

## **Alternative Dispute Resolution Proceeding**

### **Accelerated Proceeding**

### **Case No. DSE2024-0004**

#### **1. Petitioner**

The Petitioner is Klarna Bank AB, Sweden, represented by SILKA AB.

#### **2. Domain Holder**

The Domain Holder is A.M., Germany.

#### **3. Domain Names and Procedural History**

This Alternative Dispute Resolution proceeding relates to the domain names <klarna-pay.se>, and <klarnapay.se>.

This Petition was filed under the Terms and Conditions of registration (the “.se Policy”) and the Instructions governing Alternative Dispute Resolution proceeding for domain names in the top-level domain .se (the “.se Rules”).

The WIPO Arbitration and Mediation Center (“the Center”) verified that the Petition satisfied the formal requirements of the .se Policy and the .se Rules. The Center sent a request to amend the Petition to the Petitioner on February 6, 2024. The Petitioner submitted an amended Petition the same day. In accordance with Section 13 of the .se Rules, the Center formally notified the Domain Holder of the Petition on February 13, 2024. The Domain Holder did not submit any response and, accordingly, the Center notified the Domain Holder’s default on March 18, 2024.

The Center appointed Bengt Eliasson as the sole Arbitrator in this matter on March 19, 2024. The Arbitrator has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the Center to ensure compliance with Section 1 of the .se Rules.

#### **4. Factual Background**

The Petitioner was founded in 2005 in Stockholm, Sweden and is a leading global payments and shopping service, providing solutions to 150 million active customers in relation more than 500,000 merchants in 45 countries. The Petitioner has more than 5,000 employees and facilitates more than two million transactions

per day. The Petitioner is the owner of several trademark registrations for the word mark KLARNA which has designation in Sweden, such as Swedish trademark registration No. 405801, KLARNA, registered on September 11, 2009, European Union trademark registration No. 009199803, KLARNA, registered on December 6, 2010, and European Union trademark registration No. 012656658, KLARNA, registered on July 30, 2014. The Petitioner also holds numerous domain names incorporating the trademark KLARNA, which it uses in connection with different regional sites e.g., <klarna.se>, <klarna.us>, <klarna.co.uk>, <klarna.es> and <klarna.de>.

The disputed domain names, <klarna-pay.se> and <klarnapay.se>, were registered on October 17, 2023. The disputed domain name <klarna-pay.se> redirects to a pay-per-click ("PPC") website and the disputed domain name <klarnapay.se> resolves to an inactive website.

## 5. Claim

The Petitioner claims that the disputed domain names shall be transferred to the Petitioner. Furthermore, the Petitioner also requests to have the dispute decided as an Accelerated Proceeding in case the Domain Holder does not respond to the Petition.

## 6. Parties' Contentions

### A. Petitioner

The disputed domain names are identical or similar to a right which is legally recognized in Sweden and to which the Petitioner can prove its rights.

As presented in the Factual Grounds above, the Petitioner holds trademark rights in the trademark KLARNA which are legally recognized in Sweden. This is sufficient for demonstrating the Petitioner's rights under the .se Policy, paragraph 7.2. The disputed domain names each reproduce the Petitioner's trademark KLARNA in full, only preceded by the terms "pay" and "-pay". The addition of other terms to a petitioner's mark should not prevent a finding of similarity under the first element (see, for example, *Klarna Bank AB v. P. I.*, WIPO Case No. [DSE2018-0052](#), which involved the domain names <klarna.se> and <klarnagiftcard.se>). Further, the term 'pay' clearly relates to the Petitioner (as a leading payments service provider); the additions increase the degree of confusing similarity. For example, see also *Klarna Bank AB v. E.P.*, WIPO Case No. [DSE2021-0002](#), concerning the domain name <klarnaclick.se>: "The Petitioner is the registered owner of an EUTM registration for KLARNA. The trademark registration has legal effect in Sweden. The Domain Name includes the trademark KLARNA in its entirety and the word 'click' in the Domain Name is descriptive. The Domain Name is similar to the Petitioner's trademark and the first condition is fulfilled".

The Petitioner notes that, in addition to the above, the disputed domain names (by encapsulating the term "klarna") are similar to the dominant part of its registered business name, Klarna Bank AB.

The Petitioner lastly notes, for sake of completeness, that the ".se" extensions to the disputed domain names form a standard registration requirement and can be disregarded for the purposes of the test of identity/similarity.

Given the above, the Petitioner requests that the Arbitrator finds the disputed domain names similar to the Petitioner's rights in the trademark KLARNA, satisfying the first condition of paragraph 7.2 of the .se Policy.

The disputed domain names have been registered or used in bad faith.

Although it is sufficient for either registration or use of the disputed domain names to be demonstrated for the Petitioner to be successful on this element, the Petitioner submits that both requirements exist in the present matter. The Petitioner has been operating for almost two decades, and its earliest trademark rights

in the trademark KLARNA precede the registration of the disputed domain names by more than 14 years. The Petitioner's trademarks cover numerous jurisdictions and its services are used by more than 150 million active customers through approximately two million daily transactions. The Petitioner's trademark KLARNA is distinctive and its trademarks are readily identifiable in publicly accessible trademark databases. Additionally, the terms "klarnapay" and "klarna-pay" unequivocally relate to the Petitioner's offerings. It is therefore evident that, notwithstanding other considerations, the simplest degree of due diligence would have otherwise made the Domain Holder aware of the Petitioner's internationally established rights in the trademark KLARNA.

The Petitioner further submits that the Domain Holder's decision to register a domain name which juxtaposes the trademark KLARNA with the term "pay" constitutes further evidence that the Domain Holder was aware of, and had plans from the outset to capitalize on, the trademark KLARNA in bad faith. This is because the term "pay" unequivocally relates to the Petitioner's offerings as a payment platform; such composition reflects the Domain Holder's intention to give Internet users the false impression that the disputed domain names are controlled or authorized by the Petitioner.

The Petitioner's representative sent cease-and-desist letter to the Domain Holder, in respect of both disputed domain names in November 2023, requesting the disputed domain names' transfers. No response was received to this correspondence which verify that the Domain Holder was fully aware of, and intended to capitalize on, the Petitioner's rights through its registration of the disputed domain names.

The Petitioner contends that the disputed domain names have also been used in bad faith. The Instructions pertaining to ADR (paragraph 7.2 of the .se Policy) sets out a list of non-exhaustive circumstances supporting a petitioner's claim that a disputed domain name has been registered or used in bad faith. The most relevant of these in the present matter are; i) the Domain Holder is utilizing or plans to utilize the good reputation, market position or characteristic feature of the Petitioner to attract traffic to its own website or to increase revenue in this manner; ii) the disputed domain names have both been used to resolve to sites which brandished the Petitioner's trademark KLARNA logo, presented the heading "Klarna Payment", and incorporated other visual indicia from the Petitioner's official websites including reference to its official corporate address and business registration number; and iii) the Domain Holder is not associated with the Petitioner; its use of the disputed domain names to impersonate the KLARNA brand is clearly calculated to capitalize on Internet users who falsely believe they are interacting with a site controlled or endorsed by the Petitioner.

The disputed domain name <klarna-pay.se> currently resolves to a site featuring PPC categories and links in connection with (among other things) payment processing that direct Internet users to third party sites and services, some of which compete with the Petitioner. Such conduct capitalizes on the goodwill and renown of the KLARNA brand, Arbitrators have found such use to be evidence of bad faith use. Furthermore, the use of the disputed domain name is in bad faith, as the website, to which the Domain Name resolves to, is used to attract Internet users to a PPC website and taking benefit from the goodwill and repute of the Petitioner's brand.

The disputed domain name <klarnapay.se> does not resolve to an active site. Previous arbitrators have found that the non-use of a domain name would not prevent a finding of bad faith under the doctrine of passive holding.

The Petitioner submits that the trademark KLARNA is distinctive and widely known – its offerings reaching millions of active users across more than 500,000 merchants in 45 countries. This renown has been recognized in previous domain dispute decisions concerning the Petitioner (see, for example, *Klarna Bank AB v. 1&1 Internet Limited / Slawomir Markow*, WIPO Case No. [D2022-1193](#): "There is no doubt in the Panel's opinion that these marks enjoy a wide reputation and can be considered as a well-known trademark in the industry as ruled by prior UDRP panels").

In summary, the Petitioner submits that the disputed domain names have been registered or used in bad faith for the purposes of the .se Policy, satisfying second condition of paragraph 7.2.

The Domain Holder has no rights or justified interest in the Domain Names.

The Petitioner submits that the Domain Holder lacks any rights or justified interest in the disputed domain names, within the meaning of paragraph 7.2 of the .se Policy, for the following reasons.

The Petitioner has not authorized the Domain Holder to use its trademark KLARNA for any reason or in any manner, including in or part of the disputed domain names. Likewise, the Petitioner is not affiliated with the Domain Holder. The Petitioner has not found any evidence that the Domain Holder has been commonly known by the disputed domain names or by any term similar to the Petitioner's trademark KLARNA. In addition, there is nothing indicating that the Domain Holder holds any trademark rights to the disputed domain names or any similar terms.

As described in respect of the Domain Holder's bad faith, the disputed domain names have been used in a manner which impersonates/passes off, and therefore clearly capitalizes on, the Petitioner's global KLARNA brand. Arbitrators have consistently found that such conduct does not confer a domain holder with rights or a justified interest in the domain names in question (see, for example, *Skechers U.S.A., Inc. II v. R.K.*, WIPO Case No. [DSE2022-0006](#)). Additionally, the subsequent use of the disputed domain name <klarna-pay.se> to display PPC links, some of which redirect users to other payment processing third parties does not give the Domain Holder a justified interest.

In summary, the Petitioner submits that the Domain Holder has no rights or justified interest in the disputed domain names for the purposes of the .se Policy and therefore satisfies the third condition of paragraph 7.2.

## **B. Domain Holder**

The Domain Holder did not submit a response.

## **7. Discussion and Findings**

A domain name may, in accordance with the .se Policy paragraph 7.2, be deregistered or transferred to the party requesting dispute resolution proceedings if all of the following three conditions are fulfilled:

1. The disputed domain names are identical or similar to
  - a. a trade symbol (trademark or service mark),
  - b. a trade name or secondary business name,
  - c. a surname,
  - d. an artist's name (if the name is not associated with someone who deceased a long time ago),
  - e. a title of another party's copyrighted literary or artistic work,
  - f. a name that is protected by the Regulation concerning Certain Official Designations (2019:167), or
  - g. The name of a government authority that is listed in the registry that Statistics Sweden must maintain under the Swedish Code of Statutes SFS 2007:755 (Government Agencies Register Ordinance), or its generally accepted abbreviation, which is legally recognized in Sweden and to which the party requesting dispute resolution can prove its rights, and
2. The disputed domain names have been registered or used in bad faith, and
3. The Domain Holder has no rights for justified interest in the disputed domain names.

All three conditions must be met in order for a petitioner to succeed in its action.

**A. The Domain Name is identical or similar to a name which is legally recognized in Sweden and to which the Petitioner can prove its rights**

The Arbitrator considers the Petitioner's trademark KLARNA as well-known. In addition, the Petitioner is the owner of Swedish and European trademark registrations for the term KLARNA.

The disputed domain name <klarnapay.se> includes the Petitioner's trademark KLARNA in its entirety together with the descriptive term "pay". KLARNA is the distinctive element of the disputed domain name and clearly recognizable.

The disputed domain name <klarna-pay.se> includes the Petitioner's trademark KLARNA in its entirety together with a hyphen and the descriptive term "pay". KLARNA is the distinctive as well as dominating element of the disputed domain name and clearly recognizable.

It has long been held that ccTLD ".se" is disregarded when evaluating the identical or similarity of disputed domain names, as it is a standard registration requirement.

Based on the above, the Arbitrator finds that the disputed domain names are similar to the Petitioner's trademark KLARNA.

**B. The Domain Name has been registered or used in bad faith**

Based on the records above, the Arbitrator finds that the disputed domain names have been registered and used in bad faith.

**C. The Domain Holder has no rights or justified interest in the Domain Name.**

Based on the records above, the Arbitrator finds that the Domain Holder has no rights or justified interests in the disputed domain names.

**8. Decision**

The disputed domain names <klarnapay.se>, and <klarna-pay.se> shall be transferred to the Petitioner.

**Bengt Eliasson**

Date: March 25, 2024