

ARBITRATION
AND
MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Swarovski Aktiengesellschaft v. Client Care, Web Commerce Communications Limited Case No. D2023-2685

1. The Parties

Complainant is Swarovski Aktiengesellschaft, Liechtenstein, represented by SILKA AB, Sweden.

Respondent is Client Care, Web Commerce Communications Limited, Malaysia.

2. The Domain Name and Registrar

The disputed domain names <orecchiniswarovskisaldi.com>, <saleswarovski.com>, <swarovski-at.com>, <swarovskiau.com>, <swarovskibijou.com>, <swarovskichile.com>, <swarovskidubai.com>, <swarovskienmexico.com>, <swarovskiespana.com>, <swarovskifactoryoutlet.com>, <swarovskihrvatska.com>, <swarovskiindia.com>, <swarovskiksa.com>, <swarovskinorge.com>, <swarovskinz.com>, <swarovskioutletschweiz.com>, <swarovskioutletschweiz.com>, <swarovskioutletschweiz.com>, <swarovskioutletsverige.com>, <swarovskioutletuk.com>, <swarovskiperu.com>, <swarovskiphilippines.com>, <swarovskipolska.com>, <swarovskisaleoutlet.com>, <swarovski-singapore.com>, <swarovskismykker.com>, <swarovskisouthafricaonline.com>, <swarovskisuomi.com>, <swarovski-turkiye.com>, <swarovski-usa.com>, <swarovskiusa.com> are registered with Alibaba.com Singapore E-Commerce Private Limited (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on June 22, 2023. On June 22, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain names. On June 25, 2023, 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 (Unknown) and contact information in the Complaint. The Center sent an email communication to Complainant on July 3, 2023, providing the registrant and contact information disclosed by the Registrar, and inviting Complainant to submit an amendment to the Complaint. Complainant filed an amendment to the Complaint on July 3, 2023.

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 Respondent of the Complaint, and the proceedings commenced on July 27, 2023. In accordance with the Rules, paragraph 5, the due date for Response was August 16, 2023. Respondent did not submit any response. Accordingly, the Center notified Respondent's default on August 17, 2023.

The Center appointed Richard C.K. van Oerle as the sole panelist in this matter on August 21, 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.

4. Factual Background

Complainant, Swarovski Aktiengesellschaft, founded in 1895, is a leading company in the jewelry industry. Complainant is the largest global supplier of crystal to the fashion industry. Complainant has a global reach with approximately 2,400 stores and 6,700 points of sales in around 140 countries and employs more than 18,000 people. According to its latest financial statements, Complainant in 2022 had sales of EUR 1.9 billion.

Complainant is the owner of a number of SWAROVSKI-formative registered trademarks on a world-wide basis. For instance, Complainant holds the following registrations:

- International Trademark Registration number 303389A (word mark), registered on October 9, 1965, with designation for, *inter alia*, Spain, Switzerland, France, and Italy;
- United States of America Trademark Registration number 934915 (word mark), registered on May 30, 1972;
- Malaysia Trademark Registration number 04009950 (word mark), registered on July 22, 2008;
- European Union Trademark Registration number 000120576 (word mark), registered on October 15, 1998.

All registrations have been duly renewed and are still valid, and will jointly be referred to, in singular, as the "Trademark".

Complainant establishes its online presence under, *inter alia*, the domain name <swarovski.com> (registered on January 11, 1996), which hosts a website that displays information about Complainant and its products.

The disputed domain names were registered on the following dates:

- October 25, 2022 <swarovski-singapore.com> <swarovskiau.com> - October 25, 2022 <swarovskichile.com> - October 25, 2022 <swarovskidubai.com> - October 25, 2022 <swarovskifactoryoutlet.com> - October 25, 2022 <swarovskinz.com> - October 25, 2022 <swarovskioutletcanada.com> - October 25, 2022 - October 25, 2022 <swarovskioutletuk.com> - October 25, 2022 <swarovskiphilippines.com> - October 25, 2022 <swarovskisaleoutlet.com> <swarovskisouthafricaonline.com> - October 25, 2022 <swarovskiusa.com> - October 25, 2022 <orecchiniswarovskisaldi.com> - October 28, 2022 <saleswarovski.com> - October 28, 2022 - October 28, 2022 <swarovski-at.com> <swarovskibijou.com> - October 28, 2022 <swarovskienmexico.com> - October 28, 2022

<swarovskiespana.com> - October 28, 2022 - October 28, 2022 <swarovskinorge.com> - October 28, 2022 <swarovskioutletschweiz.com> - October 28, 2022 <swarovskioutletsverige.com> - October 28, 2022 <swarovskiperu.com> - October 28, 2022 <swarovskipolska.com> - October 28, 2022 <swarovskismykker.com> <swarovskisuomi.com> - October 28, 2022 <swarovskihrvatska.com> - January 14, 2023 <swarovskiindia.com> - January 30, 2023 - April 10, 2023 <swarovski-turkiye.com> <swarovskiksa.com> - April 14, 2023 - May 4, 2023 <swarovski-usa.com>

21 of the disputed domain names are not currently active; 9 resolve to websites that display the SWAROVSKI mark on top, with copyrighted images taken from Complainant's website.

5. Parties' Contentions

A. Complainant

Complainant contends that it has satisfied each of the elements required under the Policy for a transfer of the disputed domain names.

The disputed domain names are identical or confusingly similar to Complainant's Trademark. The disputed domain names incorporate Complainant's SWAROVSKI mark entirely, together with hyphens, country names, country codes, or generic terms, as well as the generic Top-Level Domain ("gTLD") ".com". However, these differences do not prevent a finding of confusing similarity between Complainant's Trademark and the disputed domain names.

Complainant contends that Respondent has no rights or legitimate interests in the disputed domain names.

Complainant has not authorized Respondent to use its Trademark for any reason or in any manner, including in or as part of a disputed domain name. Complainant has found no evidence that Respondent has been commonly known by the disputed domain names. Complainant has found nothing to suggest that Respondent holds any trademark rights on the disputed domain names or the disputed domain names terms.

Respondent is not making a legitimate noncommercial or fair use of the disputed domain names. Complainant contends that the nine active disputed domain names (<swarovski-usa.com>, <swarovskichile.com>, <swarovskihrvatska.com>, <swarovskiindia.com>, <swarovskiksa.com>, <swarovskioutletuk.com>, <swarovskiphilippines.com>, <swarovskisaleoutlet.com> and <swarovskisouthafricaonline.com>) display the SWAROVSKI mark on top, in an unauthorized manner; reproduce copyrighted images taken from Complainant's website, in an unauthorized manner; do not contain any note, information or disclaimer pointing out that the owner of the websites actually has no relationship with Complainant, misleading consumers into thinking that they are related; include copyright notices (for instance: "Copyright © 2023 swarovskisouthafricaonline Powered By swarovskisouthafricaonline.com") which may mislead Internet users into thinking that said websites are operated by or affiliated with Complainant; offer SWAROVSKI-branded products for sale with a substantial discount, all in an unauthorized manner. There is no doubt that the disputed domain names seek to capitalize the reputation and goodwill of Complainant's SWAROVSKI mark, misleading consumers into thinking that the websites are operated by or affiliated with Complainant. Therefore, this use of the disputed domain names cannot be considered a bona fide use and it does not meet the cumulative requirements of the "Oki Data Test".

Regarding the 21 disputed domain names that are currently inactive, Complainant contends that these hosted in the past similar websites to the currently active disputed domain names. In Complainant's view, the contentions concerning the active disputed domain names would also apply to these currently inactive disputed domain names. In relation to these currently inactive disputed domain names, there is no evidence that Respondent is currently making a legitimate noncommercial or fair use of the disputed domain names, without intent for commercial gain to misleadingly divert consumers or to tarnish the Trademark at issue.

The composition of the disputed domain names, which wholly incorporate Complainant's SWAROVSKI Trademark, together with country codes and generic terms (such as "bijou", "orecchini" or "outlet", closely related to Complainant's goods and activities), reinforces their likelihood of confusion with Complainant's SWAROVSKI Trademark, as consumers would assume that the disputed domain names are the URL for websites related to Complainant's business in certain countries and/or to Complainant's products. Hence, the use of the disputed domain names cannot constitute fair use in these circumstances, as they effectively impersonate or suggests sponsorship or endorsement by Complainant.

Complainant's SWAROVSKI mark has been in use for several decades, well before the registration date of the disputed domain names. Considering that the disputed domain names reproduce in full Complainant's well-known SWAROVSKI mark (together with country names, country codes and generic terms related to Complainant's goods and activities such as "bijou", "orecchini" or "outlet"), it is impossible to believe that Respondent would have chosen the disputed domain names if it did not have Complainant's mark and activities in mind.

A simple search on an online trademark register or on the Google search engine when the disputed domain names were registered would have informed Respondent on the existence of Complainant's rights in the Trademark.

Moreover, the fact that Respondent registered 30 domain names which incorporate the same well-known Trademark, is alone sufficient to give rise to an inference of bad faith.

Taking the above in consideration and that the disputed domain names resolve (or used to resolve) to websites which displayed Complainant's SWAROVSKI brand on top and purportedly offered for sale Complainant's SWAROVSKI-branded goods, supports the inference that Respondent registered the disputed domain names in bad faith, in order to attract, for commercial gain, Internet users to its websites by creating a likelihood of confusion with Complainant and its well-known SWAROVSKI Trademark.

Complainant therefore asserts that Respondent had Complainant and its Trademark in mind at the time of registration of the disputed domain names, which amounts to a registration in bad faith.

In this case, 21 disputed domain names are currently inactive, but the non-use of a domain name would not prevent a finding of bad faith under the doctrine of passive holding, if certain circumstances are met. Applying these circumstances to the current case, Respondent's passive holding of the disputed domain names has the characteristics which are associated with bad faith registration and use, as set out at section 3.3 of WIPO Overview 3.0, since:

- (i) Complainant's SWAROVSKI mark is well known and it is more than likely that Respondent was aware of it as at the time of its registration of the disputed domain names; especially considering that it registered 30 domain names comprising said Trademark;
- (ii) the identity of Respondent is not publicly available;
- (iii) taking into consideration the well-known nature of Complainant's SWAROVSKI mark and the structure of the disputed domain names, it is impossible to think of any good faith use to which the disputed domain names could be put by Respondent. In fact, the previous use of these disputed domain names serves to evidence said absence of any good faith.

Moreover, in addition to the above, the 9 active disputed domain names resolve to websites in which Respondent displays Complainant's SWAROVSKI mark on top and allegedly offer SWAROVSKI-branded goods for sale, without disclosing its lack of relationship with Complainant. With this in mind, and having regard to the structure of the disputed domain names, which include Complainant's well-known SWAROVSKI mark, together with country names, country codes and terms related to Complainant's activities such as "bijou", "orecchini" or "outlet", it is clear that Respondent intentionally attempted to attract, for commercial gain, Internet users to its websites, by creating a likelihood of confusion with Complainant and its SWAROVSKI mark as to the source, sponsorship, affiliation, or endorsement of the websites. This use of the disputed domain names clearly amounts to bad faith pursuant to paragraph 4(b)(iv) of the Policy.

Finally, Complainant argues that it has emerged that Respondent should be considered a notorious cybersquatter as Respondent has been involved in more than 100 UDRP disputes. This shows that Respondent is well aware of the UDRP process and still continues to register domain names targeting well-known brands.

In view of all these circumstances, Respondent's conducts prove that the disputed domain names were registered and are being used in bad faith.

Complainant requests that the disputed domain names transferred to Complainant.

B. Respondent

Respondent did not reply to Complainant's contentions.

6. Discussion and Findings

Dealing, first, with Respondent's failure to file a response to the Complaint, paragraph 14(b) of the Rules provides that if a party, in the absence of exceptional circumstances, does not comply with a provision of, or requirement under these Rules, the Panel shall be entitled to draw such inferences from this omission, as it considers appropriate.

Paragraph 4(a) of the Policy provides that Complainant prove each of the following three elements in order to succeed in its Complaint:

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

A. 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 Complainant's Trademark and the disputed domain name. WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition, ("WIPO Overview 3.0"), section 1.7.

Based on the available record, the Panel finds Complainant has 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 Panel finds the entirety of the Trademark is reproduced within the disputed domain names. Accordingly, the disputed domain names are identical or confusingly similar to the mark for the purposes of the Policy. WIPO Overview 3.0, section 1.7.

While the addition of other terms (hyphens, country names, country codes or terms) may bear on assessment of the second and third elements, the Panel finds the addition of such terms do not prevent a finding of confusing similarity between the disputed domain names and the Trademark for the purposes of the Policy. WIPO Overview 3.0, section 1.8.

Based on the available record, the Panel finds the first element of the Policy has been established.

B. Rights or Legitimate Interests

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

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

Having reviewed the record, the Panel finds Complainant has established a *prima facie* case that Respondent lacks rights or legitimate interests in the disputed domain names for the reasons set out in section 5.A above. Respondent has not rebutted Complainant's *prima facie* showing and has not come forward with any relevant evidence demonstrating rights or legitimate interests in the disputed domain names such as those enumerated in the Policy or otherwise.

Panels have held that the use of a domain name for illegal activity (e.g., the sale of counterfeit goods or illegal pharmaceuticals, phishing, distributing malware, unauthorized account access/hacking, impersonation/passing off, or other types of fraud) can never confer rights or legitimate interests on a respondent. WIPO Overview 3.0, section 2.13.1.

Based on the available record, the Panel finds the second element of the Policy has been established.

C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy sets out a list of non-exhaustive circumstances that may indicate that a domain name was registered and used in bad faith, but other circumstances may be relevant in assessing whether a respondent's registration and use of a domain name is in bad faith. WIPO Overview 3.0, section 3.2.1.

After reviewing the file, the Panel finds that this case is clearly a case of cyber-squatting. The fact that Respondent registered 30 domain names which incorporate the same well-known Trademark, is alone sufficient to give rise to an inference of bad faith. WIPO Overview 3.0, section 3.1.4.

The content of the currently (still) active websites where the disputed domain names resolve to (or used to resolve to) websites which display the SWAROVSKI Trademark on top, in an unauthorized manner; reproduce copyrighted images taken from Complainant's website, in an unauthorized manner; offer SWAROVSKI-branded products for sale with a substantial discount, in an unauthorized manner; do not contain any note, information or disclaimer disclosing its lack of relationship with Complainant, misleading consumers into thinking that they are related; and includes copyright notices that cause confusion.

Moreover, Respondent appears to have been Respondent in more than 150 UDRP cases; it lost all of these cases.

UDRP panels have found that the non-use of a domain name (including a blank or "coming soon" page) would not prevent a finding of bad faith under the doctrine of passive holding. Having reviewed the record, the Panel finds the non-use of 21 of the disputed domain names does not prevent a finding of bad faith in the circumstances of this proceeding. While panelists will look at the totality of the circumstances in each case, factors that have been considered relevant in applying the passive holding doctrine include: (i) the degree of distinctiveness or reputation of Complainant's mark, (ii) the failure of respondent to submit a response or to provide any evidence of actual or contemplated good-faith use, (iii) respondent's concealing its identity or use of false contact details (noted to be in breach of its registration agreement), and (iv) the implausibility of any good faith use to which the domain name may be put. WIPO Overview 3.0, section 3.3. Having reviewed the record, the Panel notes the distinctiveness or reputation of Complainant's Trademark, and the composition of the disputed domain name, the implausibility of any good faith use to which the misleading disputed domain names may be put, and finds that in the circumstances of this case the passive holding of 21 of the disputed domain names does not prevent a finding of bad faith under the Policy.

Panels have held that the use of a domain name for illegal activity (e.g., the sale of counterfeit goods or illegal pharmaceuticals, phishing, distributing malware, unauthorized account access/hacking, impersonation/passing off, or other types of fraud) constitutes bad faith. WIPO Overview 3.0, section 3.4.

Taking all this into consideration, the Panel finds Respondent's registration and use of the disputed domain names constitutes bad faith under the Policy.

Based on the available record, the Panel finds the third element of the Policy has been established.

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 <orecchiniswarovskisaldi.com>, <saleswarovski.com>, <swarovski-at.com>, <swarovskiau.com>, <swarovskibijou.com>, <swarovskichile.com>, <swarovskidubai.com>, <swarovskienmexico.com>, <swarovskiespana.com>, <swarovskifactoryoutlet.com>, <swarovskihrvatska.com>, <swarovskiindia.com>, <swarovskiksa.com>, <swarovskinorge.com>, <swarovskinorde.com>, <swarovskioutletcanada.com>, <swarovskioutletschweiz.com>, <swarovskioutletsverige.com>, <swarovskioutletuk.com>, <swarovskiperu.com>, <swarovskiphilippines.com>, <swarovskipolska.com>, <swarovskisaleoutlet.com>, <swarovski-singapore.com>, <swarovskismykker.com>, <swarovskisouthafricaonline.com>,

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/Richard C.K. van Oerle/ Richard C.K. van Oerle Sole Panelist

transferred to Complainant.

Date: September 4, 2023