

ADMINISTRATIVE PANEL DECISION

Velcro IP Holdings LLC, Velcro USA Inc. v. XYZ Industrial Co., Limited,
XYZPromo, Lisa Zhang
Case No. D2024-2555

1. The Parties

The Complainants are Velcro IP Holdings LLC and Velcro USA Inc., United States of America (“United States”), represented by Foley Hoag, LLP, United States.

The Respondents are XYZ Industrial Co., Limited, Hong Kong, China, Lisa Zhang, China, and XYZPromo, Germany.

2. The Domain Names and Registrars

The disputed domain names <custom-velcro.com>, <custom-velcro-straps.com>, <skivelcro.com>, and <velcro-ski-straps.com> are registered with INWX GmbH & Co. KG.

The disputed domain name <printed-velcro-cable-ties.com> is registered with CloudFlare, Inc. (Altogether the “Registrars”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on June 21, 2024. On June 24, 2024, the Center transmitted by email to the Registrars a request for registrar verification in connection with the disputed domain names. On June 25, 2024, the Registrars transmitted by email to the Center their verification responses disclosing registrant and contact information for the disputed domain names which differed from the named Respondent (Redacted for Privacy) and contact information in the Complaint.

The Center sent an email communication to the Complainants on June 28, 2024, with the registrant and contact information of nominally multiple underlying registrants revealed by the Registrars, requesting the Complainants to either file separate complaint(s) for the disputed domain names associated with different underlying registrants or alternatively, demonstrate that the underlying registrants are in fact the same entity and/or that all domain names are under common control. The Complainants filed an amended Complaint on July 1, 2024.

On June 28, 2024, the Center informed the parties in German and English, that the language of the registration agreement for the disputed domain names <custom-velcro.com>, <custom-velcro-straps.com>,

<skivelcro.com>, and <velcro-ski-straps.com> is German. On June 28, 2024, the Complainants confirmed their request that English be the language of the proceeding. The Respondents 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 Respondents of the Complaint, and the proceedings commenced on July 4, 2024. In accordance with the Rules, paragraph 5, the due date for Response was July 24, 2024. The Respondents did not submit any response. Accordingly, the Center notified the Respondents' default on July 25, 2024.

The Center appointed Willem J. H. Leppink as the sole panelist in this matter on August 2, 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 following facts are undisputed.

The Complainants are part of a globally operating group of companies, which is the industry leader in hook-and-loop fastener technology, known primarily for its VELCRO trademark. Offerings range from standard fastening tapes of woven and knit construction to custom-designed specialty fasteners featuring a range of performance characteristics, materials, sizes and shapes. Its hook and loop fasteners are incorporated into countless types of consumer products, including but not limited to footwear and other apparel. Where there is no useful purpose for referring to individual Complainants, the Panel will refer in singular to the "Complainant".

The Complainant is the owner of over three hundred trademark registrations in more than 130 countries around the world, including the United States, China and Hong Kong, China. The Complainant is the owner of a number of trademark registrations for the word mark VELCRO, including, but not limited to the following United States trademark registrations:

- VELCRO, with registration number 1705079, registered on August 4, 1992, for goods in class 24;
- V VELCRO (AND DESIGN), with registration number 4112517, registered on March 13, 2012, for goods in class 24;
- VELCRO, with registration number 4068386, registered on December 6, 2011, for goods in class 22; and the following Chinese trademark registrations:
- VELCRO, with registration number 1039864, registered on Jun 28, 1997, for goods in class 26;
- VELCRO, with registration number 266212, registered on October 20, 1986, for goods in class 6;
- VELCRO (in Chinese characters) with registration number 4512699, registered on December 7, 2008, for goods in class 26;
- 维克罗 (VELCRO in Chinese characters) with registration number 4512696, registered on December 7, 2008, for goods in class 26.

All of these registrations, which will also be referred to in singular as the "Trademark", predate the registration of the disputed domain names in the years of 2022 and 2023.

The Complainant also features its Trademark in its hundreds of its Internet domain names, including without limitation the domain name <velcro.com>.

The disputed domain names were all registered between December 2022 and November 2023.

The disputed domain names <custom-velcro.com>, <custom-velcro-straps.com>, <skivelcro.com>, <velcro-ski-straps.com> and <printed-velcro-cable-ties.com> were registered on respectively November 3, 2023, March 8, 2023, March 5, 2023, and December 7, 2022.

At the moment of rendering this Decision, only the disputed domain name <printed-velcro-cable-ties.com> resolves to an active website offering multiple products under the Trademark. The other disputed domain names resolve to an inactive website. Before, these disputed domain names resolved to websites containing use of the Trademark. The Trademark was also depicted in multiple product names and descriptions advertised on the websites of the disputed domain names. Furthermore, the websites of the disputed domain names used the Trademark to sell products containing fasteners of the type manufactured and sold by the Complainant, which are neither manufactured by nor authorized by the Complainant.

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 names.

Notably, the Complainant contends the following.

The disputed domain names are confusingly similar to the Trademark. The disputed domain names incorporate the Trademark in its entirety. The addition of the descriptive terms does not change the overall impression and does not make the disputed domain names any less confusingly similar to the Trademark.

The Respondents have no rights or legitimate interests in the disputed domain names. The Respondents are not affiliated with or connected to the Complainant in any way. The Respondents are neither an agent nor a licensee of the Complainant, and therefore have no right to the use of the Trademark in the disputed domain names. The Respondents have not demonstrated that they have rights or a legitimate interests in disputed domain names. Further to this, the Respondents used the Trademark extensively on the websites to which the disputed domain names resolved. The Trademark was mostly used in product names and descriptions, however, all these products were not manufactured by nor authorized by the Complainants in any way. Panels have categorically held that the use of a domain name for illegal activity can never confer rights or legitimate interests. Regardless, even if the Respondents were using the domains to actually sell goods, such use cannot be considered a bona fide offering of goods or services. The offering of goods and services in association with an infringing trademark use does not constitute a bona fide offering of goods and services within the meaning of Policy paragraph 4(c)(i).

The Respondent has not used, and is not using or preparing to use, the disputed domain names in connection with bona fide offerings of goods or services. Instead, upon the Complainant's discovery of the disputed domain names, there are strong indications that the websites to which the disputed domain names resolved are not part of any legitimate business enterprise. The websites to which the disputed domain names resolved do not clearly identify the person or entity behind the supposed sale of goods. The "About" sections of the websites of the disputed domain names do not mention the company or companies selling the goods or operating the websites, and the business addresses listed in the websites' respective "Contact Us" sections do not list a company name.

The Complainant found that the websites to which the disputed domain names contain countless uses of the Trademark, and attempts to fraudulently represent that the websites are actually websites published by, or sanctioned by, the Complainant. However, at no time has the Complainant ever licensed or authorized the Respondents to use the Trademark.

The Respondents should be considered as having registered and used the disputed domain names in bad faith. It is a virtual certainty that the Respondents were aware of the Complainant and the nature of the Complainant's business when the Respondents registered the disputed domain names. The particularity of

the disputed domain names and their similarity to the Complainant's Trademark and the Complainant's multiple domain names incorporating the Trademark evinces that the Respondents had actual notice of the Complainant's mark prior to registering the disputed domain names. Furthermore, the Respondents have registered and used the disputed domain names to operate potentially fraudulent websites, and/or websites that otherwise infringe the Complainant's rights in the Trademark. The disputed domain names and their corresponding websites reflect the hallmarks of what Panels often recognize as clear indicia of bad faith use and registration, such as the incorporation of a complainant's trademark plus a descriptive term in the domain name and the lack of any conceivable good-faith use.

B. Respondents

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

6. Discussion and Findings

6.1. Preliminary Matter: Consolidation of Multiple Domain Names

The present proceeding involves the Complainant bringing a single Complaint relating to five domain names against three respondents. The Complainant has made a request for consolidation and, in accordance with section 4.11 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("[WIPO Overview 3.0](#)"), thus bears the onus of establishing that such a consolidation is justified.

The Panel is satisfied that such consolidation is justified, based on the evidence brought forward by the Complainant. The Complainant alleges that the disputed domain name registrants are the same entity or mere alter egos of each other, or under common control. Second, all the websites to which the disputed domain names resolve have highly similar layouts. Third, the websites of the disputed domain names have virtually identical contact information. Lastly, all the disputed domain names follow similar naming patterns as they all incorporate the Trademark and use a combination of descriptive terms. Therefore, the commonalities documented between the disputed domain names give the implication that the control of the disputed domain names and subsequent profits resulting from this activity are received by a single entity. The Complainant requests the consolidation of the Complaint against the multiple disputed domain name registrants pursuant to paragraph 10(e) of the Rules.

In light of these considerations, and it particular that the Respondent is most likely the same person, the Panel will therefore hereafter refer to them in singular as the "Respondent".

6.2. Preliminary Matter: Language of the Proceeding

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 registration agreement for the disputed domain name <printed-velcro-cable-ties.com> is in English and although the registration agreement of the disputed domain names <custom-velcro.com>, <custom-velcro-straps.com>, <skivelcro.com>, and <velcro-ski-straps.com> is in German, the Complainant requested that the language of the proceeding be English for several reasons:

- (1) All the disputed domain names are comprised of Latin characters and include English words;
- (2) The Respondent is manifestly proficient enough in the English language, based on its widespread use of English on its websites and within the disputed domain names.

The Respondent did not comment on the Complainant's request for the language of the proceeding be English.

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 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. The Panel, however, wishes to note that the Complainant's argument for a change of the language of the proceedings from German to English, that all the disputed domain names are comprised of Latin characters, of course does not make sense as also the German language uses Latin characters.

6.3. Substantive Matter

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. [WIPO Overview 3.0](#), section 1.7.

The Complainant has shown rights in respect of a trademark or service mark for the purposes of the Policy. [WIPO Overview 3.0](#), section 1.2.1.

The entirety of the 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. [WIPO Overview 3.0](#), section 1.7.

Although the addition of other terms here, "custom", "straps", "ski", "ski-straps", "printed" and "cable-ties" may bear on assessment of the second and third elements, the Panel finds the addition of such terms does 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.

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. [WIPO Overview 3.0](#), section 2.1.

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 names. 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 names such as those enumerated in the Policy or otherwise.

Panels have held that the use of a domain name for illegal activity here, claimed: sale of counterfeit goods or, impersonation/passing off can never confer rights or legitimate interests on a respondent. [WIPO Overview 3.0](#), section 2.13.1.

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 clearly attempted to impersonate the Complainant and its official websites. As such the Respondent had intentionally attempted to attract, for commercial gain, Internet users by creating likelihood of confusion with the Complainant's mark.

Panels have held that the use of a domain name for illegal activity as described above constitutes bad faith. [WIPO Overview 3.0](#), section 3.4. Having reviewed the record, which includes the fact that the Respondent failed to reply to the allegations made by the Complainant, as well as the apparently false address details of the Respondent, the Panel finds the Respondent's registration and use of the disputed domain names constitutes bad faith under the Policy.

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 names <custom-velcro.com>, <custom-velcro-straps.com>, <printed-velcro-cable-ties.com>, <skivelcro.com>, <velcro-ski-straps.com> be transferred to the Complainant.¹

/Willem J. H. Leppink/

Willem J. H. Leppink

Sole Panelist

Date: August 16, 2024

¹ As the Complaint does not indicate to which of the two Complainants the disputed domain names should be transferred, the two Complainants should designate one of them by advising the Registrars.