ARBITRATION
AND
MEDIATION CENTER

WIPO
WORLD
INTELLECTUAL PROPERTY
ORGANIZATION

EXPERT DECISION

Primestay Holding AG v. Primestay Residence AG
Case No. DCH2024-0014

1. The Parties

The Claimant is Primestay Holding AG, Switzerland, represented by PRINS Intellectual Property AG, Switzerland.

The Respondent is Primestay Residence AG, Switzerland, represented by Schaub Rechtsanwälte, Switzerland.

2. The Domain Names

The dispute concerns the following domain names <primestay-residence.ch>, and <primestayresidence.ch> (the "disputed domain names").

3. Procedural History

The Request was filed with the WIPO Arbitration and Mediation Center (the "Center") on October 8, 2024. On October 9, 2024, the Center transmitted by email to SWITCH, the ".ch" and ".li" registry, a request for verification in connection with the disputed domain names. On October 10, 2024, SWITCH transmitted by email to the Center its verification response confirming that the Respondent is listed as the holder of the disputed domain names and providing the relevant contact details. The Center verified that the 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 October 22, 2024. In accordance with the Rules of Procedure, paragraph 15(a), the due date for Response was November 11, 2024, and was extended until November 20, 2024.

The Respondent filed a Response on November 20, 2024, and expressed on November 25, 2024, his readiness to participate in the conciliation. The Center appointed Lorenz Ehrler as Conciliator in this matter on December 17, 2024.

In accordance with Rules of Procedure, paragraph 17, the Conciliation conference took place by telephone on January 28, 2025. The Conciliation conference did not result in a successful settlement between the Parties.

On April 29, 2025, the Center notified the Claimant accordingly, who on the same day 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 April 29, 2025, the Claimant submitted an additional document, and on May 5, 2025, the Respondent submitted comments thereon.

On May 2, 2025, the Center appointed Andrea Mondini 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 Claimant Primestay Holding AG was established on July 20, 2016, and is a holding investing in companies that develop and/or manage real estate and provides corporate management and administration services for these companies. Its services are offered in Switzerland and in the European Union.

The Claimant holds the Swiss trademark No. 702229 PRIMESTAY which was filed on November 15, 2016, and registered on May 15, 2017, in the international classes 36, 39 and 43.

The Claimant further holds the domain name <primestay.com> which was registered on January 6, 2016, and the domain name <primestay.ch> which was registered on May 22, 2016.

The Respondent was originally established in 1988 under a different name and changed its company name from BFS Trading AG to “Primestay Residence AG” on August 17, 2016.

The disputed domain name <primestay-residence.ch> was registered on August 30, 2016 and is redirected to the website “www.iundc.ch” which offers real estate related services and belongs to I&C Immo GmbH, a company which is controlled by the same persons as the Respondent.

The disputed domain name <primestayresidence.ch> was created on September 11, 2016 and does not resolve to an active website.

Until 2019, the Claimant and the Respondent seemed to be under common control. With the share purchase agreement dated August 28, 2019, Mr. Elvis Fazlic and Mr. Thomas Schmitt (the “Sellers”) sold 100% of the shares of 3V Group AG (the parent company of Respondent) to Mr. Mario Viazzoli (the “Buyer).

On June 18/20, 2020, the Sellers and the Buyer, acting also on behalf of the Claimant and the Respondent, signed a settlement agreement to resolve certain issues.

5. Parties’ Contentions

A. The Claimant

The Claimant contends that it has been using the sign “Primestay” for its services since January 2016 and that its domain name <primestay.ch> is redirected to its main website “www.primestay.com”.

On the other hand, the Respondent, which is active in the same filed as the Claimant, only started using this term in August 2016 when it changed its company name from BFS Trading AG to Primestay Residence AG.

The Claimant contends that it has a right in a distinctive sign under the law of Switzerland because Art. 956 of the Swiss Code of Obligations ("CO") protects "Primestay Holding AG" as a company name.

The Claimant contends that the registration and use of the disputed domains names by the Respondent infringes:

- The protection of its company name "Primestay" according to Article 956, Swiss Obligation Code ("CO");
- The Swiss Federal Act against Unfair Competition ("UCA") and in particular Article 3(1)(d) UCA (creating a risk of confusion) and Article 3(1)(e) UCA (misleading or unnecessarily plagiaristic conduct) and Art. 2 UCA (general clause against misleading business practices or acts against good faith); and
- The personality right of the legal entity "Primestay Holding AG", namely regarding the protection of the Claimant's name according to Art. 28 and 29 of the Swiss Civil Code ("CC").

On April 29, 2025, after the Conciliation, the Claimant submitted a share purchase agreement dated August 28, 2019, relating to the sale of the shares in 3V Group AG by the Sellers to the Buyer and pointed out that para. 20 of this agreement provides that the Buyer may use the name "Prime Residence" until August 31, 2020.

B. The Respondent

The Respondent contends in essence:

- that the Claimant's trademark "PRIMESTAY was filed only after the Respondent adopted the company name "Primestay Residence AG" and that therefore Claimant cannot assert this trademark against the Respondent;
- that the Request shall be dismissed because the Claimant's domain names <primestay.ch> and <primestay.com> have only recently been linked to a merely static website, and had never been used before 2024;
- that other than a screenshot of its recently posted website, the Claimant has not provided any evidence of use of the sign "Primestay" and that an online search indicates that its offices are permanently closed;
- that the Claimant is a mere holding company, and as such it does not and cannot engage in operational activities;
- that the term "Primestay" is not distinctive, and that numerous domain names containing this term coexist;
- that it was the Claimant itself (respectively its representatives) who changed Respondent's company on August 25, 2016, from BFS Trading AG to Primestay Residence AG. Moreover, it was the Claimant itself who registered the disputed domain names in 2016. By tolerating their use for more than eight years, the Claimant forfeited its rights;
- that the Claimant's claim is abusive because the Sellers sold the shares in Respondent to the Buyer. The sale included the disputed domain names. In a settlement agreement dated June 18/20, 2020, all claims between the Sellers, the Buyer and I&C Implementation GmbH were settled, and the Respondent was not requested to change its company name or the disputed domain names.

With regard to the share purchase agreement filed by Claimant on April 29, 2025, the Respondent objected that this additional filing is inadmissible, and that in any event irrelevant, notably because it does not deal with the disputed domain names, was not concluded by the Parties to the present proceedings and is superseded by the settlement agreement dated June 18/20, 2020.

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 "in particular, 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 defence; and
- the infringement of the right justifies the transfer or revocation of the domain name, depending on the remedy requested in the request".

The Expert finds that the share purchase agreement filed by the Claimant on April 29, 2025, and the comments thereon filed by the Respondent on May 5, 2025, are admissible, because the share purchase agreement is relevant to understand the factual background of this case.

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

The Claimant has shown that its company name Primestay Holding AG is protected under Art. 946 CO and that it holds the Swiss trademark registration for PRIMESTAY.

Accordingly, the Claimant has shown that it has rights in a distinctive sign under the law of Switzerland.

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

At the outset, the Expert notes that this is primarily a contractual dispute:

The disputed domain names were registered on August 30, 2016, and September 11, 2016, respectively. At that time, the Claimant and the Respondent seemed to be under common control, and the register of commerce shows that Thomas Schmitt (one of the Sellers) was the chairman of the board of both companies. It appears, therefore, that the disputed domain names were registered with the consent of the Claimant.

On August 28, 2019, the Sellers sold to the Buyer all of the shares in the 3V Group AG, which was the parent company of the Respondent (as confirmed in lit. A of the settlement agreement of June 18/20, 2020). Para. 20 of the share purchase agreement provides that the Buyer may use the name "Prime Residence" until August 31, 2020.

Later, the Sellers and the Buyer concluded an agreement on June 18/20, 2020 on behalf of several companies, including the Claimant, the Respondent and 3V Group AG, which contains a settlement clause, according to which all claims between the Parties, including the companies they represented, were fully and finally settled (with one exception which does not relate to the disputed domain names).

This raises the issues (i) whether para. 20 of the share purchase agreement of August 28, 2019, should be interpreted to mean that the Buyer should have stopped using and/or should have transferred the disputed domain names back to the Sellers, and – if yes – (ii) whether such obligation was superseded by the settlement clause provided in the agreement of June 18/20, 2020. Because these two agreements submitted by the Parties are not clear on these issues, they should be interpreted according to the rules of contract interpretation applicable under Swiss law.

In view of the Expert, therefore, the present dispute is outside of the scope of the Rules of Procedure because it does not mainly raise issues regarding the infringement of a distinctive sign but rather issues of contract interpretation that are better suited to be resolved upon proper taking of the evidence in state court proceedings. See *Swiss Investment Management SA / J. H.*, WIPO case No. DCH2023-0010.

7. Expert Decision

For the above reasons, the Request is denied.

Andrea Mondini
Expert
Dated: May 7, 2025