

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Vorwerk International AG v. Luigi Esposito, R.R. Folletto Case No. D2024-4138

1. The Parties

The Complainant is Vorwerk International AG, Switzerland, represented by Moeller IP & Co S.A., Argentina.

The Respondent is Luigi Esposito, R.R. Folletto, Italy.

2. The Domain Name and Registrar

The disputed domain name <follettorigenerato.com> (the "Domain Name") is registered with Tucows Inc. (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on October 8, 2024. On October 9, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Name. On October 9, 2024, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the Domain Name which differed from the named Respondent ("UNKNOWN / Contact Privacy Inc. Customer 0158118979" and contact information in the Complaint. The Center sent an email communication to the Complainant on October 10, 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 on October 14, 2024.

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 October 16, 2024. In accordance with the Rules, paragraph 5, the due date for Response was November 5, 2024. The Respondent sent email communications to the Center on October 15, 2024, October 20, 2024, November 4, 2024, and November 13, 2024. The Center commenced the panel appointment process on November 13, 2024.

The Center appointed Ian Lowe as the sole panelist in this matter on November 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.

The Respondent sent further emails to the Center on November 19, 2024.

4. Factual Background

The Complainant is a member of the Vorwerk Group, which was established over 140 years ago and is a global leader in the direct sales industry, renowned for its high-quality household appliances. In 2021, the Vorwerk Group generated a turnover of EUR 3.4 billion. It has a global presence in over 60 countries. Its extensive sales network includes more than 100,000 representatives worldwide.

One of the core divisions of Vorwerk Group is Kobold, which operates in 11 countries across Europe and Asia through its national subsidiaries. In Italy, the Kobold is marketed under the brand FOLLETTO, which Vorwerk introduced in 1938 when it first established its presence in the country. Vorwerk Folletto dominates the vacuum cleaner market in Italy, where it achieved sales of EUR 428 million in 2023.

The Complainant (or associate members of the Vorwerk Group) is the proprietor of a number of registered trademarks comprising FOLLETTO, including Germany trademark number 636694 FOLLETTO registered on April 13, 1953; Italy trademark number 0001138515 registered on September 9, 2008; and European Union trademark number 011106176 registered on May 13, 2013.

The Complainant owns the <folletto.it> and <folletto.eu> domain names that both resolve to its website at "www.vorwerk.com" promoting and offering for sale its FOLLETTO products.

The Domain Name was registered on May 29, 2020. It resolves to a website in Italian offering for sale a substantial range of refurbished or nearly new FOLLETTO products, including parts and accessories. It also offers for sale spare parts and accessories for BIMBY food processors, also manufactured by the Vorwerk Group. The website prominently features the FOLLETTO mark and is operated by the Respondent that claims annual turnover in products from the site of EUR 400,000. The banner of all the pages of the website includes the following image in the top right-hand corner, with the trademark FOLLETTO in a much bigger font than the word "RIGENERATO" beneath.



5. Parties' Contentions

A. Complainant

The Complainant contends that the Domain Name is confusingly similar to its FOLLETTO trademark (the "Mark"), that the Respondent has no rights or legitimate interests in respect of the Domain Name, and that the Respondent registered and is using the Domain Name in bad faith.

In particular, the Complainant submits that:

- The Respondent has never been an official distributor, reseller or service provider of the Complainant's products.
- The Respondent fails to disclose the relationship, or lack of relationship, between itself and the Complainant.
- By operating a website at the Domain Name, the Respondent creates a false impression that it is an authorized reseller or service provider of the Complainant.

- By registering a domain name substantially similar to the Complainant's trademark, the Respondent is attempting to benefit from the Complainant's established reputation and goodwill and attract visitors to its website by misleading consumers into believing that the website at the Domain Name is operated by or authorized by the Complainant.
- The products and services offered on the Respondent's website may not meet the safety and quality standards of the original products provided by the Complainant, which not only damages the Complainant's reputation but also poses a potential risk to the health and safety of consumers misled by the Respondent's website.

B. Respondent

The Respondent did not reply formally to the Complainant's contentions. However, in emails to the Center between October 15 and November 13, 2024, it put forward a number of submissions and issues, a summary of which is as follows:

- The Italian courts have held that under trademark law a trademark owner cannot prevent a third party using the trademark in question for a domain name unless the relevant products or services are identical or similar.
- The Respondent sells refurbished FOLLETTO products which are not the same as new or latest generation FOLLETTO products.
- The Respondent spends many thousands of euros purchasing spare parts from the Complainant.
- The Complainant wants to take over the Domain Name because the Respondent's business is highly regarded, and the Complainant is suffering a fall in sales of new products and wants to set up a website where it can sell refurbished products.
- The Respondent pays a lot of money to Google to rank highly in searches for "folletto."
- The Respondent makes a profit of around EUR 10 to 15,000 per month refurbishing 200 or 250 vacuum cleaners and will have no business if the Domain Name is taken away.
- The Respondent offered to settle the case and transfer the Domain Name in return for compensation of USD 1 million.

The emails sent to the Center on November 19, 2024, added nothing of substance and have not been taken into account. They would not have changed the outcome of this decision.

6. Discussion and Findings

For this Complaint to succeed in relation to the Domain Name the Complainant must prove that:

- (i) the 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 Domain Name; and
- (iii) the 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 the 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.

The Complainant has shown rights in respect of a trademark or service mark for the purposes of the Policy. Ignoring the generic Top-Level Domain ("gTLD") ".com", the Domain Name comprises the entirety of the Complainant's FOLLETTO mark (the "Mark") together with the term "rigenerato", the Italian language word

for "regenerated" or "refurbished". In the Panel's view, the addition of this term does not prevent a finding of confusing similarity between the Domain Name and the Mark. 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. Accordingly, 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.

The Panel does not consider that the Respondent's submission on Italian trademark law assists it in this case. It is clear that complaints under the UDRP are determined according to the terms of the Policy and not by reference to Italian or any other trademark law. The Panel does not need to make a finding as to whether the refurbished FOLLETTO goods sold by the Respondent are similar to the original products sold by the Vorwerk Group.

In the Panel's view, this case highlights a tension between two tests: first, the *Oki Data* test, which indicates criteria against which the legitimacy may be measured of a domain name incorporating the complainant's mark which is used to sell the genuine products or spare parts of the complainant or offer repair services; and, second, the impersonation test, which assesses whether the use of the complainant's mark in the domain name amounts to an impersonation of the complainant.

The Oki Data¹ test as set out in section 2.8 of <u>WIPO Overview 3.0</u> outlines the following cumulative requirements for a finding that a respondent may have legitimate interests in such a domain name:

- (i) the respondent must actually be offering the goods at issue;
- (ii) the respondent must use the site only to sell the trademarked goods;
- (iii) the site must accurately and prominently disclose the registrant's relationship with the trademark holder; and
- (iv) the respondent must not try to "corner the market" in domain names that reflect the trademark.

In this case, (i) the Respondent is selling genuine FOLLETTO products refurbished using genuine spare parts purchased from the Complainant Group; (ii) the Respondent is primarily selling the FOLLETTO goods at issue, but also appears to be selling spares and accessories for BIMBY products, but these are also the genuine products of the Complainant Group; (iii) the Respondent does not expressly state that it has no official relationship with the Complainant, but on the Contacts page of the Respondent's website it states (using the Chrome browser translate function) that "Folletto Rigenerato is an online service that belongs to the RR Folletto store by Luigi Esposito, located in Villaricca (NA)"; (iv) there is no suggestion that the Respondent has attempted to "corner the market" in domain names that reflect the Mark.

¹ Oki Data Americas, Inc. v. ASD, Inc., WIPO Case No. <u>D2001-0903</u>.

It follows that whether the Domain Name passes the *Oki Data* test turns, first, on the fact that the Respondent's website is not only selling FOLLETTO products and services but also, in a subsidiary way, spares and accessories for BIMBY products that are also manufactured and sold by the Complainant group. Furthermore, there is no clear, express disclaimer on the Respondent website as to the lack of a relationship with the Complainant. The Panel's view, however, is that finely balanced though it is, these issues are not sufficient to fail the *Oki Data* test. The only products and services sold at the website other than FOLLETTO are also products of the Complainant. In addition, there is no claim on the website that the Respondent is in any sense an authorized reseller or service agent, and the Respondent is clearly identified as being responsible for the website and the services provided.

Panels are, however, increasingly acknowledging a tension between the *Oki Data* test and the "impersonation" test, which questions whether a domain name that consists of a trademark plus an additional term can constitute fair use if it effectively impersonates or suggests sponsorship or endorsement by the trademark owner. WIPO Overview 3.0, section 2.5.1. In this case, the Panel considers that there is a real risk that Internet users will assume that the Domain Name is operated by or sanctioned by the Complainant in relation to the provision of refurbished FOLLETTO products. The Italian language may naturally require "folletto" and "rigenerato" in that order for the expression "refurbished folletto" but the result is that in the Domain Name the trademark FOLLETTO appears first emphasizing the notion that the Domain Name is an official domain name of the trademark owner. In addition, the website at the Domain Name which imitates the look and feel of the Complainant's website (for example by using the same green colour for FOLLETTO) further supports the Panel's analysis. Impersonation of the Complainant does not give rise to rights or legitimate interests on the part of the Respondent.

Accordingly, the Panel finds on balance that the second element of the Policy has been established.

C. Registered and Used in Bad Faith

There is no doubt that the Respondent had the Complainant and its rights in the Mark in mind when it registered the Domain Name for a website selling refurbished FOLLETTO products, spares and accessories.

Furthermore, there can be no doubt that the Respondent registered the Domain Name with the intention that Internet users would be attracted to its website because of the inclusion in the Domain Name of the Mark. The Respondent clearly sees the inclusion of the Mark as of substantial assistance in promoting its business. However, as indicated above, there is a real risk that because of the composition of the Domain Name, Internet users would be misled into believing that the website at the Domain Name was operated or authorised by the Complainant. This indicates bad faith use of the Domain Name.

Accordingly, the Panel finds that the Domain Name has been registered and is being used in bad faith. 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 Domain Name <follettorigenerato.com> be transferred to the Complainant.

/lan Lowe/
lan Lowe
Sole Panelist

Date: December 2, 2024