

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Shoe, S.L. v. Client Care, Web Commerce Communications Limited Case No. D2022-2435

1. The Parties

The Complainant is Shoe, S.L., Spain, represented by Jacobacci Abril Abogados, S.L.P., Spain.

The Respondent is Client Care, Web Commerce Communications Limited, Malaysia.

2. The Domain Name and Registrar

The disputed domain name <lottusseoutlet.com> is registered with Alibaba.com Singapore E-Commerce Private Limited (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on July 5, 2022. On July 5, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On July 6, 2022, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the disputed domain name which differed from the named Respondent and contact information in the Complaint. The Center sent an email communication to the Complainant on July 6, 2022 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 July 7, 2022.

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 July 12, 2022. In accordance with the Rules, paragraph 5, the due date for Response was August 1, 2022. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on August 3, 2022.

The Center appointed Torsten Bettinger as the sole panelist in this matter on August 9, 2022. 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 a Spanish footwear company, which also manufactures garments, accessories and leather goods. It was founded in 1877 as a handcrafted footwear workshop.

The Complainant owns a number of registrations for the LOTTUSSE word and design marks, including the following:

- European Union Trade Mark registration No.15960925 LOTTUSSE (word), filed on October 24, 2016 and registered on March 23, 2017, in Classes 18, 25 and 35;
- European Union Trade Mark registration No. 526244 LOTTUSSE (figurative), filed on April 28, 1997 and registered on October 22, 2001, in Classes 18, 25 and 39;
- Singapore trademark registration No. T00/02589Z LOTTUSSE (figurative) in Class 25, filed on February 21, 2000 and registered on May 21, 2001;
- United States trademark registration 1762962 LOTTUSSE (figurative) in Class 25, filed on December 23, 1991 and registered on April 6, 1993;
- United States trademark registration 1738433 LOTTUSSE (word) in Class 25, filed on April 14, 1992 and registered on December 8, 1992;
- Chinese trademark registration No. 11496605 LOTTUSSE (word) in Class 25, filed on September 14, 2012 and registered on May 7, 2014.
- International registration No. 383039, LOTTUSSE (figurative) in Class 25, registered on November 6, 1971, designating the following countries: Austria, Bosnia and Herzegovina, Bulgaria, Benelux, Switzerland, Germany, Egypt, France, Croatia, Hungary, Italy, Democratic People's Republic of Korea, Liechtenstein, Morocco, Monaco, Montenegro, North Macedonia, Portugal, Romania, Serbia, Sudan, Slovenia, San Marino, Viet Nam.

The disputed domain name was registered on April 8, 2022, and resolves to a website which displays the Complainant's trademark, year of foundation (1877) and products, and reproduces the look and feel of the Complainant's official website.

On June 14, 2022, the Complainant sent a cease-and-desist letter to the Registrar of the disputed domain name, which, according to the Registrar, forwarded the letter to the responsible hosting provider.

5. Parties' Contentions

A. Complainant

The Complainant asserts to be a well-known leather goods and accessories manufacturer whose goods are sold throughout the world under the LOTTUSSE trademark.

The Complainant contends that each of the three elements specified in paragraph 4(a) of the Policy are satisfied in the present case.

With regard to the requirement of identity or confusing similarity between the trademark and the disputed domain name pursuant to paragraph 4(a)(i) of the Policy, the Complainant asserts that the disputed domain name is identical to or confusingly similar with the Complainant's LOTTUSSE trademark since the disputed domain name differs from the trademark only by addition of the word "outlet" which describes the direct sale of a product from the manufacturer to the customer and therefore does not differentiate the disputed domain

name from the Complainant's LOTTUSSE mark.

With regard to the Respondent having no rights or legitimate interests in the disputed domain name, the Complainant submitted that:

- the Respondent is not a licensee or authorized reseller or distributor of the Complainant or in any other way authorized to use the Complainant's
- there is no evidence that the products offered on the Respondent's website are genuine LOTTUSSE articles;
- the Respondent's website lacks information about the entity operating the website;
- the Respondent never replied to the Complainant's communication and did not provide evidence demonstrating rights or legitimate interests in the disputed domain name.

Finally, with regard to the disputed domain name having been registered and being used in bad faith, the Complainant argues that:

- the Complainant's LOTTUSSE trademark is well-known;
- in view of the content of the website it is inconceivable that the Respondent had no idea of the existence of the Complainant and its trademark;
- the Respondent's use of the disputed domain name for a website offering for sale shoes under the Complainant's brand clearly misleads Internet users into falsely believing that the shoes offered are the Complainant's original LOTTUSSE shoes;
- the Respondent displaying the Complainant's trademark, foundation year and reproducing the look and feel of the website shows the Respondent's intention to obtain commercial gain by misleading customers into believing that the Respondent's website belongs to the Complainant;
- does not provide any information about the entity operating the website to which the disputed domain name resolves, did not reply to the Complainant's cease and desist letter and uses a privacy shield to hide its true identity.

B. Respondent

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

6. Discussion and Findings

A. Identical or Confusingly Similar

The Complainant has demonstrated that it owns multiple trademark registrations for the mark LOTTUSSE.

It is well-established that the test of identity or confusing similarity under the Policy is confined to a comparison of the disputed domain name and the trademark alone, independent of the products for which the trademark is used or other marketing and use factors usually considered in trademark infringement cases. (See sections 1.1.2 and 1.7 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0")).

In this case, the only difference between the disputed domain name and the Complainant's trademark is the addition of the term "outlet" which refers to an online store in which a manufacturer sells its shoes directly to the public.

It has been held in many UDRP decisions and has become a consensus view among panelists (see section 1.8 of the <u>WIPO Overview 3.0</u>), that the addition of terms (whether, *e.g.*, descriptive or otherwise) does not prevent a finding of confusing similarity under the first element of the UDRP. Accordingly, the addition of the term "outlet" does not prevent a finding of confusing similarity between the Complainant's LOTTUSSE trademark and the disputed domain name.

Finally, it is well accepted in past UDRP decisions that the generic Top-Level Domain ("gTLD"), such as ".com", ".net", ".org", is typically not to be taken into account when assessing the issue of identity and confusing similarity, except in certain cases where the applicable gTLD may itself form part of the relevant trademark (see section 1.11 of the WIPO Overview 3.0).

For the foregoing reasons the Panel concludes that the disputed domain name is confusingly similar to the Complainant's LOTTUSSE trademark.

B. Rights or Legitimate Interests

Pursuant to paragraph 4 (c) of the Policy a respondent may establish its rights or legitimate interests in the domain name, among other circumstances, by showing any of the following elements:

- "(i) before any notice to you [the Respondent] of the dispute, your use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a *bona fide* offering of goods or services; or
- (ii) you [the Respondent] (as an individual, business, or other organization) have been commonly known by the domain name, even if you have acquired no trademark or service mark rights; or
- (iii) you [the Respondent] are making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue."

The Complainant has asserted and presented evidence that the Respondent has used the disputed domain name to resolve to a website which offers shoes under the Complainant's brand, refers to the Complainant's founding year 1877 and reproduces the look and feel of the Complainant's official website at <lotuse.com>.

The Complainant also contends that it has not authorized or licensed the Respondent to use the Complainant's LOTTUSSE trademark in any way.

These assertions and evidence are sufficient to establish a *prima facie* case that the Respondent lacks rights or legitimate interests in the disputed domain name.

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 disputed domain name. If the respondent fails to come forward with such relevant evidence, the complainant is deemed to have satisfied the second element. See section 2.1 of the <u>WIPO Overview 3.0</u>.

The Respondent chose not to contest the Complainant's allegations and has failed to come forward with any evidence to refute the Complainant's *prima facie* case, showing that the Respondent lacks rights or legitimate interests. The Panel therefore accepts these allegations as undisputed facts.

From the record in this case, the Respondent has also not used the disputed domain name in connection with a *bona fide* offering of goods or services or a legitimate noncommercial or fair use. Rather, the evidence demonstrates that the Respondent has used the disputed domain name for a website impersonating the Complainant and misleading Internet users into falsely believing that it is the Complainant who is offering for sale original LOTTUSSE shoes.

In addition, the Panel finds that the disputed domain name carries a risk of implied affiliation with the Complainant. See section 2.5.1 of the WIPO Overview 3.0.

The Panel therefore concludes that the Respondent has no rights or legitimate interests in the disputed domain name and that, accordingly, the Complainant has satisfied the requirements of paragraph 4(a)(ii) of the Policy.

C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy provides four, non-exclusive, circumstances that, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith:

- (i) circumstances indicating that the Respondent has registered or has acquired the disputed domain name primarily for the purpose of selling, renting or otherwise transferring the disputed domain name registration to the Complainant who is the owner of the trademark or service mark or to a competitor of the Complainant, for valuable consideration in excess of documented out-of-pocket costs directly related to the disputed domain name; or
- (ii) the Respondent has registered the disputed domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that the Respondent has engaged in a pattern of such conduct; or
- (iii) the Respondent has registered the disputed domain name primarily for the purpose of disrupting the business of a competitor; or
- (iv) by using the disputed domain name, the Respondent has intentionally attempted to attract, for commercial gain, Internet users to its website or other online location, by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of the Respondent's website or location or of a product or service on the Respondent's website or location.

The Complainant holds multiple trademark registrations for the LOTTUSSE mark that predate the registration of the disputed domain name.

Given that the Complainant's LOTTUSSE mark was widely known at the time the Respondent registered the disputed domain name and that the Respondent used the disputed domain name to resolve to a website which offers shoes for sale under the Complainant's brand LOTTUSSE, it is inconceivable that the Respondent coincidentally registered the disputed domain name without any knowledge of the Complainant and its LOTTUSSE mark.

The Panel therefore concludes that the Respondent registered the disputed domain name in bad faith.

Finally, the use of the disputed domain name is a textbook example of bad faith use of a domain name on the part of the Respondent.

Paragraph 4(b)(iv) of the Policy states that evidence of bad faith may include a respondent's use of a domain name to intentionally attempt to attract, for commercial gain, Internet users to the respondent's website or other online location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of the respondent's website or location or of a product or service on the respondent's website or location.

Based on the record in this proceeding the Respondent used the disputed domain name in order to direct users to a website, which offers the Complainant's products, prominently displaying the Complainant's trademark LOTTUSSE and its foundation date (1877) and reproducing the look and feel of the Complainant's website. This further supports registration in bad faith in accordance with section 3.1.4 of <u>WIPO Overview</u> 3.0.

Moreover, the disputed domain name incorporates the Complainant's trademark in its entirety with the term "outlet". The addition of this term shows a clear intention of the Respondent to attract consumers to the disputed domain name in the expectation that they will find better prices than usual. Panels have found that the mere registration of a domain name that is identical or confusingly similar (particularly domain names incorporating the mark plus a descriptive term) to a famous or widely-known trademark by an unaffiliated entity can by itself create a presumption of bad faith. See section 3.1.4 of WIPO Overview 3.0.

Furthermore, as the disputed domain name is confusingly similar to the Complainant's LOTTUSSE trademark and points to a website which makes unauthorized use of the Complainant's LOTTUSSE trademark and purports to sell products which are branded with the Complainant's LOTTUSSE trademark, it is also evident that the Respondent intends to create that confusion for the purpose of commercial gain. For this reason, the Panel finds that the disputed domain name has been used in bad faith.

Accordingly, the Panel finds that the Respondent has registered and used the disputed domain name in bad faith and that therefore the Complainant has also satisfied the requirements of paragraph 4(a)(iii) 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 <lottusseoutlet.com> be transferred to the Complainant.

/Torsten Bettinger/
Torsten Bettinger
Sole Panelist

Date: August 23, 2022