

ARBITRATION
AND
MEDIATION CENTER

# ADMINISTRATIVE PANEL DECISION

Velcro IP Holdings LLC, Velcro USA, Inc. v. danDan Wu Case No. D2023-5314

# 1. The Parties

The Complainants are Velcro IP Holdings LLC ("First Complainant") and Velcro USA, Inc. ("Second Complainant"), both of the United States of America ("United States"), represented by Foley Hoag, LLP, United States.

The Respondent is danDan Wu, China.

# 2. The Domain Name and Registrar

The disputed domain name <velcrobootsgear.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 21, 2023. On December 22, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On December 25, 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 January 2, 2024, 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 January 5, 2024.

On January 2, 2024, the Center also sent an email communication in Chinese and English to the Parties regarding the language of the proceeding. On January 4, 2024, the Complainant confirmed its request that English be the language of the proceeding. The Respondent did not comment on the language of the proceeding.

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 in Chinese and English, and the proceedings commenced on January 10, 2024. In accordance with the Rules, paragraph 5, the due date for Response was January 30, 2024. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on January 31, 2024.

The Center appointed Matthew Kennedy as the sole panelist in this matter on February 7, 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 each part of the Velcro Group of companies that produces hook and loop fasteners. The Complainants' hook and loop fasteners are incorporated into many types of consumer products, including footwear and apparel. The First Complainant holds trademark registrations for VELCRO and figurative VELCRO marks in multiple jurisdictions, including the following:

- United States trademark registration number 1705079 for VELCRO, registered on August 4, 1992, with a claim of first use in commerce in 1956, specifying goods in class 24; and
- Chinese trademark registrations numbers 266212 and 1039864, both for VELCRO, registered on October 20, 1986 and June 28, 1997, respectively, specifying goods in classes 6 and 26, respectively.

The above trademark registrations are current. The Second Complainant is the licensee of the First Complainant's marks in the United States. The Second Complainant has also registered multiple domain names that include the term "velcro", such as <velcro.com>, registered on November 2, 1994, that it uses in connection with a website where it provides information about the Velcro Group and its products.

The Respondent is an individual based in China.

The disputed domain name was registered on January 17, 2023. It resolves to a website in English titled "Yellove" that offers children's slippers, sneakers, and snow boots for sale. The products' fastenings include laces, drawstring, and what appear to be Velcro, while others are laceless. Some of the product descriptions include the term "Velcro" to refer to the shoes' fasteners. The footwear brands include Emel, Fiorino, and ULLI. The contact address is in the United States. Prices are displayed in USD.

#### 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 confusingly similar to the VELCRO mark in which they both have rights. The Respondent has no rights or legitimate interests in respect of the disputed domain name. The Respondent is neither an agent nor a licensee of the Complainants. There are strong indications that the website to which the disputed domain name resolves is not part of any legitimate business enterprise. The disputed domain name was registered and is being used in bad faith.

### **B.** Respondent

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

#### 6. Discussion and Findings

#### 6.1 Procedural Issues

# A. Consolidation: Multiple Complainants

The Complaint was filed by two complainants against a single respondent. Both Complainants form part of the same corporate group and each of them has rights in the VELCRO trademark: the First Complainant as owner and the Second Complainant as licensee. The Second Complainant also operates the group's websites. Accordingly, the Panel finds that the Complainants have a common grievance against the disputed domain name registrants and that it is efficient to permit the consolidation of their complaints. Therefore, the Complainants are referred to below collectively as "the Complainant" except as otherwise indicated.

### B. Language of the Proceeding

The language of the Registration Agreement for the disputed domain name 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 and amended Complaint were submitted in English. The Complainant requests that the language of the proceeding be English. Its main reasons are that the Respondent targeted the Complainants' VELCRO trademark; the Respondent incorporated the English words "boots" and "gear" in the disputed domain name; and the content of the website associated with the disputed domain name is entirely in English. Therefore, the Respondent is proficient enough in the English language for this proceeding to be conducted in English whereas requiring the Complainants to translate all submissions would incur unnecessary delays and translation costs.

Despite the Center having sent an email regarding the language of the proceeding and the notification of complaint in both Chinese and English, the Respondent did not comment on the language of the proceeding or express any interest in otherwise participating in this proceeding.

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

Paragraph 4(a) of the Policy provides that the Complainant must prove each of the following elements with respect to each disputed domain name:

- (i) the disputed domain name is identical or confusingly similar to a trademark or service mark in which the Complainant has rights; and
- (ii) the 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.

The burden of proof of each element is borne by the Complainant.

#### 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 trademark and the disputed domain name. See <u>WIPO Overview 3.0</u>, section 1.7.

The Complainant has shown registered rights in respect of the VELCRO trademark. See WIPO Overview 3.0, section 1.2.1.

The entirety of the mark is reproduced within the disputed domain name. Although the addition of other terms (here, "boots" and "gear") may bear on assessment of the second and third elements, the Panel finds that the addition of such terms does not prevent a finding of confusing similarity between the disputed domain name and the mark for the purposes of the Policy because the mark remains clearly recognizable within the disputed domain name. The disputed domain name also includes the generic Top-Level ("gTLD") extension (".com") which, as a standard requirement of domain name registration, may be disregarded in the assessment of confusing similarity. Accordingly, the Panel finds that the disputed domain name is confusingly similar to the VELCRO mark. See <u>WIPO Overview 3.0</u>, sections 1.7, 1.8, and 1.11.

Therefore, 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.

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. See <a href="WIPO Overview 3.0">WIPO Overview 3.0</a>, section 2.1.

In the present case, the disputed domain name resolves to an online store offering for sale children's slippers, sneakers, and snow boots. The Complainant alleges that there are strong indications that the website is not part of a legitimate business enterprise. However, the Panel finds the evidence on this point inconclusive. For example, the "random discounts" on offer would not necessarily exceed the sale prices if they were applied to larger volume purchases. The contact email address refers to a business that sells footwear on eBay. There is no evidence regarding the relationship (or lack thereof) between the Respondent and the third party brand in the title of the Respondent's website. Therefore, the Panel will assume arguendo that the Respondent's website is part of a legitimate business enterprise. The disputed domain name combines the VELCRO trademark with the words "boots" and "gear". VELCRO fasteners do appear to be a component of footwear on the associated website. There seems to be no simple or readily understandable way to inform customers that the fastening on footwear is VELCRO without using that whole mark in combination with a description of the product of which it is a component. The associated website uses the mark in non-stylized form in product descriptions without using any of the Complainant's figurative VELCRO marks or otherwise implying affiliation or sponsorship. However, much of the footwear offered for

<sup>&</sup>lt;sup>1</sup> The Panel notes its general powers articulated inter alia in paragraphs 10 and 12 of the Rules and has conducted a basic Google search for the name of the business indicated in the contact email address and "shoes" in order to verify the Complainant's assertion that it "bears no relation to a purported online business selling footwear". The Panel considers this process of verification useful in assessing the request for consolidation of the disputes regarding these domain names. See <u>WIPO Overview 3.0</u>, section 4.8.

sale on the associated website does not have VELCRO fasteners at all. Rather, many products are lace-up, drawstring, or laceless. The disputed domain name operates by attracting Internet users looking for boots or gear with the Complainant's VELCRO fasteners and diverting them to products with different fastening, or none at all. Accordingly, this does not constitute a use of the disputed domain name in connection with a bona fide offering of goods and services, nor a legitimate noncommercial or fair use of the disputed domain name.

Further, the Registrar has confirmed that the Respondent's name is "danDan Wu", which does not resemble the disputed domain name. Nothing in the record indicates that the Respondent is commonly known by the disputed domain name.

Having reviewed the available 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.

Based on the 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. The fourth of these is as follows:

"(iv) by using the [disputed] domain name, [the Respondent has] intentionally attempted to attract, for commercial gain, Internet users to [the Respondent's] 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 [the Respondent's] web site or location or of a product or service on [the Respondent's] web site or location."

The disputed domain name was registered in 2023, decades after the registration of the Complainant's VELCRO mark, including in China, where the Respondent is based. VELCRO is a coined term. The disputed domain name combines the VELCRO mark with the words "boots" and "gear". Some of the product descriptions include the term "Velcro" to refer to the footwear fastening. According to evidence presented by the Complainant, it has made longstanding and extensive use of its mark, it has a manufacturing plant in China, and numerous online dictionaries in Chinese define "Velcro" as a brand. The Respondent has not denied awareness that VELCRO is the Complainant's mark. These circumstances give the Panel reason to find that the Respondent knew, or should have known, of the Complainant's mark when she registered the disputed domain name.

As regards use, the disputed domain name resolves to an online store that offers for sale children's slippers, sneakers, and snow boots for sale. The fastening on only some of the footwear appears to be VELCRO. The Panel considers that the disputed domain name operates by attracting Internet users looking for boots or gear with the Complainant's VELCRO fasteners and diverting them to products with different fastening, or none at all, for commercial gain. Accordingly, the Panel finds that the facts of this case fall within the terms of paragraph 4(b)(iv) of the Policy.

Therefore, 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 <velcrobootsgear.com> be transferred to the Complainant.

/Matthew Kennedy/
Matthew Kennedy
Sole Panelist

Date: February 16, 2024