

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Schroders plc v. CITY LA, GE GROUNG Case No. D2023-4315

1. The Parties

The Complainant is Schroders plc, United Kingdom, represented by CSC Digital Brand Services Group AB, Sweden.

The Respondent is CITY LA, GE GROUNG, Switzerland.

2. The Domain Name and Registrar

The disputed domain name <schroders.site> 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 October 17, 2023. On October 18, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On October 20, 2023, the Registrar transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details.

The Center verified that 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, and the proceedings commenced on October 23, 2023. In accordance with the Rules, paragraph 5, the due date for Response was November 12, 2023. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on November 13, 2023.

The Center appointed Christian Schalk as the sole panelist in this matter on November 23, 2023. 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.

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4. Factual Background

Founded in 1800 in London, United Kingdom, the Complainant became over the years a multinational asset management company with clients across the Americas, Europe, and Asia where it has presence in the major financial markets for decades. According to its 2022 Annual Report, the Complainant has more than 6,000 employees based in 38 locations around the world with assets under management of more than GBP 700 and a net operating income of almost GBP 2.5 million.

The Complainant owns among others the following trademark rights in SCHRODERS:

- Chinese Trademark Registration No. 772111, registration date November 21, 1994, covering services in International Class 36;
- United Kingdom Trademark Registration No. UK00002594045, registration date January 6, 2012, covering services in International Classes 35, 36 and 38;
- International Registration (IR) No. 1145884, registration date February 28, 2012, covering services in International Classes 35, 36, and 38. This IR has been designated under the Madrid Protocol to the following jurisdictions: Australia, Switzerland, China, Colombia, the European Union, Japan, Republic of Korea, Mexico, Norway, Russian Federation, Singapore, and the United States of America.

The Complainant owns more than 350 domain names among which more than 200 contain the term "schroders", such as, for instance, <schroders.com>, <schroders.cn>, <schroders.asia>, <schroder.com>, and <schroder.info>. The Complainant has also a significant social media presence with more than 187,000 followers on LinkedIn, more than 25,300 followers on X (formerly Twitter), more than 6,400 followers on Facebook, and more than 5,000 subscribers on YouTube.

The Respondent registered the disputed domain name on May 16, 2023. Before filing of the Complaint with the Center and also thereafter, it referred to a website which featured the Complainant's name and logo in a prominent manner on its upper left. The website features also a list of financial figures of certain markets and a link to "Trade Orders" and a "Sign in" link to "enjoy advanced market quotations". Just before the filing of the Complaint, the disputed domain name resolved to a blank page without any content.

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 is convinced that the disputed domain name is identical to the Complainant' trademark SCHRODERS. The Complainant explains in this context that the Respondent's prior use of the disputed domain name contributes to the confusion since it resolved to a website intended to

portray itself as the Complainant by featuring the Complainant's trademark and logo while selling and advertising competing products and services. The Complainant refers in this context to WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0") at section 1.15 where it is stated that UDRP panels have "taken note of the content of the website associated with a domain name to confirm confusing similarity where it appears prima facie that the respondent seeks to target a trademark through a disputed domain name".

The Complainant contends also that the Respondent has no rights or legitimate interests in respect of the disputed domain name. The Complainant states that a granting of registrations of a number of trademark offices to the Complainant for SCHRODERS and SCHRODERS CAPITAL trademarks is a *prima facie* evidence of the validity of the terms SCHRODERS and SCHRODERS CAPITAL as trademarks.

The Complainant argues further that the Respondent is neither sponsored nor affiliated with the Complainant, not known by the disputed domain name and has also not received any authorization, license or permission by the Complainant, to use the Complainant's trademarks in any manner, including in domain names.

The Complainant believes also that the Respondent is not making a *bona fide* offering of goods or services or legitimate, noncommercial fair use of the disputed domain name. The Complainant explains in this context that the disputed domain name was previously redirecting Internet users to a website which included the Complainant's trademarks and logo in a direct effort to take advantage of the fame and goodwill that the Complainant has built in its brand. The Respondent was not only imitating the Complainant by displaying the Complainant's logo but also misleading the Complainant's customers. In addition, the Complainant states that on the website available at the disputed domain name, the Respondent offered and attempted to sell financial services in direct competition with the Complainant's own investment offerings. Therefore, the Complainant is convinced that selling competing goods, coupled with the unauthorized use of his trademarks in a confusingly similar domain name, does not qualify as a bone fide offering of goods and services and refers in this context to *American Online, Inc. v. Xianfeng Fu,* WIPO Case No. D2000-1374 to support this argument. The Complainant believes finally that redirecting the disputed domain name to a website that resolves to a blank page without any content cannot constitute any attempt to make legitimate use of the disputed domain name and refers in this context to *Washington Mutual, Inc. v. Ashley Khong*, WIPO Case No. D2005-0740.

Furthermore, the Complainant contends that the disputed domain name was registered and is being used in bad faith. The Complainant believes that given the identity of the disputed domain name to the Complainant's trademark, the Respondent demonstrated a knowledge and familiarity with the Complainant's brand and business. The Complainant explains in this context that the disputed domain name referred to a website which was purported to be a website of the Complainant by displaying the Complainant's trademark and logo on this website, in an attempt to pass off as the Complainant, possibly for phishing purposes. Referring to Telstra Corp. Ltd. v. Nuclear Marshmallows, WIPO Case No. D2000-0003, the Complainant concludes, that it is not possible to conceive of a plausible situation in which the Respondent would have been unaware of the Complainant's brands at the time of registration of the disputed domain name. The Complainant continues in this context that the Respondent's use of the Complainant's trademark in a domain name which is so obviously connected with its SCHRODERS trademark, suggests opportunistic bad faith and cites Parfums Christian Dior v. Javier Garcia Quintas, WIPO Case No. D2000-0226. The Complainant then adds that in a case where the disputed domain name attempts to pass of as the Complainant for phishing purposes, it defies common sense to believe that the Respondent coincidentally selected the precise domain name without any knowledge of the Complainant and its trademarks and cites Asian World of Martial Arts Inc. v. Texas International Property Associates, WIPO Case No. <u>D2007-1</u>415.

The Complainant states also that the Respondent was attempting to cause consumer confusion in a nefarious attempt to profit from such confusion when he used the disputed domain name in connection with a commercial website, which prominently featured the Complainant's trademark. The impression given by the disputed domain name and its website would have caused consumers to believe that the Respondent is somehow associated with the Complainant, which is not the case. Therefore, the Respondent's action created a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the disputed domain name, and the Respondent was thus using the fame of the Complainant's trademark to improperly increase traffic to the website to which the disputed domain name referred for its own commercial gain.

The Complainant argues further that the Respondent's use of the disputed domain name constitutes a disruption of the Complainant's business since the website to which the disputed domain name resolved was being used to offer, not only the Complainant's services but also competing services without the Complainant's approval. The Complainant believes also that the fact that disputed domain name resolved to an inactive site and was not being used at the time the Complainant was prepared, constitutes bad faith use as well since the concept of bad faith does not require a positive act on the part of the Respondent – instead, passively holding can constitute a factor on finding bad faith registration and use pursuant to paragraph 4(a)(iii) of the Policy. In order to support this argument, the Complainant refers to *Telstra Corp. Ltd. v. Nuclear Marshmallows*, WIPO Case No. D2000-0003, and *Alitalia-Linee Aeree Italianae S.p.A. v. Colour Digital*, WIPO Case No. D2000-1260, and *DCI S.A. v. Link Commercial Corp.*, WIPO Case No. D2000-1232.

B. Respondent

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

6. Discussion and Findings

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 WIPO Overview 3.0, section 1.7.)

The Panel finds that the Complainant has established trademark rights in the trademark SCHRODERS and that the entirety of the mark is reproduced within the disputed domain name. Accordingly, the disputed domain name is identical to the mark for the purposes of the Policy (see <u>WIPO Overview 3.0</u>, section 1.7).

Furthermore, the ".site" Top-Level Domain suffix in the disputed domain name does not affect the determination that the disputed domain name is identical to the SCHRODERS trademark in which the Complainant has rights (see also *Compagnie Générale des Etablissements Michelin v. Trendimg*, WIPO Case No. <u>D2010-0484</u>; Köstrizer Schwarzbierbrauerei v. Macros-Telekom Corp., WIPO Case No. <u>D2001-0936</u>; and *Laboratoire Pharmafarm (SAS) v. M. Sivaramakrishan*, WIPO Case No. <u>D2001-0615</u> and cases cited therein).

For all these reasons, the Panel finds that the Complainant has fulfilled the first element under paragraph 4(a) of the Policy.

B. Rights or Legitimate Interests

Based on the submissions and materials filed in this case, the Panel finds that the Respondent does not have rights or legitimate interests in the disputed domain name.

Although the overall burden of proof in UDRP proceedings is on the complainant, UDRP 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 (see WIPO Overview 3.0, section 2.1).

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.

However, the Respondent has not provided any evidence of circumstances specified in paragraph 4(c) of the Policy or of any other circumstances giving rise to rights to or legitimate interests in the disputed domain name. Specifically, the Panel finds no evidence that the Respondent has been or is commonly known by the disputed domain name. The Respondent is neither affiliated with the Complainant nor has a license to use its trademark. The Respondent has also not rebutted the Complainant's allegations and has not provided the Panel with any explanations as to the Respondent's rights or legitimate interests.

Before the Complaint was filed, the Respondent resolved the disputed domain name initially to a website which included the Complainant's trademarks and logo. The Panel is convinced that the only reason for the Respondent's behaviour was to create among Internet users the mistaken belief that the website to which the disputed domain name resolved was at least related with the Complainant if not of the Complainant itself. Furthermore, this website featured links to apparently financial services and which were in direct competition with the financial services offered by the Complainant. The unauthorized use of the Complainant's trademark and selling competing services cannot qualify at all as a bone fide offering of goods and services (see also *American Online, Inc. v. Xianfeng Fu*, WIPO Case No. D2000-1374).

Directing the disputed domain name to a blank page without any content just before filing of the Compliant with the Center does also not give the Respondent any rights or legitimate interests in the disputed domain name. Taking into consideration the overall circumstances of this case, especially, the Respondent's dishonest behaviour described in the previous paragraph and then subsequently directing the disputed domain name to a blank site cannot qualify as a bone fide offering of goods and services (see for instance, *Washington Mutual, Inc. v. Ashley Khong*, WIPO Case No. D2005-0740 and *Dr. Martens International Trading GmbH and Dr. Maertens Marketing GmbH v. Godaddy.com, Inc.*, WIPO Case No. D2017-0246).

The Complainant has therefore fulfilled the second element under paragraph 4(a) of the Policy.

C. Registered and Used in Bad Faith

The Complainant contends that the Respondent registered and is using the disputed domain names in bad faith. The Policy, paragraph 4(b) sets forth four non-exclusive circumstances, which evidence bad faith registration and use of domain names:

(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 owner of the trademark or service mark or to a competitor of the Complainant, for valuable consideration in excess of the Respondent's documented out-of-pocket costs directly related to the 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 its website or location or of a product or service on its website or location.

According to the materials brought before the Panel, the Panel finds that the disputed domain name has been registered and is being used by the Respondent in bad faith.

It is a principle considered under prior UDRP decisions (see, for instance, *Carolina Herrera, Ltd. v. Alberto Rincon Garcia*, WIPO Case No. <u>D2002-0806</u>; *Six Continents Hotels, Inc. v. Seweryn Nowak*, WIPO Case No. <u>D2003-0022</u>) and under the Policy (see paragraph 2), that a domain name registrant represents and warrants to the concerned registrar that to its knowledge, the registration of the domain name will not infringe the rights of any third party.

The Panel finds that the Respondent must have been aware of the Complainant's trademark and its services when it registered the disputed domain name. A simple search in a search engine such as Google or Bing reveals many references to the Complainant already on the first two pages of such a search and would have made the Respondent immediately aware of the Complainant. Moreover, redirecting the disputed domain name to a website which featured in a prominent manner the Complainant's SCHRODERS trademark and its company logo reinforces the finding of the Respondent's awareness of the Complainant when registering the disputed domain name and its intention of having chosen the Complainant's trademark in order to create an impression of an association with the Complainant. Therefore, it is not possible to conceive of a plausible situation in which the Respondent would have been unaware of the Complainant's brands at the time of registration of the disputed domain name (see also *Telstra Corp. Ltd. v. Nuclear Marshmallows*, WIPO Case No. D2000-0003).

The Respondent's behaviour constituted bad faith use of the disputed domain name already before the filing of the Complaint. The Respondent attempted to cause confusion among the Complainant's customers as well as among Internet users searching for the Complainant's services by resolving the disputed domain name to a website which not only featured the Complainant trademark and company logo in a prominent manner but also pretended to offer services either of the Complainant or an entity which is somehow affiliated with the Complainant. Therefore, the Respondent's action created a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the disputed domain name, and the Respondent was thus using the fame of the Complainant's trademark to improperly increase traffic to the website to which the disputed domain name referred for its own commercial gain. Such behaviour risks not only to shift business away from the Complainant to potential competitors. It can also cause serious harm to its reputation and therewith creates a considerable risk of disruption of its business. Especially in the field of financial services, trust, reliability and in particular offering safe communication channels are key assets for any provider of financial services. Customers who would leave sensitive information on the website to which the disputed domain name resolved such as bank details and security codes, and suffer of financial damages would most likely neither entrust their money any more to the Complainant nor consider this company anymore as a trustworthy partner. It could be the same if customers would notice still in time that they entered erroneously a third party webpage instead of the Complainant's one. The only reason for all this would be the registration of the disputed domain name by the Respondent.

Having regard to the material brought before the Panel, the disputed domain name is currently not in use. According to section 3.3 of the WIPO Overview 3.0 it is consensus view that also the lack of active use of the domain name does not as such prevent a finding of bad faith. 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 submit a response or to provide any evidence of actual or contemplated good-faith use, and (iii) the respondent's concealing its identity or use of false contact details, the latter constituting a breach of its registration agreement (see also WIPO Overview 3.0, section 3.3.).

The Complainant's trademark SCHRODERS enjoys distinctiveness. The disputed domain name incorporates this trademark in its entirety. The Complainant has a substantive commercial presence in the Internet as well as in Social Media. The composition of the disputed domain name suggests that it resolves to a website where Internet users could have access to the Complainant's online services. The only conclusion which Internet users could draw from the composition of the disputed domain name is that such website is either of the Complainant itself or of the companies somehow affiliated with the Complainant while this is not the case. Therefore, the Panel cannot conceive of any plausible actual or contemplated active use of the disputed domain name by the Respondent that would not be illegitimate.

The Respondent also failed to submit a response. Furthermore, the Respondent has apparently also provided inaccurate contact details when it registered the disputed domain name or failed at least to correct such false contact details. Already the Respondent's alleged physical address was not accurate. Therefore, the Panel notes that the Respondent may have given incorrect contact details to frustrate or at least to delay this proceeding (see *Telstra Corporation Limited v. Nuclear Marshmallows*, WIPO Case No. <u>D2000-0003</u>).

Accordingly, in light of the circumstances, the Panel finds that the Respondent has engaged in the bad faith registration and use of the disputed domain name.

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 <schroders.site> be transferred to the Complainant.

/Christian Schalk/
Christian Schalk
Sole Panelist

Date: December 7, 2023