

ADMINISTRATIVE PANEL DECISION

**Aku Italia S.R.L. v. WEI LI, SHAANXI ZHANGYINGCAIXUN DASHUJU KEJI
YOUXIAN GONGSI**

Case No. D2023-1368

1. The Parties

The Complainant is Aku Italia S.R.L., Italy, represented by Modiano & Partners, Italy.

The Respondent is WEI LI, SHAANXI ZHANGYINGCAIXUN DASHUJU KEJI YOUXIAN GONGSI, China.

2. The Domain Name and Registrar

The disputed domain name <aku.com> (the “Disputed Domain Name”) is registered with GoDaddy.com, LLC (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on March 29, 2023. On March 30, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Disputed Domain Name. On March 31, 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 (Domains By Proxy, LLC, Registration Private) and contact information in the Complaint. The Center sent an email communication to the Complainant on April 3, 2023, 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 amended Complaint on April 5, 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 April 18, 2023. In accordance with the Rules, paragraph 5, the due date for Response was May 8, 2023. The Respondent did not submit any response. Accordingly, the Center notified the Respondent’s default on May 12, 2023.

The Center appointed Nick J. Gardner as the sole panelist in this matter on May 23, 2023. 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.

On June 13, 2023, the Panel issued a procedural order (the “Procedural Order”) noting that there had been no response, and that the Disputed Domain Name was likely acquired in late 2016, but noting the possible use of the same by third parties, sought evidence of the Complainant’s reputation in China as at late 2016.

Pursuant to the Procedural Order the Complainant filed a supplemental statement on June 20, 2023. The Respondent did not file any submissions.

4. Factual Background

The Complainant is an Italian company. It has traded since about 1983. It manufactures and sells a range of outdoor footwear under the brand name AKU. It operates three production plants in Europe, and produced 280,000 pairs of shoes in 2021 and has 412 employees. It has an annual turnover of almost EUR 23 million. AKU-branded products are now worn by outdoor enthusiasts in over 40 countries around the world including in Europe, North America, Asia, and Australia. The Complainant is an official supplier of the Danish Army, the British Army and the Swiss Army, and also of other international special forces units. It owns the domain name <aku.it>, which resolves to its principal website.

The Complainant owns various trademarks for the word AKU or which include the word AKU – see for example Italian trademark no 0000608443 registered on November 2, 1993. These trademarks are referred to as the “AKU trademark” in this decision.

The date the Disputed Domain Name was acquired by the Respondent would appear to be not earlier than November 25, 2016 (see discussion below). There is no evidence that it has ever been used in any way.

The position with regard to the Complainant’s business and reputation in China prior to November 25, 2016 is as follows. The AKU international trademark has designated China as a territory since 2005. The Complainant has carried out business in China through appointed distributors since 2010. Its turnover in 2015 was approximately EUR 330,000 and in 2016 approximately EUR 134,000. Its products under the brand name AKU have been promoted on various Chinese language websites. It has exhibited under the brand name AKU at various Chinese exhibitions (for example the Asia Pacific Outdoor Industry Exhibition on June 26, 2013, and the ISPO BEIJING 10th Asian Sporting Goods and Fashion Exhibition on February 19 to February 22, 2014). Its footwear has won awards in China – for example one of its shoes won an “Outside Gear of the Year” award in China in 2015.

5. Parties’ Contentions

A. Complainant

The Complainant’s contentions can be summarised as follows.

The Disputed Domain Name is identical to the AKU Trademark.

The Respondent has no rights or legitimate interests in the term “aku”.

In consequence the Complainant alleges that the Disputed Domain Name was registered and is being used in bad faith. The Complainant says the Respondent acquired the Disputed Domain Name at some time after 2017. It says that at the relevant time a simple search on one of the publicly-accessible trademark databases such as the United States Patent and Trademark Office, or a search on Google would have immediately revealed to the Respondent that the term “aku” is and already was a registered and widely-used

trademark of the Complainant. The Complainant relies on the doctrine of passive holding of a domain name corresponding to well known trademark. It also relies on the Respondent having provided inaccurate registrant information and effecting a “Russian dolls” arrangement obscuring registrant identity – see further the discussion below. It also says that MX records are configured for the Disputed Domain Name which means there is a strong likelihood of it being (or potentially being) used for phishing or other fraudulent activities.

B. Respondent

No Response has been filed.

6. Discussion and Findings

Preliminary Matters

The Panel notes that no communication has been received from the Respondent. However, given the Complaint and Written Notice were sent to the relevant addresses disclosed by the Registrar, then the Panel considers that this satisfies the requirement in paragraph 2(a) of the UDRP Rules to “employ reasonably available means calculated to achieve actual notice”. Accordingly, the Panel considers it is able to proceed to determine this Complaint and to draw inferences from the Respondent’s failure to file any Response. While the Respondent’s failure to file a Response does not automatically result in a decision in favour of the Complainant, the Panel may draw appropriate inferences from the Respondent’s default (see, e.g., *Verner Panton Design v. Fontana di Luce Corp*, WIPO Case No. [D2012-1909](#)).

Substantive Matters

To succeed, in accordance with paragraph 4(a) of the Policy, the Complainant must satisfy the Panel that:

- (i) the Disputed Domain Name is identical with or confusingly similar to a trademark or service mark in which the Complainant has rights;
- (ii) the Respondent has no rights or legitimate interests in respect of the Disputed Domain Name;
- (iii) the Disputed Domain Name has been registered and is being used in bad faith.

A. Identical or Confusingly Similar

The Complainant has rights in the AKU trademark. The Disputed Domain Name is identical to that trademark. It is well established that the generic Top-Level Domain (“gTLD”), in this case “.com”, is not generally taken into account for the purpose of determining whether a domain name is identical or confusingly similar – see for example *Rollerblade, Inc. v. Chris McCrady*, WIPO Case No. [D2000-0429](#). See also WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition (“[WIPO Overview 3.0](#)”), section 1.11.

Accordingly the Panel finds that the Disputed Domain Name is identical to the Complainant’s trademark and hence the first condition of paragraph 4(a) of the Policy has been fulfilled.

B. Rights or Legitimate Interests

Paragraph 4(c) of the Policy provides a list of circumstances any of which is sufficient to demonstrate that a respondent has rights or legitimate interests in a domain name:

- (i) before any notice to the respondent of the dispute, use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a *bona fide* offering of goods or services; or

- (ii) the respondent has been commonly known by the domain name, even if the respondent has acquired no trademark or service mark rights; or
- (iii) the respondent is making 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.

None of the above appear to apply in the present circumstances, at least on the record before the Panel. However the list in paragraph 4(c) is non-exhaustive. It is also the case that registration of a short acronym can itself establish a legitimate interest where the registration is effected for its so-called inherent value – as opposed to its value because of its likely association with a particular trademark holder. The Panel takes the view that there are some three letter trademarks where the evidence of fame and reputation is well established on a world-wide basis and it is generally straightforward to at least draw an inference that registration of a corresponding domain name will have been targeting that trademark holder. See for example *BMW AG v. Loophole*, WIPO Case No. [D2000-1156](#), concerning the domain name <bmw.org>. There may be other cases where a trademark holder can establish some fame and reputation in its trademark/acronym on a limited geographical or field of use basis but that is not sufficient to raise an inference that a domain name registration by a party in a different geographical area or field of activity lacked a legitimate interest. See for example the decision of the present Panel in the earlier case of *ETH Zürich (Eidgenössische Technische Hochschule Zürich) v. Andre Luiz Silva Rocha, Construtora Norberto Odebrecht S/A*, WIPO Case No. [D2016-0444](#), concerning the domain name <eth.com>. Commonly if the evidence establishes that three letter acronym is registered without knowledge of a complainant, and for the inherent value of the acronym a case may fail. See in this regard *Banca Monte dei Paschi di Siena S.p.A v. Charles Kirkpatrick*, WIPO Case No. [D2008-0260](#) concerning the domain name <mpps.mobi>, where the panel highlighted the significance of short-letter expressions that have meanings other than those claimed by the complainant by noting:

“The Respondent was at the time of registration, of the view that no one company could claim exclusive rights in MPS because it stood for so many things. From its own searches of the term “MPS”, the Panel finds the Respondent’s view reasonable”.

See also *PCO AG v. Register4Less Privacy Advocate, 3501256 Canada, Inc.* WIPO Case No. [D2017-1778](#) concerning the domain name <pco.com>. In this case, no response had been filed but the panel declined to find for the complainant. It noted that “[t]he Complainant claims to be widely known by the name “PCO” and to have a strong reputation worldwide but it has supplied no evidence in support of this assertion”.

In the present case, the Panel considers that the Complainant has established it has a significant reputation in the AKU trademark in relation to outdoor footwear and that reputation subsists internationally. It has also filed evidence which establishes that it had a significant reputation in China prior to the date the Disputed Domain Name was acquired by the Respondent. In those circumstances the Panel considers that an inference can be drawn that the Respondent’s registration of the Disputed Domain Name was made with knowledge of the Complainant’s reputation and with intent to take advantage of that reputation. The Panel thinks it likely, as the Complainant says, that had the Respondent carried out a simple Google search when it acquired the Disputed Domain Name it would have identified the Complainant and its AKU trademark. It might also however conceivably have identified that there were other organisations which used the acronym “aku”. There is however no evidence to suggest that any other such organisation had any reputation in China, unlike the Complainant. Conceivably this inference could, with appropriate evidence, be rebutted – but as [WIPO Overview 3.0](#) notes at 2.10.2: “For a respondent to have rights or legitimate interests in a domain name comprising an acronym, the respondent’s evidence supporting its explanation for its registration (and any use) of the domain name should indicate a credible and legitimate intent which does not capitalize on the reputation and goodwill inherent in the complainant’s mark”. In the present case, given the lack of any Response or any communication at all from the Respondent the inference has not been rebutted.

[WIPO Overview 3.0](#) also says at section 4.3 in relation to lack of a response: “Further to paragraph 14(b) of

the UDRP Rules however, panels have been prepared to draw certain inferences in light of the particular facts and circumstances of the case *e.g.*, where a particular conclusion is *prima facie* obvious, where an explanation by the respondent is called for but is not forthcoming, or where no other plausible conclusion is apparent.” The Panel considers that the present case is one where an explanation would be expected from the Respondent but none has been provided.

More generally, in circumstances where (i) the Complainant has not authorised, licensed, or permitted the Respondent to register or use the Disputed Domain Name or to use the AKU trademark; (ii) the Complainant has prior rights (notably here in the Respondent’s jurisdiction) in the AKU trademark which precede the Respondent’s acquisition of the Disputed Domain Name; and (iii) there is no use of the Disputed Domain Name for any purpose, *e.g.*, one that shows an intention for a use other than to target a trademark owner, it is established that the Complainant would therefore have established a *prima facie* case that the Respondent does not have any rights or legitimate interests in the Disputed Domain Name and thereby the burden of production shifts to the Respondent to produce evidence demonstrating rights or legitimate interests in respect of the Disputed Domain Name (see, for example, *Do The Hustle, LLC v. Tropic Web*, WIPO Case No. [D2000-0624](#); and *Croatia Airlines d.d. v. Modern Empire Internet Ltd.*, WIPO Case No. [D2003-0455](#)). Again the Respondent has not produced such evidence.

Overall the Panel concludes that the Complainant’s case is sufficient to have expected the Respondent to explain relevant facts if it contended it had a legitimate interest unrelated to the Complainant, and it has failed to do so. The Panel also notes that paragraph 5(f) of the Rules provides that “[i]f a Respondent does not submit a response, in the absence of exceptional circumstances, the Panel shall decide the dispute based upon the complaint”.

Accordingly, the Panel finds the Respondent has no rights or any legitimate interests in the Disputed Domain Name and the second condition of paragraph 4(a) of the Policy has been fulfilled.

C. Registered and Used in Bad Faith

Under paragraph 4(b) of the Policy a non-exhaustive list of factors evidencing registration and use in bad faith comprises:

- (i) circumstances indicating that you have registered or you have acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration 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 your documented out-of-pocket costs directly related to the domain name; or
- (ii) you have 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 you have engaged in a pattern of such conduct; or
- (iii) you have registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- (iv) 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.

In the present case, the Panel takes the view that whether registration and use in bad faith is established again depends on whether the Respondent registered the Disputed Domain Name because of its association with the Complainant and its AKU trademark (in which case an inference can be drawn that paragraph 4(b) (i) applies) as opposed to registering it for its inherent value, in which case no inferences of bad faith can be drawn. Once again given the lack of Response the Panel does not know what the Respondent has to say

about this. However for the reasons discussed above the Panel concludes that an inference can be drawn that the Respondent registered the Disputed Domain Name because of its association with the Complainant. Again given the lack of Response that inference has not been rebutted

Overall it does not generally matter that the Respondent has not as yet used the Disputed Domain Name. "Passive holding" can itself amount to bad faith registration and use where the holding involves a domain name deliberately chosen because of its association with the Complainant. See *Telstra Corporation Limited v. Nuclear Marshmallows*, WIPO Case No. [D2000-0003](#), *Jupiters Limited v. Aaron Hall*, WIPO Case No. [D2000-0574](#), *Ladbroke Group Plc v. Sonoma International LDC*, WIPO Case No. [D2002-0131](#), *Westdev Limited v. Private Data*, WIPO Case No. [D2007-1903](#); *Malayan Banking Berhad v. Beauty, Success & Truth International*, WIPO Case No. [D2008-1393](#), *Intel Corporation v. The Pentium Group*, WIPO Case No. [D2009-0273](#) *Advance Magazine Publishers Inc. and Les Publications Conde Nast S.A. v. ChinaVogue.com* WIPO Case No. [D2005-0615](#).

The above reasoning is sufficient for the Panel to conclude that the Disputed Domain Name has been registered and is being used in bad faith. For completeness, the Panel will consider the other points raised by the Complainant.

The Complainant also seeks to rely on the fact that the Respondent's identity is inaccurate and/or involves a so called "Russian doll" arrangement. Relevant details of the Respondent and previous registrant organisations associated with the Disputed Domain Name are as follows (prior to November 25, 2016, the Disputed Domain Name has been owned by what appear to be unrelated third parties).

Date	Name
November 25, 2016	TINGFANG WANG/ CHENGDU DUOMENG KEJI YOUXIAN GONGSI
April 2, 2017	WEI LI / SHAANXI ZHANGYINGCAIXUN DASHUJU KEJI YOUXIAN GONGSI
April 28, 2022	SHAANXI ZHANGYINGCAIXUN DASHUJU KEJI YOUXIAN GONGSI/
December 22, 2022	SHAANXI ZHANGYINGCAIXUN DASHUJU KEJI YOUXIAN GONGSI

It appears to the Panel more likely than not that all the above registrants are connected, given the similarities that are present in applicable detail. What appear to be differing addresses are associated with each of the registrant organisations. However in the absence of a fuller explanation, and given the Panel is not familiar with Chinese naming and addressing structures, the Panel does not consider it can safely reach a conclusion that obviously false contact details have been provided or that any sort of "Russian Doll" situation (*i.e.*, where a privacy service is used and the underlying registrant is another privacy service) exists. Accordingly the Panel attaches no weight to this.

The Panel also attaches no weight to the fact that MX records are configured. Sometimes (for example where a domain name involves an obvious misspelling of a financial institution's name) configured MX records may justify an inference of possible fraudulent activity. But MX records can also be configured automatically and without any such intent. Without further evidence the Panel does not consider it safe to draw any inference here.

Accordingly, and applying the principles described above the Panel finds that the Disputed Domain Name has been registered and is being used in bad faith. Accordingly the third condition of paragraph 4(a) of the Policy has been fulfilled.

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, <aku.com>, be transferred to the Complainant.

/Nick J. Gardner/

Nick J. Gardner

Sole Panelist

Date: July 10, 2023