

ADMINISTRATIVE PANEL DECISION

Velcro IP Holdings, LLC, and Velcro USA, Inc. v. xu yan112
Case No. D2023-5146

1. The Parties

The Complainant is Velcro IP Holdings, LLC, United States of America, and Velcro USA, Inc., United States of America, represented by Foley Hoag, LLP, United States of America.

The Respondent is xu yan112, China.

2. The Domain Name and Registrar

The disputed domain name <velcroslipperstore.com> is registered with Gname.com Pte. Ltd. (the "Registrar").

3. Procedural History

The Complaint was filed in English with the WIPO Arbitration and Mediation Center (the "Center") on December 8, 2023. On December 11, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On December 12, 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) and contact information in the Complaint. The Center sent an email communication to the Complainant on December 12, 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 in English on December 15, 2023.

On December 12, 2023, the Center sent another email communication to the Parties in Chinese and English regarding the language of the proceeding. On December 12, 2023, the Complainant confirmed its request that English be the language of the proceeding. The Respondent did not submit any comment on the Complainant's submission.

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 in Chinese and English of the Complaint, and the proceedings commenced on January 3, 2024. In accordance with the Rules, paragraph 5, the due date for Response was January 23, 2024. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on January 24, 2024.

The Center appointed Karen Fong as the sole panelist in this matter on January 29, 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 and its affiliates are part of the Velcro Group of Companies, an organization which specializes in hook and loop fasteners. These fasteners are incorporated into a wide variety of products including footwear and other apparel. One of the Complainant's own and the other is the licensee of the trade mark registrations for VELCRO across many jurisdictions (for convenience, referred to as the "Complainant"). The Complainant also owns many domain names that include the trade mark VELCRO including <velcro.com>.

The Complainant's trade mark registrations for VELCRO include the following:

- United States of America Trade Mark Registration No. 1705079 for VELCRO registered on August 4, 1992;
- Chinese Trade Mark Registration No. 1039864 for VELCRO registered on June 28, 1997;
- Chinese Trade Mark Registration No. 266212 for VELCRO registered on October 20, 1986;

(together, individually and collectively referred to as the "Trade Mark").

The Respondent appears to be based in China. The disputed domain name was registered on December 3, 2022. The disputed domain name initially resolved to a website (the "Website") which purportedly sold products branded with a third party's trade mark PODOWELL and mimicked the website of the owner of the PODOWELL trade mark (a French company) located at "www.podowell.com" including using identical images. The Website, which was in French, purportedly offered for sale footwear bearing inter alia the PODOWELL trade mark at discounted prices. Following a complaint by the owner of the PODOWELL trade mark, the Website changed the "brand" from PODOWELL to FLATSOME but retained the layout and some images of the PODOWELL website. The descriptions of the footwear offered for sale on the Website included the VELCRO brand. The contact information on the Website shows details that do not tally with each other, with email addresses that do not match the purported company name and with business location in France when the Respondent has an apparent address in China.

5. Parties' Contentions

A. Complainant

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

Notably, the Complainant contends that the disputed domain name is confusingly similar to the Trade Mark, that the Respondent has no rights or legitimate interests with respect to the disputed domain name, and that the disputed domain name was registered and is being used in bad faith. The Complainant requests transfer of the disputed domain name.

B. Respondent

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

6. Discussion and Findings

6.1 Preliminary Issue: Language of the Proceeding

The language of the Registration Agreement for the disputed domain names is Chinese. Pursuant to the Rules, paragraph 11(a), in the absence of an agreement between the parties, or unless specified otherwise in the registration agreement, the language of the administrative proceeding shall be the language of the registration agreement.

The Complaint was filed in English. The Complainant requested that the language of the proceeding be English as the disputed domain name incorporate the English words "slippers" and "store", the Respondent targeted the Trade Mark and the disputed domain name was registered with the ".com" generic Top-Level Domain ("gTLD") indicating that the Respondent is likely proficient in the English language. Further the Complainant having to translate the Complaint into Chinese would unfairly disadvantage and burden the Complainant in terms of costs and delay the proceeding and adjudication of this matter.

The Respondent has not challenged the Complainant's language request and in fact has failed to file a response in either English or Chinese.

In exercising its discretion to use a language other than that of the registration agreement, the Panel has to exercise such discretion judicially in the spirit of fairness and justice to both parties, taking into account all relevant circumstances of the case, including matters such as the parties' ability to understand and use the proposed language, time and costs (see WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("[WIPO Overview 3.0](#)"), section 4.5.1).

Having considered all the matters above, the Panel determines under paragraph 11(a) of the Rules that the language of the proceeding shall be English.

6.2 Substantive Issues

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 the Complainant's trade mark and the disputed domain name. [WIPO Overview 3.0](#), section 1.7.

Based on the available record, the Panel finds the Complainant has shown rights in respect of a trade mark or service mark for the purposes of the Policy. [WIPO Overview 3.0](#), section 1.2.1.

The Panel finds the entirety of the Trade Mark is reproduced within the disputed domain name. Accordingly, the disputed domain name is confusingly similar to the Trade Mark for the purposes of the Policy. [WIPO Overview 3.0](#), section 1.7.

While the addition of the other terms here "slippers" and "store" after the Trade Mark in the disputed domain name 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 Trade Mark 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 the Respondent may demonstrate rights or legitimate interests in a disputed domain name.

While 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 often impossible 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. 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 record, the Panel finds the Complainant has established a prima facie case that the Respondent lacks rights or legitimate interests in the disputed domain name. The Respondent has not rebutted the Complainant’s 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.

Moreover, the nature of the disputed domain name is inherently misleading as it effectively impersonates or suggests sponsorship or endorsement by the Complainant. [WIPO Overview 3.0](#), section 2.5.1.

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

C. Registered and Used in Bad Faith

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 must have been aware of the Trade Mark when he registered the disputed domain name given the Trade Mark was registered prior to registration of the disputed domain name, the reputation of the Trade Mark and the fact that the Website is an unauthorized impersonation website of a third party brand owner and included the Trade Mark in the description of the products offered for sale. It is therefore implausible that the Respondent was unaware of the Complainant when he registered the disputed domain name.

In the [WIPO Overview 3.0](#), section 3.2.2 states as follows:

“Noting the near instantaneous and global reach of the Internet and search engines, and particularly in circumstances where the complainant’s mark is widely known (including in its sector) or highly specific and a respondent cannot credibly claim to have been unaware of the mark (particularly in the case of domainers), panels have been prepared to infer that the respondent knew, or have found that the respondent should have known, that its registration would be identical or confusingly similar to a complainant’s mark. Further factors including the nature of the domain name, the chosen top-level domain, any use of the domain name, or any respondent pattern, may obviate a respondent’s claim not to have been aware of the complainant’s mark.”

The fact that there is a clear absence of rights or legitimate interests coupled with the Respondent’s choice of the disputed domain name without any explanation is also a significant factor to consider (as stated in [WIPO Overview 3.0](#), section 3.2.1). The disputed domain name falls into the category stated above and the Panel finds that registration is in bad faith. The addition of the terms “slippers” and “store” after the Trade Mark further reflects that the Respondent had the Complainant in mind and was targeting it when registering

the disputed domain name as the Complainant's VELCRO products are used in footwear products including slippers.

The disputed domain name is also being used in bad faith. The Website prominently displayed the Complainant's Trade Mark and used competing third-party images. The unauthorised impersonation of a third-party website and offering for sale discounted products bearing a third party's trade mark and then changing the branding on Website following a complaint made by the third party (made known to the legal representatives of the Complainant by the legal representatives of the PODOWELL trade mark), the unauthorized references to the Trade Mark in the description of products is a clear indication of use for illegal activity. The products offered for sale are likely to be counterfeit.

Also, following a complaint made by the third party, the Complainant's VELCRO Trade Mark is also prominently displayed in several product names and descriptions advertised on the Website and does not contain any prominent and accurate disclaimer disclosing the lack of relationship between the Parties. The content of the Website is calculated to give the impression it has been authorized by or connected to the Complainant when this is not the case. The Website was set up to deliberately mislead Internet users that it is connected to, authorised by or affiliated with the Complainant. From the above, the Panel concludes that the Respondent has intentionally attempted to attract, for commercial gain, by misleading Internet users into believing that the Respondent's Website is and the products sold on it are those of or authorised or endorsed by the Complainant.

The Panel therefore finds that the disputed domain name has been registered and is being used in bad faith under paragraph 4(b)(iv) of 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 name <velcroslippersstore.com> be transferred to the Complainant.

/Karen Fong/

Karen Fong

Sole Panelist

Date: February 21, 2024