

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Tesla, Inc. v. Paul Raptis (EURORENT40166), Euro Rent & Finance Sp. Z o.o. Case No. D2023-5119

1. The Parties

The Complainant is Tesla, Inc., United States of America ("United States"), represented by JWP Patent & Trademarks Attorneys, Poland.

The Respondent is Paul Raptis (EURORENT40166), Euro Rent & Finance Sp. Z o.o., Poland, represented by "Gołębiowska, Krawczyk, Roszkowski i Partnerzy" Sp. P., Poland.

2. The Domain Name and Registrar

The disputed domain name <tesla-warszawa.com> is registered with Ascio Technologies Inc. (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on December 7, 2023. On the following day, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On the same day, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the disputed domain name that differed from the named Respondent (Tesla Warszawa Sp. z o.o.) and contact information in the Complaint. The Center sent an email communication to the Complainant on December 13, 2023 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 December 14, 2023.

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 December 19, 2023. In accordance with the Rules, paragraph 5, the due date for Response was January 8, 2024. The Response was filed with the Center on January 8, 2024.

The Center appointed Matthew Kennedy as the sole panelist in this matter on January 22, 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 manufactures cars, among other things. Its car models include the Model 3, Model Y, Model S, and Model X. It holds multiple trademark registrations in multiple jurisdictions, including the following:

- European Union trade mark registration number 008741101 for a figurative T mark (the "T logo"), registered on June 15, 2010, specifying goods and services in multiple classes;
- United States trademark registration number 4443472 for TESLA, registered on December 3, 2013, specifying automobiles and structural parts therefor in class 12;
- European Union trade mark registration number 014456917 for a semi-figurative TESLA mark, registered on May 16, 2016, specifying goods and services in classes 9, 37, and 42; and
- European Union trade mark registration number 016198061 for TESLA, registered on June 13, 2017, specifying goods and services in classes 7, 9, 36, 37, and 42.

The above trademark registrations are current. The Complainant has also registered the domain name <tesla.com> that it uses in connection with a website where it offers its cars for sale.

The Respondent is an individual who operates a business through a company named "Euro Rent & Finance Sp. z o.o.", based in in Warsaw, Poland that opened in 2017. The company provides short-term Tesla car rentals, test drives, Tesla wedding rides, corporate events and other services. A screenshot provided by the Complainant shows that "Tesla Warszawa" offers Groupon vouchers for Tesla car drives.

The disputed domain name was registered on December 22, 2016. The subdomain <shop.tesla-warszawa.com> resolves to a website in Polish with a title comprised of the TESLA semi-figurative mark above the city name "Warszawa" (meaning "Warsaw") and alongside the word "Sklep" (meaning "Shop"). The site offers for sale electric charging equipment, car accessories for TESLA Models 3, Y, S, and X, clothing bearing the T logo, model cars, and other goods. The website also offers test drives of TESLA cars. The screenshot provided by both Parties further shows a line in small print in the website header that reads "Sklep Tesla | Oficjalne Akcesoria Tesla" (meaning "Tesla Store | Official Tesla Accessories"). At the foot of the home page the following disclaimer appears in small print:

"Not affiliated with Tesla, Inc.

All product images displayed on this site, unless otherwise expressly noted, are the exclusive property of their respective copyright holders, Tesla Inc.

Our use of these images is solely intended to accurately represent the products we offer, in accordance with fair use principles resulting from applicable copyright and intellectual property laws.

We do not claim ownership of these images and respect the rights of the original copyright owners."

The subdomain <lease.tesla-warszawa> resolves to another website in Polish that offers Tesla leasing services.¹ The site displays a contact form where Internet users can indicate the vehicle model that interests them. At the base of the home page there is the following disclaimer in small print:

Not affiliated with Tesla, Inc.

¹ The Panel notes its general powers articulated inter alia in paragraphs 10 and 12 of the Rules and has visited the publicly available websites associated with the disputed domain name at both the "shop" and "lease" subdomains, in order to verify the Parties' allegations regarding those sites. The Panel considers this process of verification useful in assessing the case merits and reaching a decision. See WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition, ("<u>WIPO Overview 3.0</u>"), section 4.8.

The Respondent sent a letter dated April 11, 2019 to the Complainant in which it described its Tesla rental business and its efforts to raise awareness of the Complainant's brand in Poland. It submitted that it had never impersonated the Complainant, although it acknowledged that the layout of its website closely matched that of the Complainant, including the use of the Complainant's images, but with a disclaimer in the footer. It made the following proposal: "If this is something you'd be willing to consider, we would love to partner with you and offer our customers the ability to directly purchase cars from us, offering home delivery and the highest quality customer service".

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 Complainant's TESLA trademark and business name.

The Respondent has no rights or legitimate interests in respect of the disputed domain name. There is no relation between the Respondent and the Complainant; the Respondent is not a licensee of the Complainant, nor has it otherwise obtained an authorization to use the Complainant's marks and company name. The Respondent consciously chose the disputed domain name using the TESLA signs to lead Internet users to the site. Internet users would have every reason to believe, until they actually arrived at the Respondent's website, that they were on their way to visiting a TESLA dealership-sponsored or authorized website or TESLA-affiliated website. The Respondent is consciously counting on initial confusion to divert Internet users. The Respondent adopted the disputed domain name after it was well aware of the Complainant's business name and trademarks, and had no intention of using the disputed domain name other than as a reference to the Complainant's goods and services, to promote its own goods and services.

The disputed domain name was registered and is being used in bad faith. The Respondent has chosen a domain name that comprises without modification a mark used by the Complainant and the impersonation that this involves.

B. Respondent

The Respondent contends that the Complainant has not satisfied the second and third elements required under the Policy for a transfer of the disputed domain name.

The Respondent has legitimate interests in the disputed domain name because, before any notice of the dispute, the Respondent used the disputed domain name in connection with a bona fide offering of goods and services within the terms of paragraph 4(c)(i) of the Policy. The Respondent's business activities have significantly contributed to promoting the TESLA brand and its vehicles in Poland since 2017. The Respondent provided Polish consumers with access to TESLA cars before the Complainant commenced formal activities in Poland in July 2020. The Respondent launched a store under the subdomain <shop.tesla-warszawa.com> in July 2022, offering original Tesla accessories and gadgets to Polish consumers before Tesla's official online store in Poland was established in July 2023. In February 2023, the Respondent began offering leases of Tesla cars through the subdomain <lease.tesla-warszawa.com> which, as of now, caters to one customer. The Respondent's use of the disputed domain name meets all the socalled Oki Data criteria to demonstrate a bona fide offering of goods and services. In particular, the disputed domain name is used exclusively to sell and promote TESLA-related services, such as car rentals and leasing, and to operate a store selling genuine TESLA accessories and gadgets. These products are sourced directly from the Complainant. No competing brands or unrelated services are offered or promoted trough the disputed domain name. The domain accurately discloses that the registrant is not affiliated with the Complainant. A disclaimer stating "Not affiliated with Tesla, Inc." is prominently displayed on every

subdomain, page, and tab. Additionally, an extended non-affiliation disclaimer is provided in both Polish and English on the website's privacy policy page.

It is unnecessary for the Panel to consider the Complainant's claims of bad faith. Nevertheless, the Respondent registered and has consistently used the disputed domain name in good faith. The Respondent has clearly indicated through disclaimers on the website that it is not affiliated with the Complainant, further supporting the Respondent's good-faith actions.

6. Discussion and Findings

Paragraph 4(a) of the Policy provides that the Complainant must prove each of the following elements:

- (i) the disputed 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 disputed domain name; and
- (iii) the disputed domain name has been registered and is being used in bad faith.

The burden of proof of each element is borne by the Complainant.

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. See <u>WIPO Overview 3.0</u>, section 1.7.

The Complainant has shown rights in respect of the TESLA trademark for the purposes of the Policy. See <u>WIPO Overview 3.0</u>, section 1.2.1.

The entirety of the TESLA mark is reproduced within the disputed domain name. Contrary to the Complainant's claim, the disputed domain name is not identical to the mark, because it adds the place name "Warszawa", separated from the mark by a hyphen. However, while the addition of this place name may bear on assessment of the second and third elements, it does not prevent a finding of confusing similarity between the disputed domain name and the mark for the purposes of the Policy because the TESLA mark remains clearly recognizable within the disputed domain name. The disputed domain name also adds a generic Top-Level Domain ("gTLD") extension (".com") but, as a standard requirement of domain name registration, this may be disregarded in the assessment of confusing similarity. Accordingly, the Panel finds that the disputed domain name is confusingly similar to the Complainant's TESLA mark. See WIPO Overview 3.0, sections 1.7, 1.8, and 1.11.

Therefore, 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.

The Parties disagree as to whether the Respondent is using the disputed domain name in connection with a bona fide offering of goods or services within the terms of paragraph 4(c)(i) of the Policy. It is agreed that the Respondent is not authorized by, or affiliated with, the Complainant. The Panel notes that the disputed domain name is composed of the Complainant's TESLA mark and a place name (Warszawa) which creates a risk of confusion as to whether the Respondent is the Complainant's Warsaw affiliate, or otherwise sponsored or endorsed by the Complainant. Further, the evidence shows that the Respondent's "shop" website is titled "TESLA Warszawa - Sklep" (meaning "TESLA Warsaw - Shop"), with TESLA displayed in the form of the Complainant's semi-figurative TESLA mark. The layout mimics that of the Complainant's

website. The site displays photographs from the Complainant's website and offers the Complainant's TESLA products. The website gives the clear impression that it is authorized by, or affiliated with, the Complainant. The Respondent claims that it has never impersonated the Complainant because there is a disclaimer on the website. However, the Panel notes that Internet users need to scroll down through approximately nine screens displaying the Complainant's products and photographs before they can see the disclaimer, which reads "Not affiliated with Tesla, Inc." in small print (plus a more lengthy copyright disclaimer set out in section 4 above) that could easily be missed. A disclaimer on the privacy policy page or other pages will not be seen at all by Internet users who do not visit that page. The disclaimers are inconspicuous and insufficient to dispel the risk of implied affiliation arising from the nature of the disputed domain name, and the impression created by the rest of the home page that the site is authorized by, or affiliated with, the Complainant. See *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. <u>D2001-0903</u>. For the above reasons, the Panel does not consider that the Respondent is using the disputed domain name in connection with a bona fide offering of goods or services.

The Respondent's name is "Paul Raptis" and his company is named "Euro Rent & Finance Sp. z o.o.", neither of which resembles the disputed domain name. The invoices of the business use the company name. While the Complainant asserts that the Respondent Paul Raptis is the sole shareholder of the company Tesla Warszawa Sp. z o.o., a proxy of Tesla Lease & Rent Sp. z o.o., the Respondent's business is referred to on the Groupon website as "Tesla Warszawa" and there are references in three press articles to the business variously as "Resla Warszawa", "Tesla-Warszawa" or "Tesla Warszawa Lease & Rent", the record does not indicate that the Respondent (as an individual, business or other organization) has been commonly known by the disputed domain name within the terms of paragraph 4(c)(ii) of the Policy.

The disputed domain name is associated with websites operated for commercial gain. This is not a use of the disputed domain name in connection with a legitimate noncommercial or fair use within the terms of paragraph 4(c)(iii) of the Policy.

For the above reasons, the Panel finds the Complainant has established a prima facie case that the Respondent lacks rights or legitimate interests in the disputed domain name, and the Respondent has been unable to rebut the Complainant's prima facie showing.

Based on the record, the Panel finds the second element of the Policy has been established.

C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy provides that certain circumstances, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith. The fourth circumstance is as follows:

"(iv) by using the [disputed] domain name, [the respondent has] intentionally attempted to attract, for commercial gain, Internet users to [the respondent's] web site 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] web site or location or of a product or service on [the respondent's] web site or location".

The disputed domain name was registered in December 2016, after the Complainant obtained its earlier trademark registrations, including one for the semi-figurative TESLA mark in the European Union, where the Respondent is based. The disputed domain name wholly incorporates the TESLA mark and combines it with the place name "Warszawa". In its letter of April 11, 2019, the Respondent confirmed that it had been following the Complainant since the release of the Roadster, that it had test driven a Model S in California in 2012 (which was four years before it registered the disputed domain name), and that it had dreamed of opening a Tesla rental before it moved back to Warsaw. The "shop" and "lease" websites associated with the disputed domain name mimic the Complainant's website, and display the Complainant's semi-figurative TESLA trademark and products. These facts indicate to the Panel that the Respondent had the Complainant's TESLA trademark in mind at the time when it registered the disputed domain name.

The Respondent uses the disputed domain name in connection with websites that give the false impression that they are authorized by, or affiliated with, the Complainant. The website offers the Complainant's products for sale and rental. For the reasons given in section 6B above, the disputed domain name is clearly intended to attract Internet users by creating a likelihood of confusion with the Complainant's TESLA mark, which it wholly incorporates in combination with the place name "Warszawa" and a gTLD extension. Accordingly, the Panel finds that these circumstances fall within the terms of paragraph 4(b)(iv) of the Policy.

Accordingly, the Panel finds that the disputed domain name has been registered and is being used in bad faith.

For the above reasons, 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 <tesla-warszawa.com> be transferred to the Complainant.

/Matthew Kennedy/ Matthew Kennedy Sole Panelist

Date: February 5, 2024