

ARBITRATION AND MEDIATION CENTER

# Alternative Dispute Resolution Proceeding

Case No. DSE2024-0036

#### 1. Petitioner

The Petitioner is Wunderwear S.m.b.A., Denmark.

#### 2. Domain Holder

The Domain Holder is G. A., Sweden.

#### 3. Domain Name and Procedural History

This Alternative Dispute Resolution proceeding relates to the disputed domain name <wunderwear.se> ("the Domain Name").

This Petition was filed under the Terms and Conditions of registration (the ".se Policy") and the Instructions governing Alternative Dispute Resolution proceeding for domain names in the top-level domain .se (the ".se Rules").

The WIPO Arbitration and Mediation Center ("the Center") verified that the Petition satisfied the formal requirements of the .se Policy and the .se Rules. In accordance with Section 13 of the .se Rules, the Center formally notified the Domain Holder of the Petition on September 24, 2024. The Domain Holder submitted a response on September 27, 2024.

The Center appointed Jonas Gulliksson as the sole Arbitrator in this matter on October 3, 2024. The Arbitrator has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the Center to ensure compliance with Section 1 of the .se Rules.

# 4. Factual Background

The Petitioner markets and sells inter alia lingerie, swimwear and stockings both online and in over 30 physical shops all across Denmark.

The Petitioner owns and operates its website under the domain name <wunderwear.dk>. In addition, the Petitioner is the proprietor of the following trademark right:

Swedish trademark registration No. 532478 for the word mark WUNDERWEAR (registered on March 9,

2016) for use in connection with inter alia "Lingerie, swimwear and stockings".

- The Domain Name was registered on February 23, 2011.

At the time of filing the Petition, the Domain Name referred to a parked website without any content. Currently, no changes have been made to the content of the Domain Name, which means that it continues to be used in the manner described above.

#### 5. Claim

The Petitioner claims that the Domain Name shall be transferred to the Petitioner.

#### 6. Parties' Contentions

#### A. Petitioner

The Petitioner substantially alleges the following:

The Petitioner has been using the trademark WUNDERWEAR in Denmark since 1994, and has a registered trademark for WUNDERWEAR in Sweden since 2016. The trademark has been used both in physical stores and under the domain name <wunderwear.dk>. WUNDERWEAR is therefore an established and registered trademark.

The Domain Holder cannot claim the right to use the Domain Name under the doctrine of fair use because it contains the Petitioner's trademark WUNDERWEAR, which creates a risk of confusion among the Petitioner's customers who may believe that they are visiting the Petitioner's official Swedish website.

The Domain Holder has no rights or justified interests in the Domain Name. The Domain Holder is not affiliated or associated with the Petitioner and has not received any authorization, license or consent to use the Domain Name or otherwise. The Petitioner has made an offer to the Domain Holder with regards to a potential transfer of the Domain Name, which the Domain Holder subsequently rejected. Furthermore, the Domain Holder presented the Petitioner with a counteroffer. The Petitioner believes that the Domain Holder has demanded a price that is significantly higher than a reasonable amount. According to the Petitioner, this may be perceived as a form of ransomware, where the Domain Holder is exploiting the Petitioner's trademark rights for financial gain. This indicates bad faith. Furthermore, the Domain Holder has not used the Domain Name since it was registered in 2011, which indicates that the Domain Holder registered the Domain Name only to sell it to the Petitioner. In addition, the Domain Name was registered in 2011, at a time when WUNDERWEAR was already an established and well-known trademark in the Nordic countries, including Sweden. The Domain Holder does not appear to have a justified interest in using the Domain Name for any concrete or legitimate purpose. The reason why the Domain Holder has not used the Domain Name is that it knows that any potential use would constitute a trademark infringement.

# **B.** Domain Holder

The Petitioner's trademark rights are five (5) years younger than the registered Domain Name. The Petitioner has no other company, branch or establishment registered in Sweden under the name 'Wunderwear'. It should be noted that the Petitioner is 'Kædeselskabet Wunderwear SmbA CVR 33151241' - while the trademark owner is 'Wunderwear A/S CVR 55595410' - i.e. two different legal entities. It is not clear from the file whether and, if so, how the right to the trademark was transferred between the two companies. It is therefore not established that the Petitioner has a right with legal effect in Sweden.

The Petitioner has not shown that its trademark is protected by use in Sweden. Furthermore, there are no claims or evidence that marketing, advertising, participation in trade fairs, etc. have been directed at

consumers in Sweden. The sales area is therefore unknown, and it is not possible to assess whether the mark can be considered to be sufficiently well established.

The Petitioner's other argument that the Domain Name is similar to a Danish trademark and domain name is irrelevant, as Danish trademarks, company names or domain names have no legal basis in Sweden.

The Domain Holder registered the Domain Name in good faith as there were no registered trademarks for WUNDERWEAR in Sweden at the time. As the Domain Name has not been used, it has not been used in bad faith. The Petitioner has not provided any evidence of the alleged ransomware. The Domain Holder never intended to sell the Domain Name and did not initiate the prior contacts between the parties.

The Domain Holder has a legitimate interest in the Domain Name because it was the first to register the Domain Name. At the time of registering the Domain Name, the Domain Holder had some ideas about how to use it. However, those ideas have been put on hold. There is nothing wrong with holding a passive domain name.

# 7. Discussion and Findings

# A. The Domain Name is identical or similar to a name which is legally recognized in Sweden and to which the Petitioner can prove its rights

The Petitioner has clearly demonstrated that it holds trademark rights for WUNDERWEAR in Sweden. A quick search with the Danish Central Business Register has, according to the Arbitrator, provided sufficient evidence that Wunderwear S.m.b.A. is a subsidiary of Wunderwear A/S. Previous UDRP panels have been relatively generous in assessing whether or not the complainant is a trademark owner for purposes of determining party status in a UDRP proceeding<sup>1</sup>. Licensees, parent companies, and subsidiaries of the trademark owner have been counted as owners for UDRP purposes<sup>2</sup>. Therefore, the Domain Holder's argument that the mark should not be relevant because it is registered under a different owner than the Petitioner is not relevant. See *Komatsu Deutschland GmbH v. Ali Osman/ANS*, WIPO Case No. D2009-0107.

The Domain Name clearly includes the WUNDERWEAR mark in its entirety; therefore, the Panel finds that the Domain Name is identical to the Petitioner's trademark WUNDERWEAR.

#### B. The Domain Name has been registered or used in bad faith

There are several instances in which a Domain Holder can be considered to have registered or used a domain name in bad faith in accordance with section 7.2 (2) of the .se Policy.

Some of these examples are listed in the Instructions concerning the bad faith condition:

- "-The Domain Holder is utilizing or plans to utilize the good reputation, market position or characteristic feature of the Petitioner to attract traffic to its own website or to increase revenue in this manner;
- -The Domain Holder's registration of the Domain Name prevents or makes it difficult for the Petitioner to

<sup>&</sup>lt;sup>1</sup> Given the similarities between the .SE Policy and Uniform Domain Name Dispute Resolution Policy (UDRP), this Arbitrator will refer to the WIPO Overview WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition (<u>WIPO Overview 3.0</u>) and UDRP when relevant.

<sup>&</sup>lt;sup>2</sup> See section 1.4.1 of the <u>WIPO Overview 3.0</u>: A trademark owner's affiliate such as a subsidiary of a parent or of a holding company, or an exclusive trademark licensee, is considered to have rights in a trademark under the UDRP for purposes of standing to file a complaint.

register the brand (or other right on which the Petitioner bases the petition) as Domain Name;

- -The Domain Name is being used or planned to be used to disrupt the Petitioner's operations;
- -The Domain Name has been registered with a purpose to sell to the Petitioner."

In this case the Petitioner argues that all three of these circumstances are present.

The applicable standard of proof in .se Policy cases is the "balance of probabilities" or "preponderance of the evidence," although some arbitrators have also expressed this as an "on balance" standard. Under this standard, a party must prove to the Arbitrator's satisfaction that it is more likely than not that a fact alleged is true. Petitions alleging the types of conduct described in section 7.2 (2) of the .se Policy should be supported by argument and available evidence, such as dated screenshots of the website to which the disputed domain name resolves or correspondence between the parties. Even in cases where the domain holder is in default, panels have held that wholly unsupported conclusory allegations may not be sufficient to support a Petitioner's case.

In this case, the Petitioner argues that the Domain Holder is using the Domain Name to prevent the Petitioner from reflecting its trademark in a domain name. UDRP panels have previously held that establishing a pattern of bad faith conduct requires more than one, but as few as two, instances of abusive domain name registration. This may include a scenario where the Domain Holder has registered trademark abusive domain names on separate occasions, even if they are directed at the same trademark owner. In this case, the Petitioner has not provided any evidence as to whether or not the Domain Holder has a prior history of abusive domain registration.

The Petitioner also alleges that the Domain Holder was aware of the Petitioner's trademark at the time the Domain Name was registered. The fact that the Petitioner was a well-known company in the Nordic countries in 2011 could, in theory prove that the Domain Name was registered in bad faith. The Domain Holder plausibly denies any prior knowledge of the Petitioner's trademark and business. Moreover, the Petitioner has not provided any concrete evidence as to how well known the WUNDERWEAR trademark was at that time. For example, there is no evidence in the record of direct dealings between the Petitioner and the Domain Holder or of widespread advertising and publicity in 2011 that would cast doubt on the Domain Holder's denial. Therefore, the Panel cannot consider that the Domain Name was registered in bad faith.

However, according to section 7.2 (2) of the .se Policy, the requisites for establishing bad faith is alternative, meaning that it is sufficient that the Domain Holder has simply used the Domain Name in bad faith. In the present case, the Petitioner argues that the Domain Holder is acting in bad faith because he has not used the Domain Name since its registration in 2011. Furthermore, the Petitioner refers to previous negotiations between the parties in which the Domain Holder demanded 100.000 DKK for the transfer of the Domain Name. Both parties have confirmed that such negotiations took place. Whilst the initial offer to sell came from the Petitioner, which in itself could prevent a finding of bad faith, the exceptionally high counteroffer supports the argument that the Domain Holder nonetheless acted in bad faith. Therefore, these negotiations support the Petitioner's arguments, i.e., that the Domain Holder's intention was merely to exploit the Petitioner's rights (as opposed to using the Domain Name for prima facie legitimate purposes). As to the use of the Domain Name, there is no active use of the Domain Name in the sense that it resolves to an active website. Furthermore, previous UDRP panels have held that non-use of a domain name (including a blank or "coming soon" page) does not preclude a finding of bad faith under the passive holding doctrine (see Telstra Corporation Limited v. Nuclear Marshmallows, WIPO Case No. D2000-0003). However, the Arbitrator must consider all the circumstances of the case to determine whether the respondent is acting in bad faith. In this case, the Arbitrator is satisfied that the totality of the circumstances in this case strongly suggests that the Domain Holder's non-use of the Domain Name is in bad faith, despite the passive nature of the Domain Name and the uncertainty as to who initiated the settlement negotiations. These circumstances giving rise to a probability of bad faith include the settlement negotiations described above, the fact that the Domain Name is identical to the Petitioner's trademark, the lack of evidence provided by the Domain Holder of the intended use, and the relatively high transfer price proposed by the Domain Holder. Accordingly, the

Arbitrator finds that, for all of the foregoing reasons, the Domain Name has been used in bad faith. See "*Dr. Martens*" *International Trading GmbH and "Dr. Maertens" Marketing GmbH v. Godaddy.com, Inc.*, WIPO Case No. D2017-0246.

# C. The Domain Holder has no rights or justified interests in the Domain Name.

The overall burden of proof on this element rests with the Petitioner. However, it is well established that once a Petitioner has established a prima facie case that a Domain Holder has no rights or justified interests in a domain name, the burden of production shifts to the Domain Holder.

In this case, the Petitioner's prima facie evidence included: (i) evidence that the Domain Holder had not used the Domain Name since its registration; (ii) confirmation that the Petitioner had no relationship with the Domain Holder and had not authorized the Domain Holder to use the WUNDERWEAR trademark; and (iii) allegations that any use of the Domain Name would create a likelihood of confusion among the Petitioner's customers as the Domain Name is identical to the Petitioner's trademark.

The .se Policy lists several ways in which a domain holder may rebut a petitioner's prima facie case and demonstrate rights or justified interests. In this case, however, the Domain Holder has only referred to unrealized business plans concerning the integration of electronics into clothing.

As these claims have not been further supported by evidence, the Arbitrator finds that there is no indication that the Domain Holder is commonly known by the Domain Name or that he has used the Domain Name for a bona fide offer of goods or services.

Furthermore, the Petitioner has categorically stated that it did not authorize the Domain Holder to use its trademark in the Domain Name and that there is no connection between the parties. This establishes that the Domain Holder is not a licensed or authorized user of the Petitioner's trademark WUNDERWEAR. In the absence of any evidence of the Domain Holder's rights as discussed above, the Arbitrator finds that the use of the Domain Holder's trademark in the Domain Name is not a legitimate use, particularly where the Petitioner has not authorized such use.

The Arbitrator finds that the Petitioner has met its burden and in the absence of evidence to the contrary established the third element of the .se Policy.

#### 8. Decision

The Domain Name <wunderwear.se> shall be transferred to the Petitioner.

## 9. Summary

The Petitioner is the registered owner of the Swedish trademark WUNDERWEAR. The trademark registration has legal effect in Sweden. The Domain Name is identical to the Petitioner's trademark and the first condition is fulfilled. Based on the record, the Arbitrator finds that the Domain Name has been used in bad faith. Based on the record, the Arbitrator finds that the Domain Holder has no rights or justified interests in the Domain Name.

# Jonas Gulliksson

Sole Panelist

Date: October 18, 2024