ARBITRATION
AND
MEDIATION CENTER

WIPO
WORLD
INTELLECTUAL PROPERTY
ORGANIZATION

ADMINISTRATIVE PANEL DECISION

Guccio Gucci S.p.A. v. Islem Binous, Owl in the frame s.àr.l.-S
Case No. D2024-0083

1. The Parties

The Complainant is Guccio Gucci S.p.A., Italy, represented by Studio Barbero S.p.A., Italy.

The Respondent is Islem Binous, Owl in the frame s.àr.l.-S, Luxembourg.

2. The Domain Name and Registrar

The disputed domain name <guccı.com> (xn--gucc-oza.com) is registered with OVH (the "Registrar").

3. Procedural History

The Complaint was filed in English with the WIPO Arbitration and Mediation Center (the "Center") on January 10, 2024. On January 10, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On January 10, 2024, 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 (Owl in the frame s.àr.l.-S) and contact information in the Complaint. The Center sent an email communication to the Complainant on January 15, 2024, 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 amendment to the Complaint on January 15, 2024.

On January 11, 2024, the Center informed the parties in French and English, that the language of the registration agreement for the disputed domain name is French. On January 11, 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 together with the amendment to 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 of the Complaint in both French and English, and the proceedings commenced on January 17, 2024.

In accordance with the Rules, paragraph 5, the due date for Response was February 6, 2024. The Respondent sent communications to the Center on January 25 and 31, 2024 and February 5, 2024. The Center notified the Parties of the commencement of the panel appointment process on February 7, 2024.

The Center appointed Mireille Buydens as the sole panelist in this matter on February 15, 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 Italian public limited company founded in 1921 and active in the luxury fashion sector. The Complainant belongs to the international conglomerate company Kering (previously, Pinault-Printemps-Redoute, PPR), one of the leading groups worldwide in apparel and accessories. The Complainant has stores all around the world, including in the Benelux, and consumers can also buy the Complainant's products online.

The Complainant has an extensive global portfolio of registrations containing the term GUCCI ("the Trademark), including the following:

- International Trade Mark registration No. 429833 for GUCCI in Classes 3, 14, 18 and 25, designating a number of jurisdictions including the Benelux, registered on March 30, 1977;
- International Trade Mark registration No. 457952 for GUCCI in Classes 1 to 42, designating a number of jurisdictions including the Benelux, registered on December 16, 1980;
- European Union Trademark Registration No. 004107546 for GUCCI (verbal and figurative mark), registered on December 21, 2005, in all Classes.

The Complainant is the owner of a number of domain names identical to or similar to the Trademark, including the domain name <gucci.com>, registered on June 5, 1996, and at which the Complainant operates its official website, and <gucci.lu>.

The disputed domain name was registered by the Respondent on August 18, 2022. According to the Complainant, the disputed domain name first resolved to an error page and subsequently redirected to a parking page of the Registrar. At the time of this decision, the disputed domain name still directs to a parking page of the Registrar, mentioning (in French) "Félicitations, votre domaine guccı.com a bien été créé" ("Congratulations, your domain guccı.com has been created") and offering hosting services. Mail exchanges ("MX") records are present in the DNS configuration of the disputed domain name.

The Respondent offers IT and web services under the commercial name "Owl in the frame". The Trademark, or any similar sign, is not used on the Respondent's website.

When the Complainant discovered the registration of the disputed domain name, it entrusted a web agency to send an email to the Respondent on November 21, 2022, through the Registrar's contact form. On November 24, 2022, the web agency received a reply from the Respondent's representative proposing to sell it for EUR 5 million. The Respondent's representative asked on December 1, 2022, to answer quickly to the offer to transfer it for EUR 5 million as it was planning to contact other potential buyers.

On December 6, the Complainant sent a cease-and-desist letter, asking inter alia to immediately transfer the disputed domain name.

On January 9, 2023, the Respondent's representative wrote to the web agency appointed by the Complainant that it was willing to transfer the disputed domain name for EUR 10,000. After several reminders from the Complainant, the Respondent's representative proposed to transfer the disputed domain name if the Complainant would allow the Respondent to put the wording "trusted by Gucci" on its website and on its blog (which the Complainant refused). Finally, the Respondent proposed to transfer the disputed domain name for EUR 5,000, which was also refused by the Complainant.

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.

First, the Complainant contends that it owns prior rights in the Trademark. The disputed domain name entirely incorporates the Complainant's Trademark with the mere difference of the fifth letter being, instead of the letter "i" from the Latin alphabet, the letter "ı" of the Turkish alphabet (*id est* a dotless "i"), which is clearly not a distinguishing feature. Replacing the character "i" with "ı" can be clearly assessed as a case of typo-squatting. The generic Top-Level Domain ("gTLD") ".com" is merely instrumental to the use in Internet and therefore the disputed domain name is to be considered confusingly similar to the Complainant's trademark.

Second, the Complainant asserts that the Respondent lacks rights or legitimate interests in the disputed domain name. The Respondent is not a licensee, authorized agent of the Complainant or in any other way authorized to use the Complainant's Trademark. The Respondent is not commonly known by a name corresponding to the disputed domain name as an individual, business, or other organization, and actually conducts business under another business name. The Respondent has not provided the Complainant with any evidence of use of, or demonstrable preparations to use, the disputed domain name in connection with a bona fide offering of goods or services. The Complainant further contends that the Trademark corresponds to the surname of the Complainant's founder and family, with no meaning in foreign languages, and as such is not one traders would legitimately choose unless seeking to create an impression of an association with the Complainant. In addition to the above, the request of EUR 5 million, later reduced to EUR 10,000, presented by the Respondent to the web agency entrusted by the Complainant shows that the Respondent has never had any intention to use the disputed domain name in connection with a bona fide offering of goods or services or for a legitimate noncommercial or fair use.

Third, the Complainant asserts that the disputed domain name was registered and is being used in bad faith. The Complainant submits that, in light of the fact that the Trademark is well-known and used since as early as 1921, it is inconceivable that the Respondent was unaware of the existence of the Complainant or the Complainant's Trademark when it registered the disputed domain name. Given the reputation of the Complainant's Trademark, the Respondent clearly acted in opportunistic bad faith, by registering the disputed domain name with full knowledge of the Complainant's Trademark for the purpose of taking commercial advantage of the same.

The Complainant further submits that the disputed domain name resolves to an inactive website. The Complainant asserts that the passive holding of the disputed domain name amounts to use in bad faith because of i) the clear confusing similarity of the disputed domain name with the Complainant's well-known Trademark, ii) the Respondent's lack of any rights or legitimate interests in the disputed domain name, iii) the Respondent's initial concealing of its identity in the public WhoIs records and iv) the implausibility of any good faith use to which the disputed domain name may be put.

Finally, the Complainant holds that the Respondent’s bad faith also results from the correspondence exchanged between the Parties or their representatives. It indeed appears that the Respondent tried to sell the disputed domain name to the Complainant for amounts well over the out-of-pocket costs directly related to the disputed domain name (EUR 5 million in the first place, and then EUR 10,000 after having received the cease-and-desist letter).

The Complainant seeks that the disputed domain name be transferred to the Complainant.

B. Respondent

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

First, the Respondent contends that the disputed domain name is not confusingly similar to the Trademark because it registered the disputed domain name with a dotless “i” (Turkish ”i”) instead of a “i” with a dot. the dotless “ı” is not available as a letter in keyboards, which eliminates the possibility of inadvertently reaching the domain name <gucci.com>.

Second, the Respondent argues that it has legitimate interest in the disputed domain name. The Respondent is a company providing IT and trademark services, which registers critical domain names to prevent them from falling into untrustworthy hands. Once registered, the Respondent uses communication strategies with the goal of distinguishing between legitimate representatives of the corresponding trademarks and others. This is what happened with the disputed domain name. Once it found the legitimate owner, it agreed to transfer the disputed domain name for a reasonable price taking into account the provided services.

Third, the Respondent contends that it did not register and used the disputed domain name in bad faith. The Respondent holds that, as the disputed domain name is not confusingly similar and excludes any typosquatting risk, any commercial benefits linked to typosquatting or redirection possibilities are excluded. The Respondent further explains that it never used the disputed domain name as it has always redirected to an inactive website. The fact that the Respondent proposed to transfer the disputed domain name for valuable consideration cannot be seen as bad faith as the Respondent provides services (registering domain names for avoiding that they fall in untrustworthy hands and then checking to whom they duly belong). As a service provider, it has the right to establish its pricing and to charge for its services. Besides, the Respondent’s price remained within reasonable bounds, particularly when juxtaposed with the potential IT security risks and financial losses associated with phishing attacks, malware distribution, and brand reputation damage resulting from a critical domain name (here, the disputed domain name) falling into untrustworthy hands.

6. Discussion and Findings

Language of the Proceeding

The language of the Registration Agreement for the disputed domain name is French. 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 (i) requiring the Complainant to translate the Complaint and documents into French would cause delay in contravention to Paragraph 10(c) of the Rules; (ii) the Respondent replied in English to the messages sent by the web agency entrusted by the Complainant, to the cease and desist letter and subsequent communications in English sent by the Complainant; (iii) the Respondent secured the disputed domain name in the gTLD “.com”, which reveals the Respondent’s intention to target an international audience, most likely of English-speaking users and (iv) the websites operated by the Respondent and presenting its services are all drafted in English.

The Respondent did not make any specific submissions with respect to the language of the proceeding and submitted its arguments on the merits in the English language.

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).

In the case at hand, the registration agreement for the disputed domain name is in French. However, it is also apparent from the written communications exchanged between the Parties that the Respondent has no difficulties in communicating in the English language. The English used by the Respondent in his letters demonstrates his ability to understand and communicate in English without difficulties. Besides, the Respondent also submitted its arguments in the current administrative proceedings in the English language, and its websites are drafted in English only. The Respondent did not at any point in time request the communications or this proceeding to be conducted in French.

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.

Policy requirements

Paragraph 4(a) of the Policy provides that the Complainant proves each of the following three elements to succeed in its Complaint:

(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.

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 of WIPO Panel Views on Selected UDRP Questions, Third Edition, ("WIPO Overview 3.0"), section 1.7.

The Complainant has shown rights in respect of a trademark for the purposes of the Policy. WIPO Overview 3.0, section 1.2.1.

The Panel finds the Trademark is recognizable within the disputed domain name. A domain name which consists of a common, obvious, or intentional misspelling of a trademark is considered by panels to be confusingly similar to the relevant mark for purposes of the first element (WIPO Overview 3.0, section 1.9). In the case at hand, the disputed domain name only differs from the Trademark by the fact that the final "i" of the Trademark GUCCI has been replaced by a dotless "ı". Such difference would remain unnoticed from Internet users and is a clear case of typo-squatting. Accordingly, the disputed domain name is confusingly similar to the Trademark for the purposes of the Policy. WIPO Overview 3.0, section 1.7.

The gTLD ".com" is a standard registration requirement and does not prevent the disputed domain name from being confusingly similar to the Trademark. WIPO Overview 3.0, section 1.11.1.

Based on the available record, 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 is not licensed by or affiliated with the Complainant in any way. There is no evidence that the Respondent would be commonly known under the disputed domain name, nor is there any evidence of use or demonstrable plans to use the disputed domain name for a bona fide offering of goods or services. The Respondent actually conducts business under another business name. There is no evidence of legitimate noncommercial or fair use of the disputed domain name, either. The request of EUR 5 million, later reduced to EUR 10,000, presented by the Respondent to the web agency entrusted by the Complainant shows that the Respondent has never had any intention to use the disputed domain name in connection with a bona fide offering of goods or services or for a legitimate noncommercial or fair use.

The composition of the disputed domain name, which only differs from the Trademark by the replacement of the final letter "i" by a dotless "ı" and which is very similar to the disputed domain name used by the Complainant for its official website, along with the gTLD ".com", affirms the Respondent's intention of taking unfair advantage of the likelihood of confusion between the disputed domain name and the Complainant's Trademark. This confirms that there is no use, nor preparations to use, of the disputed domain name in connection with a bona fide offering of goods or services, and thus no legitimate interest in the disputed domain name.

The Respondent argues that it would have legitimate interests in the disputed domain name because it is an IT company registering critical domain names for protecting the legitimate owners. In the case at hand, it would have registered the disputed domain name to prevent it to fall into "untrustworthy hands". However, the Panel notes that it results from the correspondence exchanged between the Parties that the Respondent tried to first sell the disputed domain name for EUR 5 million to the web agency entrusted by the Complainant, without asking for evidence that this potential buyer had rights or legitimate interest to claim the disputed domain name. The Respondent contacted again the web agency appointed by the Complainant on December 1, 2022, urging it to decide quickly on the purchase of the disputed domain name because the Respondent was "planning to contact potential buyers". This shows that the Respondent's intend was not to secure the disputed domain name for its legitimate owner but to obtain (high) commercial gain by selling it to anyone who was willing to pay the price. This shows again the Respondent's lack of right or legitimate interest in the disputed domain name.

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.

Paragraph 4(b) of the Policy sets out a list of non-exhaustive circumstances that may indicate that a domain name was registered and used in bad faith, but other circumstances may be relevant in assessing whether a respondent's registration and use of a domain name is in bad faith. WIPO Overview 3.0, section 3.2.1.

In the present case, the Panel notes that the disputed domain name is confusingly similar to the Complainant's Trademark, which predates the registration of the disputed domain name for many years and is a widely known and even a notorious trademark. The disputed domain name reproduces the Trademark with the single difference that the "i" of GUCCI is replaced by a dotless "ı". This typo would obviously go unnoticed by the Internet users and cannot be the result of chance. In the correspondence exchanged by the Parties, the Respondent also acknowledged that the disputed domain name was confusingly similar to the Trademark (see email dated December 10, 2022, and also email dated January 25, 2024). It is also worth noting that the disputed domain name is highly similar to the main domain name used by the Complainant (<gucci.com>). As a result, the Respondent was more likely than not aware of the Complainant's earlier rights at the time of the registration of the disputed domain name (WIPO Overview 3.0 section 3.2.2).

If circumstances indicate that the respondent's intent in registering the disputed domain name was to profit from the complainant's trademark, panels will find bad faith on the part of the respondent. While panel assessment remains fact-specific, generally speaking such circumstances, alone or together, include inter alia: (i) the respondent's likely knowledge of the complainant's rights, (ii) the distinctiveness of the complainant's mark, (iii) threats to "sell to the highest bidder" or otherwise transfer the disputed domain name to a third party, (iv) a respondent's request for goods or services in exchange for the disputed domain name. WIPO Overview 3.0, section 3.1.1. In the case at hand, it has been pointed out that the Respondent knew or should have known the Complainant's notorious Trademark. The Respondent explained that, should the web agency appointed by the Complainant not quickly decide to buy the disputed domain name for EUR 5 million, it would contact other potential buyers. Finally, after having tried to sell the disputed domain name for a price well over the out-of-pocket costs directly related to the disputed domain name, the Respondent proposed to transfer the disputed domain name in exchange of a service, namely the authorization to put a reference to GUCCI on its website and blog. These circumstances, taken together, indicate the Respondent's bad faith in registering the disputed domain name.

The Panel also notes that the Respondent failed to present a credible rationale for registering the disputed domain name. The argument that the Respondent uses to register critical domain names for avoiding them to "fall into untrustworthy hands" is not proven and devoid of any credibility taking into consideration the Respondent's attempt to sell if for EUR 5 million to the Complainant's web agency or to other third parties, as well as the fact that the Respondent didn't ask the web agency for evidence of its rights or legitimate interest in the Trademark.

The argument that the disputed domain name is passively hold cannot succeed, either. Panels have found that the non-use of a domain name would not prevent a finding of bad faith under the doctrine of passive holding. Having reviewed the available record, the Panel finds the non-use of the disputed domain name does not prevent a finding of bad faith in the circumstances of this proceeding. Although panelists will look at the totality of the circumstances in each case, factors that have been considered relevant in applying the passive holding doctrine include: (i) the degree of distinctiveness or reputation of the complainant's mark, (ii) the failure of the respondent to provide any evidence of actual or contemplated good-faith use. WIPO Overview 3.0, section 3.3. Having reviewed the available record, the Panel notes the reputation of the Complainant's Trademark, and the composition of the disputed domain name, and finds that in the circumstances of this case the passive holding of the disputed domain name does not prevent a finding of bad faith under the 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 <guccı.com> (xn--gucc-oza.com) be transferred to the Complainant**.**

/Mireille Buydens/
Mireille Buydens
Sole Panelist
Date: February 21, 2024