI is a well-known trademark, and the disputed domain names were associated with the website offering SWAROWSKI products, the Panel finds that the Respondent must have been aware of the SWAROWSKI trademark when it registered the disputed domain names, and that it chose to target the SWAROWSKI trademark because of the likelihood that it will attract traffic to the Respondent's websites. In the Panel's view, such conduct cannot be regarded as giving rise to rights or legitimate interests on the part of the Respondent to register and use the disputed domain names (see, *e.g.*, *LEGO Juris A/S v. Andrei Novakovich*, WIPO Case No. D2016-1513).

Furthermore, the Respondent has no right or legitimate interests in the disputed domain names resolving to inactive websites at the time of the decision (see, e.g., Philip Morris USA Inc. v. Daniele Tornatore, WIPO Case No. D2016-1302).

Considering the above the Panel finds the Respondent does not have rights or legitimate interests in the disputed domain names. Therefore, the Complainant has established its case under paragraph 4(a)(ii) of the Policy.

D. Registered and Used in Bad Faith

The Respondent's use of the disputed domain names to purport to sell the Complainant's products shows that at the time of the registration of the disputed domain names, the Respondent clearly knew and targeted the Complainant's prior registered and famous trademark, which confirms the bad faith (see, e.g., *The Gap, Inc. v. Deng Youqian*, WIPO Case No. D2009-0113).

According to section 3.1.4 of the <u>WIPO Overview 3.0</u> the mere registration of a domain name that is identical or confusingly similar to a famous or widely-known trademark by an unaffiliated entity can by itself create a presumption of bad faith. The Panel is convinced that the Complainant's trademark is well established through long and widespread use and the Complainant has acquired a significant reputation and level of goodwill in its trademark internationally. Thus, the Panel finds that the disputed domain names confusingly similar to the Complainant's trademark were registered in bad faith.

According to section 3.1 of the <u>WIPO Overview 3.0</u> bad faith under the UDRP is broadly understood to occur where a respondent takes unfair advantage of or otherwise abuses a complainant's mark. To facilitate assessment of whether this has occurred, and bearing in mind that the burden of proof rests with the complainant, paragraph 4(b) of the Policy provides that any one of the following non-exclusive scenarios constitutes evidence of a respondent's bad faith:

- (i) circumstances indicating that the respondent has registered or acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of the respondent's documented out-of-pocket costs directly related to the domain name; or
- (ii) the respondent has registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that the respondent has engaged in a pattern of such conduct; or
- (iii) the respondent has registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- (iv) by using the domain name, the respondent has intentionally attempted to attract, for commercial gain, Internet users to its 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 the respondent's website or location or of a product or service on the respondent's website or location.

In this regard, the Panel finds that at least the third and the fourth of the above scenarios apply to the present case confirming the Respondent's bad faith.

Although at the time of this decision two of the three disputed domain names, namely <swarovskiholiday.com> and <swarovskisummer.com>, resolve to inactive webpages, their previous bad faith use and lack of explanation of possible good faith use from the Respondent makes any good faith use of the disputed domain names implausible. Thus, the current passive holding of some of the disputed domain names does not prevent a finding of bad faith (see, e.g., Abbott Diabetes Care Inc. v. Privacy Protection, Hosting Ukraaine LLC / Виталий Броцман (Vitalii Brocman), WIPO Case No. DPW2017-0003).

Considering the above the Panel finds the disputed domain names were registered and are being used in bad faith. Therefore, the Complainant has established its case under paragraph 4(a)(iii) of the Policy.

7. Decision

For the foregoing reasons, in accordance with paragraphs 4(i) of the Policy and 15 of the Rules, the Panel orders that the disputed domain names, <swarovskiholiday.com>, <swarovski-necklaces.com>, <swarovskisummer.com>, be transferred to the Complainant.

/Taras Kyslyy/
Taras Kyslyy
Sole Panelist

Date: August 9, 2022