

EXPERT DECISION

Diadora S.p.A. v. Y. L.

Case No. DCH2023-0001

1. The Parties

The Claimant is Diadora S.p.A., of Italy, represented by Convey Srl, Italy.

The Respondent is Y. L., of China.

2. The Domain Name

The dispute concerns the following Domain Name <diadora.ch>.

3. Procedural History

The Request was filed with the WIPO Arbitration and Mediation Center (the “Center”) on January 13, 2023. On January 13, 2023, the Center transmitted by email to SWITCH, the “.ch” and “.li” registry, a request for verification in connection with the Domain Name. On January 16, 2023, SWITCH transmitted by email to the Center its verification response confirming that the Respondent is listed as the holder of the Domain Name and providing the relevant contact details. In response to a notification by the Center that the Request was administratively deficient, the Claimant filed an amended Request on January 25, 2023. The Center verified that the Request together with the amended Request satisfied the formal requirements of the Rules of procedure for dispute resolution procedures for “.ch” and “.li” domain names (the “Rules of Procedure”), adopted by SWITCH, on January 1, 2020.

In accordance with the Rules of Procedure, paragraph 14, the Center formally notified the Respondent of the Request, and the Dispute resolution procedure commenced on January 27, 2023. In accordance with the Rules of Procedure, paragraph 15(a), the due date for Response was February 16, 2023.

The Respondent has neither filed a Response nor expressed his readiness to participate in a Conciliation in accordance with paragraph 15(d) of the Rules of Procedure.

On February 17, 2023, the Center notified the Claimant accordingly, who on February 17, 2023, made an application for the continuation of the Dispute resolution proceedings in accordance with specified in paragraph 19 of the Rules of procedure and paid the required fees.

On February 24, 2023, the Center appointed Daniel Kraus as Expert in this case. The Expert finds that it was properly appointed. In accordance with Rules of Procedure, paragraph 4, the above Expert has declared his independence of the parties.

4. Factual Background

The Complainant is an Italian sports footwear, clothing and accessories manufacturer founded in 1948. It owns many trademark registrations for DIADORA in many jurisdictions around the world, including but not limited to the following trademarks, designating Switzerland:

- International trademark registration DIADORA n° 460593 of April 27, 1981, in classes 18, 25, 28;
- International trademark registration DIADORA n° 682095 of July 31, 1997, in classes 3, 9, 12, 14, 16, 18, 25, 28;
- International trademark registration UTILITY DIADORA n° 751980 of December 22, 2000, in classes 9 and 25;
- International trademark registration HIDDEN POWER DIADORA n° 825311 of March 23, 2004 in class 25.

The Complainant's official website is available at "www.diadora.com".

The Respondent is an individual that appears to be based in China.

The Claimant became aware of the Domain Name on December 26, 2021 following a communication from the Respondent addressed to an e-mail referred to the Claimant offering for sale the Domain Name. The Respondent reiterated his proposal on May 15, 2022. The Domain Name was registered on January 9, 2017, well after registration of the Claimant's trademarks.

5. Parties' Contentions

A. The Claimant

The Claimant argues as follows:

The Claimant has a right in a distinctive sign under the law of Switzerland or Liechtenstein. The Claimant is Diadora S.p.A., a legal corporate entity registered in Italy and owner of the trademark DIADORA with several International and national trademark registrations worldwide, including the above-mentioned trademarks designating Switzerland.

The Claimant is an athletic footwear and apparel manufacturer and was founded in 1948 by Marcello Danielli that called his company "Diadora" a name suggested by a friend, in Greek, "dia dora" means "by means of gifts". The Domain Name incorporates the whole of the Claimant's trademark DIADORA and the country code top-level domain ".ch" does not affect the identity. The Claimant contends that the disputed Domain Name is identical to the prior registered trademarks in which the Claimant has rights in accordance with paragraph 24(d)(i) of the Rules of Procedure.

The Claimant further contends that the allocation and/or use of the disputed Domain Name infringes its right in a distinctive sign under the law of Switzerland according to Article 13 paragraph 1 and paragraph 2(c) of the Federal Act on the Protection of Trademarks and indication of Source ("Trade Mark Protection Act" or "TmPA"). The Respondent is not a licensee, nor an authorized agent of the Claimant or in any other way authorized to use Claimant's trademarks. Specifically, the Respondent is not an authorized reseller of the Claimant and has not been authorized to the registration and use of the Domain Name. Upon information and belief, the Respondent is not commonly known by the Domain Name as individual, business or other organization and its family name does not correspond to DIADORA. Moreover, the Respondent has not provided the Claimant with any evidence of the use of, or demonstrable preparations to use the Domain Name in connection with a *bona fide* offering of goods or services before any notice of the dispute. Further, the Respondent's use cannot be considered neither a *bona fide* offering of goods or services nor a legitimate noncommercial or fair use of the disputed Domain Name. Such willful conduct clearly demonstrates, to the contrary, that the Respondent did not intend to use the Domain Name in connection with any legitimate

purpose. Rather, the Claimant contends that the Respondent has registered the Domain Name - which is identical to the Claimant's trademark - to prevent the owner of the trademark from reflecting the mark in a corresponding domain name, since the disputed Domain Name - at present - is connected to a Sedo.com, LLC parking page aimed at offering the Domain Name for sale for USD 8.500. Furthermore, the Domain Name is offered for sale on Afternic platform for USD 9.999. The offering for sale of a Domain Name does not demonstrate any legitimate interests in the Domain Name but shows that the Respondent's intent was to take advantage of the reputation of the Claimant and its trademark. Therefore, the Respondent envisions the unauthorized use of the Claimants' trademarks for commercial gain. Further, the fact the Claimant received two communications from the Respondent, proposing the Claimant to purchase the Domain Name on Sedo platform additionally proves the intention of the Respondent to sell the Domain Name, therefore excluding any legitimate interest in the Domain Name itself and shifting to the Respondent the burden of production with relevant evidence on this element. Above all, it is established that the mere registration of a domain name and passive use of a domain name can be considered as unfair pursuant to Article 28 of the Swiss Unfair Competition Act if such registration is made in order to take advantage of the reputation of a third-party sign or if the registration of the domain name is carried out without objectively protectable interests and is thus made clearly at the expense of a third party. It is established that such a violation resulting from the unfair registration of a domain name can justify the transfer of such domain name. Moreover, the Domain Name has been offered for sale directly to the Claimant and via platforms online as Sedo and Afternic, such circumstances can mislead Internet users looking for the trademark DIADORA on the Internet and represent clear infringement of the Claimant rights on the trademark DIADORA. In light of the registration and intensive use of the trademark DIADORA since 1948, the advertising and sales of the Claimant's products worldwide, the Respondent could not have possibly ignored the existence of the Claimant's trademark, identical to the Domain Name. The Domain Name was registered on August 21, 2015, years after the Claimant obtained its trademark registrations. Moreover, by virtue of its extensive worldwide use, the Claimant argues that its trademark DIADORA has become a well-known trademark in the sector of manufacturing footwear. The Claimant is also active in China, where the Respondent is based. Therefore, it is clear that the Respondent was well aware of the trademark DIADORA. The Respondent uses the Domain Name with the aim to capitalize on the reputation and goodwill of the Claimant's mark or otherwise mislead Internet users. Considering the high reputation of the trademark DIADORA, such use can amount to bad faith. In light of the above, the Claimant submits that the Domain Name infringes his rights according to the Unfair Competition Act ("UCA") and the Federal Act on the Protection of Trademarks and Indications of Source.

B. The Respondent

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

6. Discussion and Findings

According to the Rules of Procedure, paragraph 24(c), "the Expert shall grant the request if the allocation or use of the domain name constitutes a clear infringement of a right in a distinctive sign which the Claimant owns under the laws of Switzerland".

The Rules of Procedure, paragraph 24(d) specify that "a clear infringement of an intellectual property right exists when:

- both the existence and the infringement of the claimed right in a distinctive sign clearly result from the wording of the law or from an acknowledged interpretation of the law and from the presented facts and are proven by the evidence submitted; and
- the respondent has not conclusively pleaded and proven any relevant grounds for defense; and
- the infringement of the right justifies the transfer or revocation of the domain name, depending on the remedy requested in the request".

A. The Claimant has a right in a distinctive sign under the law of Switzerland.

The Claimant has established ownership of active Swiss trademarks, in particular:

- International trademark registration DIADORA n° 460593 of April 27, 1981, in classes 18, 25, 28;
- International trademark registration DIADORA n° 682095 of July 31, 1997, in classes 3, 9, 12, 14, 16, 18, 25, 28;
- International trademark registration UTILITY DIADORA n° 751980 of December 22, 2000, in classes 9 and 25;
- International trademark registration HIDDEN POWER DIADORA n° 825311 of March 23, 2004 in class 25.

Therefore, the Expert finds that the Claimant has established its exclusive right in its distinctive sign in Switzerland. Accordingly, the Claimant has provided sufficient evidence of Swiss trademark rights in accordance with paragraph 24(d)(i) of the Rules of Procedure.

B. The allocation or use of the domain name constitutes a clear infringement of a Right in a distinctive sign which the Claimant owns under the law of Switzerland

According to Article 13, paragraph 1 and paragraph 2(c) of the Federal Act on the Protection of Trademarks and indication of Source (TmPA), a trademark right confers on the proprietor the exclusive right to use the trademark to identify the goods or services for which it is claimed, and to prohibit others from offering or providing services under a sign that is identical or confusingly similar to its trademark.

According to Swiss supreme court rulings, the use of domain names that are identical or confusingly similar to a trademark on websites offering the same or similar goods constitutes trademark infringement (see e.g. decisions of the Swiss Federal Supreme Court 4C.31/2004, <riesen.ch> and 4C.341/2005 <swiss-life.ch>).

The disputed domain name <diadora.ch> is identical to the trademark DIADORA as it incorporates the trademark DIADORA in its entirety; the addition of the country code Top-Level Domain “.ch” does not prevent a finding of identity or confusing similarity.

In the present case, the disputed domain name resolves to a parking page where the domain name is offered for sale for USD 8,500. Under Swiss unfair competition law, the registration of a domain name identical to a protected trademark may be illegitimate even if such domain name is not used in connection with an active website, if the circumstances denote an unfair intent on the part of the registrant of the domain name. Indeed, according to Article 2 of the UCA, “any conduct or business practice that is misleading or which otherwise violates the principle of good faith such that it influences the relationship between competitors or between suppliers and customers is unfair and unlawful”.

Accordingly, the registration of a domain name reproducing a third party’s trademark may constitute an act of unfair competition under Swiss law. The attempt to resell a domain name reproducing a distinctive sign to the legitimate holder of that sign at a price higher than the cost of registration may indicate an unfair intention and amount to an act of unfair competition (see *Cartier International S. A. v. Marc Baertschi*, WIPO Case No. [DLI2015-0001](#)).

Since the Respondent has not put forward any conclusive grounds for defense that would rebut the Claimant’s representations or justify his own legitimate interest, and having regard to the submissions, the Expert finds that the Claimant has fulfilled paragraph 24(c) and (d) of the Rules of Procedure.

7. Expert Decision

For the above reasons, in accordance with paragraph 24 of the Rules of Procedure, the Expert orders that the Domain Name, <diadora.ch> be transferred to the Claimant.

Daniel Kraus

Expert

Dated: March 8, 2023