

ARBITRATION AND MEDIATION CENTER

# ADMINISTRATIVE PANEL DECISION

The Swatch Group AG and Swatch AG v. Host Master, Transure Enterprise Ltd

Case No. D2023-5020

#### 1. The Parties

The Complainants are The Swatch Group AG, and Swatch AG, Switzerland, internally represented.

The Respondent is Host Master, Transure Enterprise Ltd, United States of America.

# 2. The Domain Name and Registrar

The disputed domain name < swatchgroupservices.biz> is registered with Above.com, Inc. (the "Registrar").

# 3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on December 1, 2023. On December 4, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On December 6, 2023, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the disputed domain name which differed from the named Respondent (Redacted for Privacy, Transure Enterprise Ltd) and contact information in the Complaint. The Center sent an email communication to the Complainants on December 7, 2023, providing the registrant and contact information disclosed by the Registrar, and inviting the Complainants to submit an amendment to the Complaint. The Complainants filed an amended Complaint on December 8, 2023.

The Center verified that the Complaint together with the amended 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 December 12, 2023. In accordance with the Rules, paragraph 5, the due date for Response was January 1, 2024. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on January 8, 2024.

The Center appointed Taras Kyslyy as the sole panelist in this matter on January 17, 2024. 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 Complainants are the owners of the SWATCH and SWATCH GROUP trademarks. At least as early as 1983, the Complainants commenced use of their trademarks in connection with wristwatches. The Complainants produce apparel, sunglasses and other items. Since the inception of their trademarks, the Complainants have continually used them in commerce. The Complainants are among leading designers, manufacturers, sellers, and retailers of wristwatches. The Complainants' website "www.swatch.com" is used to promote the SWATCH brand and their products and services on the Internet. Further, the "www.swatchgroup.com" website is used to inform viewers about the Complainant The Swatch Group AG (the parent and holding company of the other Complainant Swatch AG), which encompasses SWATCH and other 18 wristwatch brands and is publicly traded on various stock exchanges under the symbols UHR and UHR N. The Complainants own retail stores throughout North America, Europe, the Middle East, Africa, Central and South America, Asia, and Australia, as well as a growing number of E-commerce shops available for the brand SWATCH. Major sporting events around the world are sponsored by the Complainants. The SWATCH and SWATCH GROUP Marks are promoted on various social media platforms.

The Complainants have numerous registrations of their SWATCH and SWATCH GROUP marks in various jurisdictions, including, for instance International Registration No. 1187122 for SWATCH GROUP trademark, registered on September 18, 2023, and International Registration No. 506123 for SWATCH trademark, registered on September 9, 1986.

The disputed domain name was registered on November 15, 2023, and, at the time of filing of the Complaint, resolved to various websites displaying false virus alerts and/or other error messages with the aim to entice Internet users to install possible harmful software. At the time of the decision in this case, the disputed domain name resolves to a website featuring pay-per-click links.

#### 5. Parties' Contentions

#### A. Complainants

The Complainants contend that they have satisfied each of the elements required under the Policy for a transfer of the disputed domain name.

Notably, the Complainants contend that the disputed domain name is identical or confusingly similar to the Complainants' trademark. The disputed domain name is, apart from the generic suffix "services", identical, on its face, to the Complainants' registered SWATCH GROUP Marks; the disputed domain name incorporates the entirety of the well-known trademarks SWATCH / SWATCH GROUP and trade name Swatch / Swatch Group. The mere addition of a generic term or a combination of arbitrary letters to a trademark is not sufficient to eliminate the confusing similarity with the mentioned trademark. The disputed domain name is an exact match to the Complainant The Swatch Group AG's wholly-owned subsidiary The Swatch Group Services AG (discounting the generic prefix "the" and the abbreviation "AG" standing for "Ltd" as required by Swiss company name law). Thus, the disputed domain name is likely to cause confusion, to cause mistake and to deceive as to the affiliation, connection, or association of the Respondent with the Complainants. The addition of the generic Top-Level Domain ("gTLD") extension ".biz" may be disregarded when assessing whether a domain name is identical or confusingly similar to a trademark.

The Complainants also contend that the Respondent has no rights or legitimate interests in the disputed domain name. There are no signs that the Respondent has been commonly known by the disputed domain name, and the Respondent is not in any way related to the Complainants or their business activities nor have the Complainants granted a license or authorized the Respondent to use its trademarks or apply for registration of the disputed domain name. The Respondent is not making a legitimate noncommercial or fair use of the disputed domain name without intent for commercial gain. The Respondent has linked its domain name to websites displaying false virus alert and/or other error messages with the aim to entice Internet users to install software, which is without any doubt of malware nature. It is not possible to conceive of any plausible actual or contemplated use of such a highly specific domain name, which clearly targets the Complainant The Swatch Group AG and its wholly-owned subsidiary The Swatch Group Services AG, other than an illegitimate use, such as passing off, an infringement of consumer protection legislation, or an infringement of the Complainants' rights under trademark, name and company name law.

Finally, the Complainants contend that the disputed domain name was registered and is being used in bad faith. By using the disputed domain name solely composed of the Complainant The Swatch Group AG's SWATCH GROUP mark and the generic term "services" and matching its wholly-owned subsidiary The Swatch Group Services AG's company name without any other distinguishing elements, the Respondent is creating confusion and is giving potential visitors of its website the impression to be the Complainants' official website and/or a website sponsored, affiliated, or otherwise endorsed by the Complainants. The fact the Respondent not only registered a domain name confusingly similar to the Complainants' well-known trademarks but also identical to the Complainant The Swatch Group AG's wholly-owned subsidiary The Swatch Group Services AG's company name, shows that the Respondent has targeted the Complainants; the Respondent is aiming at the Complainants' prospective customers, clients and/or suppliers with the aim of misleading them into believing the disputed domain name to be an official domain name of the Complainants and/or the Complainant The Swatch Group AG's subsidiary. The Respondent has linked the disputed domain name to websites displaying false virus alert and/or other error messages with the aim to entice Internet users to install software, which is without any doubt of malware nature and thus programmed with the sole aim of intruding into the Complainants' computer systems. It is highly probable that - if not already active – an (additional) phishing campaign could be launched using emails services, most likely with fraudulent emails regarding invoices targeting the Complainant The SWATCH GROUP AG and its subsidiaries' suppliers and/or clients sent from a corresponding email address "@swatchgroupservices.biz".

#### **B.** Respondent

The Respondent did not reply to the Complainants' contentions.

## 6. Discussion and Findings

### A. Consolidation of Complainants

The Complainants requested the Panel to hear the present dispute brought by two Complainants as a consolidated Complaint.

In assessing whether a complaint filed by multiple complainants may be brought against a single respondent, panels look at whether (i) the complainants have a specific common grievance against the respondent, or the respondent has engaged in common conduct that has affected the complainants in a similar fashion, and (ii) it would be equitable and procedurally efficient to permit the consolidation. WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition, ("WIPO Overview 3.0"), section 4.11.1.

The Complainants assert they are related corporate entities and have a common legal interest sufficient to justify consolidation.

The Panel notes that the Complainant The Swatch Group AG is the parent and holding company of the other Complainant Swatch AG. Both Complainants have relevant trademark rights in SWATCH / SWATCH GROUP. Therefore, the Complainants have a specific common grievance against the Respondent. Moreover, the Respondent will not suffer any prejudice, and consolidation will not affect the Respondent's rights in response to the Complaint.

Taking into account the above the Panel rules in favor of consolidation and grants the request to consolidate.

### B. Identical or Confusingly Similar

It is well accepted that the first element functions primarily as a standing requirement. The standing (or threshold) test for confusing similarity involves a reasoned but relatively straightforward comparison between the Complainant's trademark and the disputed domain name. <u>WIPO Overview 3.0</u>, section 1.7.

The Complainants have shown rights in respect of a trademark or service mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.2.1.

The entirety of the Complainants' marks are reproduced within the disputed domain name. Accordingly, the disputed domain name is confusingly similar to the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.7.

Although the addition of other terms here, "services", may bear on assessment of the second and third elements, the Panel finds the addition of such term does not prevent a finding of confusing similarity between the disputed domain name and the marks for the purposes of the Policy. WIPO Overview 3.0, section 1.8.

The applicable 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 the gTLD ".biz" for the purposes of the confusing similarity test. WIPO Overview 3.0, section 1.11.1.

The Panel finds the first element of the Policy has been established.

#### C. Rights or Legitimate Interests

Paragraph 4(c) of the Policy provides a list of circumstances in which the Respondent may demonstrate rights or legitimate interests in a disputed domain name.

Although the overall burden of proof in UDRP proceedings is on the complainant, panels have recognized that proving a respondent lacks rights or legitimate interests in a domain name may result in the difficult task of "proving a negative", requiring information that is often primarily within the knowledge or control of the respondent. As such, where a complainant makes out a prima facie case that the respondent lacks rights or legitimate interests, the burden of production on this element shifts to the respondent to come forward with relevant evidence demonstrating rights or legitimate interests in the domain name (although the burden of proof always remains on the complainant). If the respondent fails to come forward with such relevant evidence, the complainant is deemed to have satisfied the second element. WIPO Overview 3.0, section 2.1.

Having reviewed the available record, the Panel finds the Complainants have established a prima facie case that the Respondent lacks rights or legitimate interests in the disputed domain name. The Respondent has not rebutted the Complainants prima facie showing and has not come forward with any relevant evidence demonstrating rights or legitimate interests in the disputed domain name such as those enumerated in the Policy or otherwise.

The available evidence does not confirm that the Respondent is commonly known by the disputed domain name, 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 Complainants did not license or otherwise agree for use of their prior registered trademarks by the Respondent, and at the time of filing of the Complaint, the disputed domain name resolved to various websites displaying false virus alerts and/or other error messages with the aim to entice Internet users to install possible harmful software, thus no actual or contemplated bona fide or legitimate use of the disputed domain name could be reasonably claimed (see, e.g., Sportswear Company S.P.A. v. Tang Hong, WIPO Case No. D2014-1875).

Panels have held that the use of a domain name for illegal activity – here, claimed false virus alerts making users install presumably harmful software – can never confer rights or legitimate interests on a respondent. WIPO Overview 3.0, section 2.13.1.

Also, the current use of the disputed domain name to host a parked page comprising pay-per-click links does not represent a bona fide offering. <u>WIPO Overview 3.0</u>, section 2.9.

The Panel finds the second element of the Policy has been established.

## D. Registered and Used in Bad Faith

The Panel notes that, for the purposes of paragraph 4(a)(iii) of the Policy, paragraph 4(b) of the Policy establishes circumstances, in particular, but without limitation, that, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith.

In the present case, the Panel notes that the Respondent registered the disputed domain name not only reproduces the Complainants' trademarks, but also fully reproduces the company name of the Complainants' related company, which confirms the Respondent was likely aware of the Complainants and their trademarks and specifically targeted them, which is bad faith. WIPO Overview 3.0, section 3.2.2.

Panels have held that the use of a domain name for illegal activity – here, claimed false virus alerts making users install presumably harmful software – constitutes bad faith. <u>WIPO Overview 3.0</u>, section 3.4. Having reviewed the record, the Panel finds the Respondent's registration and use of the disputed domain name constitutes bad faith under the Policy.

Further, according to paragraph 4(b)(iv) of the Policy the following circumstances, in particular but without limitation, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith: "by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your web site 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". Through ongoing use of the disputed domain name to host a pay-per-click parking page, the Respondent creates a likelihood of confusion with the Complainants' trademarks and potentially obtains revenue from this practice. Under such circumstances the Panel finds that the disputed domain name was registered and is being used in bad faith.

The Panel finds that the Complainant has established the third element 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 name <swatchgroupservices.biz> be transferred to the Complainants.

/Taras Kyslyy/
Taras Kyslyy
Sole Panelist

Date: January 31, 2024