

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

CONSITEX S.A v. Crystal International Case No. DAI2024-0031

1. The Parties

The Complainant is CONSITEX S.A, Switzerland, represented by Convey Srl, Italy.

The Respondent is Crystal International, Republic of Korea.

2. The Domain Name and Registrar

The disputed domain name <zegna.ai> is registered with Megazone Corp. dba HOSTING.KR (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on April 10, 2024. On April 12, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On April 15, 2024, the Registrar transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details.

On April 18, 2024, the Center informed the Parties in Korean and English, that the language of the registration agreement for the disputed domain name is Korean. On April 19, 2024, 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 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 English and Korean of the Complaint, and the proceedings commenced on May 3, 2024. In accordance with the Rules, paragraph 5, the due date for Response was May 23, 2024. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default in English and Korean on May 27, 2024.

The Center appointed Kathryn Lee as the sole panelist in this matter on May 31, 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 an entity registered in Switzerland and owner of the trademarks ZEGNA and ERMENEGILDO ZEGNA, including the following:

ZEGNA – International Trademark Registration Number 466534, registered on January 27, 1982; and International Trademark Registration Number 899314B, registered on February 28, 2006; and

ERMENEGILDO ZEGNA – International Trademark Registration Number 1197199, registered on February 11, 2014; and European Union Trademark Registration Number 001436716, registered on August 19, 1998.

The Complainant is also the owner of a number of domain names incorporating the ZEGNA trademark, such as <zegna.com>, <zegnagroup.com>, and <zegna.cn>.

Zegna is an Italian luxury fashion house. It was founded in 1910 as a textile company and operated as Ermenegildo Zegna until 2021 when it rebranded as Zegna. The same year, it went public in New York with a valuation of USD 3.1 billion. As of 2021, Zegna has over 500 retail stores across the world. A number of celebrities have advertised Zegna's lines through the years, including Robert De Niro, Adrien Brody, Javier Bardem, Park Chan-wook, and Yoo Ji-tae.

The Respondent appears to be an entity with an address in the Republic of Korea.

According to the Registrar's verification, the Respondent is the registrant of the disputed domain name, and the date of registration for the disputed domain name is not disclosed. The disputed domain name resolves to a registrar-hosted webpage featuring a "Coming Soon!" message in English, along with a search bar for Whols information and various hyperlinked terms redirecting to domain registration services.

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 identical to the ZEGNA trademark in which the Complainant has rights.

The Complainant also contends that the Respondent has no rights or legitimate interests in the disputed domain name and confirms that it has not authorized or licensed rights to the Respondent in any respect.

Finally, the Complainant contends that the disputed domain name was registered and used in bad faith. The Complainant contends that given the fame of the Complainant's ZEGNA mark, the Respondent could not have been unaware of the mark at the time of registration. The Complainant further contends that the Respondent has provided no evidence of actual or contemplated good faith use for the disputed domain name, and that given the Respondent's history of registering domain names corresponding to marks of third parties and negative decisions in UDRP disputes rendered against it, the Respondent registration and use of the disputed domain name amount to bad faith.

B. Respondent

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

6. Discussion and Findings

Language of the Proceeding

The language of the Registration Agreement for the disputed domain name is English. 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 for several reasons, including the fact that the disputed domain name contains Latin characters and the fact that the website at the dispute domain name display words in English such as "Coming Soon", "Registration date", and "Search for a Domain Name", which suggest that the Respondent possesses a certain level of knowledge of the English language, the fact that there have been two decisions rendered against the Respondent in English, and lastly, the fact that the Complaint has been submitted in English and there would be undue delay and expense if the Complainant were required to translate the Complainant and other documents into Korean.

The Respondent did not submit any Response.

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). Given the fact that the Complainant is based in Switzerland and the Respondent is based in the Republic of Korea, English would appear to be a fair neutral language for rendering this decision. Further, the website on the disputed domain name displays a number of words in English such as the ones that the Complainant listed, as well as "Google Workspace", "Awe Implementation Service", and "Domain." In addition, according to WIPO Overview 3.0, section 4.5.1, the Panel can take into consideration prior cases involving the respondent in a particular language. In this regard, there are three prior WIPO UDRP decisions involving a respondent in the Republic of Korea by the same name ("Crystal International"), and the panels in all the cases rendered decisions in English, deciding that the respondent has sufficient knowledge of English to be able to understand the decision in English, or that he would not be unduly prejudiced by rendering the decision in English. 1 Besides, both Parties were permitted to present their cases in the language of their preference. The Panel would have considered a Response in Korean, but no Response was submitted.

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.

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.

¹See, in this regard, *Nike, Inc. v. Crystal International*, WIPO Case No. <u>D2001-0102</u>; *Nike, Inc. v. Crystal International*, WIPO Case No. <u>D2002-0352</u>; and, *Valextra S.P.A. v. Crystal International*, WIPO Case No. <u>D2018-1044</u>.

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 identical to the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.7.

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 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. The disputed domain name is parked by the Registrar. Such non-use does not reflect any bona fide offering of goods or services. Moreover, the disputed domain name corresponds exactly to the Complainants' trademark, which is the Complainant's founder's surname, and therefore carries a high risk of implied affiliation.

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.

While the disputed domain name does not appear to be actively used by the Respondent, such non-use does not necessarily prevent a finding of bad faith under the doctrine of passive holding. WIPO Overview 3.0, section 3.3.

In the present case, the Panel first notes that the registration of the disputed domain name, which is identical to the Complainant's famous ZEGNA mark, by the Respondent, who is unaffiliated with the Complainant, creates a presumption of bad faith. <u>WIPO Overview 3.0</u>, section 3.1.4.

Further, the Respondent has a pattern of registering domain names corresponding to marks held by third parties, such as <ferrari.so>, <hyundae.io>, and <ikeastore.net>, and has two prior UDRP domain name decisions rendered against it, ordering the Respondent to transfer the domain names to the complainants (*Valextra S.P.A. v. Crystal International, supra.*).

Additionally, the Respondent has not provided any explanation for having registered the disputed domain name, and with no response to claim otherwise, the Panel finds it unlikely that the Respondent could put such identical disputed domain name to any good faith use that would not infringe or cause confusion with

the Complainant's ZENGA mark.

Lastly, the Registrar has not disclosed the date of registration for the disputed domain name but given the long history of use and fame of the ZEGNA mark from 1910 onwards, which predates the advent of the Internet, and the above–mentioned circumstances, the Panel finds that there are sufficient grounds for finding that the Respondent's passive holding of the disputed domain name does not prevent a finding of bad faith under 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 name <zegna.ai> be transferred to the Complainant.

/Kathryn Lee/
Kathryn Lee
Sole Panelist

Date: June 11, 2024