

EXPERT DECISION

British American Tobacco (Brands) Limited v. snushero GmbH, F.W.
Case No. DCH2024-0018

1. The Parties

The Claimant is British American Tobacco (Brands) Limited, United Kingdom, represented by Demys Limited, United Kingdom.

The Respondent is snushero GmbH, F.W., Switzerland, self-represented.

2. The Domain Name

The dispute concerns the domain name <velo-snus.ch> (hereinafter, “the disputed domain name”).

3. Procedural History

The Request was filed with the WIPO Arbitration and Mediation Center (the “Center”) on December 12, 2024. On December 13, 2024, the Center transmitted by email to SWITCH, the “.ch” and “.li” registry, a request for verification in connection with the disputed domain name. On December 16, 2024, SWITCH transmitted by email to the Center its verification response confirming that the Respondent is listed as the holder of the disputed domain name and providing the relevant contact details.

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 January 2, 2025. In accordance with the Rules of Procedure, paragraph 15(a), the due date for Response was January 22, 2025.

The Respondent filed a Response and expressed his readiness to participate in the conciliation on January 20, 2025.

In accordance with Rules of Procedure, paragraph 17, the Conciliation conference took place by telephone on February 6, 2025. The Conciliation conference did not result in a settlement between the Parties.

On February 12, 2025, the Center notified the Claimant accordingly, who on February 13, 2025, 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 February 21, 2025, the Center appointed Theda König Horowicz 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 is based in the United Kingdom and belongs to the British American Tobacco Group of Companies. The Claimant owns the corporate trademarks and domain names. The British American Tobacco Group of Companies is well known for manufacturing and distributing tobacco and nicotine products such as cigarettes and modern oral nicotine products.

The Claimant is active worldwide and also operates in Switzerland through a local website “www.bat.ch” showing its local presence and products.

The Claimant is in particular the owner of the trademark VELO which has been registered and used in relation to modern oral nicotine products as of 2019 in many countries including in Switzerland.

The Claimant notably holds a Swiss trademark registration for VELO No 797236, in class 34, of May 11, 2023, and operates a website at <velo.com> which promotes the goods in question. The said website can be reached out of Switzerland.

The Respondent is a Swiss company which sells a variety of nicotine products, notably online, including the VELO products of the Claimant.

The disputed domain name was registered on February 14, 2024, and is currently inactive.

On October 31, 2024, the Claimant’s representative sent an email to the Respondent asking for the transfer of the disputed domain name. The Respondent offered the disputed domain name to the Claimant for sale, but the parties did not reach an agreement on the price.

5. Parties’ Contentions

A. The Claimant

The Claimant alleges to have trademark rights in Switzerland over VELO through various registrations in class 34 since 2019, that is prior to the registration of the disputed domain name. The trademark VELO has been used by the Claimant since then in Switzerland.

The Claimant further alleges that the Respondent is not known by the denominations “Velo” or “Velo Snus” in any way and that the Respondent has not been licensed or authorized by the Claimant to use such denominations. In addition, the Respondent would not own trademark rights over “Velo” and is not using the disputed domain name in good faith. However, the Respondent attempted to sell the disputed domain name to the Claimant for a price of CHF 150,000.

The Claimant invokes that the registration of the disputed domain name amounts to trademark infringement since it incorporates the Claimant’s VELO trademark with the addition of the descriptive term “Snus” which is a direct reference to the products manufactured and commercialized by the Claimant. The disputed domain name is therefore similar to Claimant’s VELO trademark. Furthermore, the Respondent operates an online tobacco shop “www.snushero.ch” on which the VELO products of the Claimant are commercialized. Given the confusing similarity of the disputed domain name and the similarity of the goods offered by the Respondent, there is risk of confusion in the sense of Article 13 paragraph 2 of the Swiss Trademark Law.

The Claimant also invokes that the Respondent's behavior constitutes unfair behavior within the meaning of Article 2 of the Swiss Unfair Competition Act. Firstly, by registering the disputed domain name, the Respondent obstructs the Claimant's commercial activities in Switzerland. Secondly, the Respondent registered the disputed domain name with the intention to profit from the reputation of the Claimant's VELO trademark as it is clear that the Respondent knew about the Claimant's VELO trademark when registering the disputed domain name. The Respondent admitted this in the exchange of emails following the Claimant's request of transfer of the disputed domain name. Thirdly, the Respondent offered the Claimant to purchase the disputed domain name for a price largely exceeding reasonable out of pocket costs.

B. The Respondent

The Respondent explains that it is an independent dealer specializing in the selling of nicotine products, including the VELO products of the Claimant.

The Respondent alleges that the disputed domain name was chosen in good faith as a way to combine two generic words, that is "snus" which is a common name for "nicotine" and VELO which means "bicycle" in Switzerland. Furthermore, the disputed domain name would not be currently used and would thus not impact the Claimant's business. The Respondent further mentions that he offered the Claimant to buy the disputed domain name for a fair price.

The Respondent denies any infringement under Swiss Trademark or Unfair Competition Law.

6. Discussion and Findings

According to paragraph 24 of the Rules of Procedure, the Expert shall grant the Request if the allocation or use of the disputed domain name constitutes a clear infringement of a right in a distinctive sign which the Claimants own under the laws of Switzerland.

Paragraph 24(d) of the Rules of Procedure specifies that such clear infringement of an intellectual property right exists when:

- (i) 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
- (ii) the Respondent has not conclusively pleaded and proven any relevant grounds for defense; and
- (iii) the infringement of the right justifies the transfer or revocation of the disputed domain name, depending on the remedy requested in the request.

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

The Claimant owns international trademark registrations covering Switzerland and a Swiss trademark registration for its VELO trademark.

Thus, the Expert holds that the Claimant has established rights in a distinctive sign in Switzerland.

B. 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 law of Switzerland

The owner of a trademark has the exclusive right to use the trademark to designate the goods and/or services for which it is registered. In particular, the trademark owner may prohibit others from using a sign that is similar to its trademark and is used for the same or similar goods, so that a likelihood of confusion arises (Art. 13(1) and (2) in conjunction with Art. 3(1)(c) of the Swiss Trademark Act ("TMA")).

According to prevailing doctrine and case law, the mere registration of a domain name without actual use is not in itself considered to be a use infringing the trademark right within the meaning of Art. 13 TMA (judgment of the Federal Supreme Court of November 8, 2004, 4C.31 /2004, cons. 4.2, <riesen.ch>; judgment of the District Court Bern-Laupen of March 15, 1999, cons. 7.1, in sic, 1/2000 p. 24-25, <artprotect.ch>; Alberini/Guillet, L'incidence du contenu du site Internet dans les litiges en matière de noms de domaine, sic, 2012 305, p. 313; Rolf H. Weber, E-Commerce und Recht, Rechtliche Rahmenbedingungen elektronischer Geschäftsformen, 2nd ed, Zurich 2010, p. 137; Thouvenin/Dorigo, in: Noth/Bühler/Thouvenin [eds.], SHK Markenschutzgesetz, Bern 2009, Art. 13 N 50).

However, the doctrine is of the opinion that, in the case of domain names leading to inactive websites, an imminent infringement of trademark rights can be sanctioned in the sense of a prohibition pursuant to Art. 55(1)(a) TMA (see Mark Schweizer, 5 Jahre SWITCH-Streitbeilegungsverfahren: Fair.ch?, AJP 8/2009 971, pp. 982-985; *Freecom Technologies GmbH v. Urs Frei*, WIPO Case No. [DCH2007-0012](#); *The Toro Company v. Toro User Club*, WIPO Case No. [DCH2004-0014](#)), if the concerned acts are directly threatening (hypothetical disruptions do not suffice) (Roger Staub, in: Noth/Bühler/Thouvenin [eds.], SHK Markenschutzgesetz, Bern 2009, Art. 55 N 34; BSK MSchG-David, Art. 55 N 12).

In the present case, the disputed domain name has been recently registered and associates both the VELO trademark of the Claimant and the term "snus" which refers to "nicotine" that is to the exact field of activity of the Claimant. The case file also shows that the Respondent operates a business where it commercializes nicotine-related products including but not exclusively the VELO branded goods of the Claimant. These are indications of concrete preparations for trademark infringements and an application of 55(1)(a) TMA therefore does apply.

Furthermore, the case file shows that the Respondent offered the Claimant to purchase the disputed domain name for a substantial amount, largely above the standard costs of registration of a domain name.

Additionally, the case file shows that the Respondent knew about the Claimant's trademark when he registered the disputed domain name and thus intended to exploit the reputation of the VELO mark in relation to nicotine type of products to the detriment of the Claimant.

The Expert therefore considers that a violation of Article 2 and Article 3(1)(d) of the Swiss Unfair Competition Act is also given.

Given the above, the Expert finds that the Request is well founded and that the Respondent's infringements of the Claimant's rights justify a transfer of the disputed domain name in accordance with paragraph 24(d) of the Rules of Procedure.

7. Expert Decision

For the above reasons, in accordance with paragraph 24 of the Rules of Procedure, the Expert orders that the disputed domain name <velo-snus.ch> be transferred to the Claimant.

Theda König Horowicz

Expert

Dated: March 13, 2025