

ARBITRATION AND MEDIATION CENTER

# ADMINISTRATIVE PANEL DECISION

LEGO Juris A/S v. 任泽群 (renzequn), 武汉市洪山区泽恩百货经营部 (wu han shi hong shan qu ze en bai huo jing ying bu) Case No. D2024-0836

# 1. The Parties

The Complainant is LEGO Juris A/S, Denmark, represented by CSC Digital Brand Services Group AB, Sweden.

The Respondent is 任泽群 (renzequn), 武汉市洪山区泽恩百货经营部 (wu han shi hong shan qu ze en bai huo jing ying bu), China.

# 2. The Domain Name and Registrar

The disputed domain name <zenelego.com> is registered with Alibaba Cloud Computing Ltd. d/b/a HiChina (www.net.cn) (the "Registrar").

# 3. Procedural History

The Complaint was filed in English with the WIPO Arbitration and Mediation Center (the "Center") on February 26, 2024. On February 26, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On February 27, 2024, 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 (Registrant name not disclosed) and contact information in the Complaint. The Center sent an email communication to the Complainant on February 27, 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 February 28, 2024.

On February 27, 2024, the Center informed the parties in Chinese and English, that the language of the registration agreement for the disputed domain name is Chinese. On February 28, 2024, the Complainant confirmed its request that English be the language of the proceeding. On the same day, the Respondent objected to the Complainant's request, and requested that Chinese be 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, and the proceedings commenced on February 29, 2024. In accordance with the Rules, paragraph 5, the due date for Response was April 13, 2024. The Respondent sent several email communications to the Center on February 27, February 28, and March 10, 2024. In the email of March 10, 2024, the Respondent expressed their willingness for reaching a settlement. Accordingly, the Center sent the Possible Settlement email to the Parties on March 11, 2024. On March 12, 2024, the proceeding was suspended for settlement talks further to the Complainant's request. On April 5, 2024, the Complainant requested to reinstitute the proceeding since the Parties were unable to reach a settlement. The proceeding was reinstated on the same day. The Response was filed with the Center on April 12, 2024.

The Center appointed Deanna Wong Wai Man as the sole panelist in this matter on April 18, 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 Complainant is the company manufacturing and commercializing the LEGO-branded construction toys and other LEGO-branded products. The Complainant's licensees are authorized to exploit the Complainant's intellectual property rights, including its trademark rights, in China and elsewhere. Over the years, the Complainant's business of making and selling LEGO branded toys has grown remarkably. The Complainant has subsidiaries and branches throughout the world, and LEGO products are sold in more than 130 countries, including in China, the jurisdiction where the Respondent is located. The Complainant's products and brands have received worldwide recognition and accolades, for example, the Reputation Institute recognized the LEGO Group as number 1 on its list of the world's Top 10 Most Reputable Global Companies of 2020.

The Complainant has a large international trademark portfolio for the LEGO marks registered in different jurisdictions, including Japanese Trademark Registration No. 520470, registered on May 21, 1958, and Chinese Trademark Registration No. 75682, registered on December 22, 1976. The Complainant also has a strong online presence and is the owner of approximately 6,000 domain names containing the mark LEGO.

The disputed domain name was registered on July 3, 2023, and is therefore of a later date than the abovementioned trademarks of the Complainant. The Complainant submits evidence that the disputed domain name directs to an active website, essentially offering for sale light kits, power functions and remote control brushless products, which are particularly listed and marketed as for use with LEGO-branded products such as LEGO construction sets. The Panel notes that the disputed domain name currently redirects Internet users to a newly registered domain name, namely <zenebricks.com>, containing a nearly identical website.

The Respondent is an individual based in China and is, based on the Response and the contents of the website linked to the disputed domain name, currently doing business under the trade name "Zene". The Respondent currently describes its company on its website linked to the disputed domain name as a company "creating compatible LEGO brick sets founded in 2021, driven by a deep passion for creativity and innovation". Furthermore, based on the Complainant's evidence, the Respondent previously described his company as a "LEGO expansion company founded in 2021".

## 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 LEGO marks, as it contains the LEGO mark in its entirety. The Complainant also claims that the Respondent has no rights or legitimate interests in respect of the disputed domain name since the Respondent is not a licensee of the Complainant, and the Complainant has not given the Respondent any permission to register the trademark as a domain name, nor is there any evidence that the Respondent has been commonly known by the disputed domain name, and the Complainant also argues that the Respondent has not used, or prepared to use, the disputed domain name in connection with a bona fide offering of goods and/or services or for any legitimate noncommercial or fair purpose.

Particularly, the Complainant argues that the Respondent has intentionally chosen a domain name based on the LEGO registered trademarks in order to generate traffic and income through a website which offers for sale products that both compliment and directly compete with Complainant's own offerings. The Complainant also argues that the Respondent even attempted to create an association between itself and Complainant by referring to itself as an "expansion company" of the Complainant. In doing so, the Complainant argues that the Respondent is using the Complainant's trademark to mislead Internet users to its own commercial website. Furthermore, the Complainant contends that the Respondent is selling motors and similar goods under the category "power functions", while the Complainant, on its main website found at <lego.com> also offers motors as well as other similar goods under the same "power functions" category. In this regard the Complainant states that selling competing goods, coupled with the unauthorized use of the Complainant's trademarks in a confusingly similar domain name, does not qualify as a bona fide offering of goods or services under the Policy, 4(c)(iii).

As to bad faith, the Complainant essentially argues that its LEGO marks have been held to be world famous in many prior panel decisions under the UDRP and that it is obvious that it is the fame of the trademark that has motivated the Respondent to register the disputed domain name. The Complainant also contends that the Respondent is using the disputed domain name to intentionally attempt to attract Internet users to a website for commercial gain, by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation or endorsement of its website. As to the disclaimer on the Respondent's website, the Complainant argues that the presence of a disclaimer on the disputed domain name's individual product pages makes it abundantly clear that Respondent knew of the Complainant when registering and using the disputed domain name, and that the Respondent selected the disputed domain name to intentionally confuse unsuspecting Internet users into visiting its website.

Finally, the Complainant also highlights that the Respondent refused to answer to its cease-and-desist letters despite various reminders.

## **B. Respondent**

The Respondent contends that the Complainant has not satisfied the elements required under the Policy for a transfer of the disputed domain name.

The Respondent contends that they have conducted their domain name registration in a legal and compliant manner, with real-name authentication and business certificate on July 3, 2023, and that they passed the relevant management legal review and domain name platform verification of China. The Respondent states that the disputed domain name's registration information is true and valid and can be checked and verified through official channels.

The Respondent argues that its products are purely for additional expansion and modification, providing creative and DIY solutions, and do not have any competitive relationship with the Complainant's products. The Respondent states that although the disputed domain name contains the letters "lego", these letters are located at the end of the disputed domain name and are clearly distinguished from the LEGO trademark, and the website logo also clearly and prominently displays the Respondent's "zene" logo.

The Respondent also states that each key page of the website linked to the disputed domain name contains a disclaimer, which prominently reminds visitors that the products are "non-LEGO" products and details the differences between the products and LEGO in a separate module. The Respondent argues that they have never tried to imitate or pretend to be the LEGO brand but have only aimed to provide users with LEGO brick modification accessories and creative solutions, rather than being in a competitive relationship with the Complainant.

#### 6. Discussion and Findings

#### 6.1. Preliminary Issue: 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, subject to the authority of the Panel to determine otherwise, having regard to the circumstances of the administrative proceeding.

The Complaint was filed in English. The Complainant requested that the language of the proceeding be English for several reasons, including the fact that the Complainant states that it is unable to communicate in Chinese and translation of the Complaint would unfairly disadvantage and burden the Complainant and delay the proceedings and adjudication of this matter; the allegation that additional delay poses continuing risk to the Complainant and unsuspecting consumers seeking the Complainant or its products; the fact that the disputed domain name is comprised of Latin characters; the fact that the website found at the disputed domain name is entirely in English and has no Chinese version; the fact that the term LEGO, which is the dominant portion of the disputed domain name, does not carry any specific meaning in the Chinese language and the fact that the Complainant previously sent a cease-and-desist letter to the Respondent.

The Respondent requested that the language of the proceeding be Chinese for several reasons, including the fact that the place and platform of registration are all in a Chinese environment, and Chinese should be given priority given the fact that the Registration Agreement was in Chinese; the fact that the Respondent states they are a small team and although the content of the website contains a lot of English, that was the responsibility of the content description staff and the Respondent's team for this case does not have sufficient proficiency in English to respond fairly in that language; the argument that English is more appropriate for the Complainant and ignores the interests of the Respondent and the argument that whether or not the disputed domain name has been abused has not yet been adjudicated by the Panel and should not be used as an argument by the Complainant for language selection.

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. To reach this determination, the Panel gave specific weight to the argument that the Respondent's website at the disputed domain name is entirely and exclusively in English and the fact that in the Response, the Respondent responded specifically to the Complainant's arguments, from which the Panel deducts that the Respondent clearly has sufficient understanding of English, or at least could understand the Complainant's contentions. Nevertheless, in the spirit of fairness and justice to both parties, the Panel accepts the Response and all other documents and communications filed in Chinese in this proceeding, and does not require a translation thereof, see <u>WIPO Overview 3.0</u>, section 4.5.2.

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

Based on the available record, the Panel finds the 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 Complainant's LEGO mark is reproduced within the disputed domain name. Accordingly, the disputed domain name is confusingly similar to the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.7.

The Panel does not agree with the Respondent's argument that the "lego" characters are located at the end of the disputed domain name and are clearly distinguished from the LEGO trademark, since the disputed domain name fully incorporates the LEGO trademark and is therefore considered confusingly similar to that mark.

Although the addition of other terms, here, the Respondent's apparent trade name "zene", 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 mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, 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. As to those elements of assessment of the Respondent's rights or legitimate interests under paragraph 4(c) of the Policy, the Panel finds that in this case, it is not contested by the Parties that the Respondent is not commonly known under the disputed domain name and that the Respondent is making a commercial use of the disputed domain name.

Furthermore, in this case, the Respondent essentially argues that it has obtained the disputed domain name in a legal and compliant manner, and that its products are purely for additional expansion and modification, providing creative and DIY solutions, and do not have any competitive relationship with the Complainant's products. Additionally, the Respondent argues that each key page of the website linked to the disputed domain name contains a disclaimer and that the Respondent has never tried to imitate or pretend to be the LEGO brand, but has only aimed to provide users with LEGO brick modification accessories and creative solutions, rather than being in a competitive relationship with the Complainant.

However, while the Panel understands the potential sincere intentions the Respondent may have for its business, the Panel does not agree with the Respondent's contentions under the Policy.

Firstly, the Panel finds that the mere successful registration of a domain name does not create any relevant rights or legitimate interests in such domain name, as is the settled view of panels applying the Policy, see for instance *Pharmacia & Upjohn Company v. Moreonline*, WIPO Case No. <u>D2000-0134</u>, "mere registration does not establish rights or legitimate interests in the disputed domain name".

Furthermore, the Panel accepts the Complainant's argument that the Respondent's products are at least partially competing with the Complainant's products. In fact, the Respondent is not only selling lighting products which may be complementary to the Complainant's products, but is also selling motors and similar goods under the category "power functions". The Complainant, on its main website found at <lego.com>,

also offers for sale motors as well as other similar goods under the same "power functions" category. The Panel therefore finds that the Respondent is selling a number of competing goods by reference to the Complainant's famous trademarks, which are fully incorporated in the disputed domain name and in the product descriptions of the Respondent's products. The Panel finds that such actions cannot qualify as a bona fide offering of goods or services under the Policy.

Additionally, as to the disclaimer used by the Respondent, the Panel notes that such disclaimers are entirely absent from the Respondent's homepage and are only present on the lower right-hand side of the disputed domain name's individual product pages, and are also not sufficiently prominent or eye-catching. The Panel finds that such use of a disclaimer present only to a limited extent is not capable of impeding or reducing the risk of confusion of consumers or the risk of an appearance of approval, license or association between the Respondent and the Complainant, especially upon entering the website, after being attracted to it based on the disputed domain name, which incorporates the Complainant's trademark in its entirety. This finding is reinforced by the fact that the Respondent described itself as "a LEGO expansion company" in its "About Us" section of its website linked to the disputed domain name, which suggests an affiliation or business connection with the Complainant.

Finally, the Panel also notes that the Respondent has started to redirect Internet users from the disputed domain name to the to a newly registered domain name, namely <zenebricks.com>, showing that it is possible to conduct its business without the inclusion of the Complainant's famous trademark in its domain name.

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 has registered the disputed domain name which is confusingly similar to the Complainant's well-known, intensely used and distinctive trademarks for LEGO. The Panel refers to many prior decisions under the Policy which have recognized the internationally wellknown nature of these trademarks (including in the Respondent's jurisdiction China), see for instance LEGO Juris A/S v. Level 5 Corp, WIPO Case No. D2008-1692. The Panel deducts from this fact that by registering the disputed domain name, the Respondent deliberately and consciously targeted the Complainant's prior internationally well-known trademarks for LEGO. The Panel finds that this creates a presumption of bad faith. In this regard, the Panel refers to the WIPO Overview 3.0, section 3.1.4, which states "[p]anels have consistently found that the mere registration of a domain name that is identical or confusingly similar (particularly domain names comprising typos or incorporating the mark plus a descriptive term) to a famous or widely-known trademark by an unaffiliated entity can by itself create a presumption of bad faith." Furthermore, the Panel also notes that the Complainant's trademarks were registered many years before the registration date of the disputed domain name and notes that it is crystal clear from the Respondent's business (which is selling products which are for use with LEGO-branded products) that the Respondent had full knowledge of the Complainant's earlier trademark rights in the LEGO marks. In the Panel's view, these elements indicate bad faith on the part of the Respondent, and the Panel therefore finds that it has been demonstrated that the Respondent registered the disputed domain name in bad faith.

As to use of the disputed domain name in bad faith, the Panel finds that the Respondent is using the disputed domain name to intentionally attempt to attract Internet users to a website for commercial gain (i.e., the sales of the Respondent's products), by creating a likelihood of confusion with the Complainant's trademark LEGO as to the source, sponsorship, affiliation or endorsement of the Respondent's website. This constitutes direct evidence of use in bad faith under paragraph 4(b)(iv) of the Policy. As stated above, the Respondent's use of certain disclaimers which were not sufficiently prominent and only visible on the

particular product pages was not capable of preventing a finding of use in bad faith in this case. The Panel also notes that a disclaimer would remain under Respondent's control who can change it at any point.

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 <zenelego.com> be transferred to the Complainant.

/Deanna Wong Wai Man/ Deanna Wong Wai Man Sole Panelist Date: April 26, 2024