

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Gianni Versace S.r.l. v. Ye Li Case No. DMX2022-0028

1. The Parties

The Petitioner is Gianni Versace S.r.l., Italy represented by Studio Barbero, Italy

The Holder is Ye Li, China

2. The Domain Name and Registrar

The Registry of the disputed domain name <versace.com.mx> is Registry .MX, a division of NIC Mexico ("Registry.MX"). The Registrar is InterNetX GmbH (the "Registrar").

3. Procedural History

The Request was filed with the WIPO Arbitration and Mediation Center (the "Center") on July 22, 2022. On July 26, 2022, the Center transmitted by email to the Registry.MX a request for Registry verification in connection with the disputed domain name. On July 26, 2022, the Registry .MX sent an email to the Center confirming that the registrant is the person listed as the registrant, providing administrative, technical and billing contact information.

The Center verified that the Request together with the amended Request satisfied the formal requirements of the Dispute Resolution Policy on .MX Domain Names ("LDRP"), the Regulation of the Dispute Resolution Policy for .MX Domain Names (The "Rules") and the WIPO Supplemental Rules for a Dispute Resolution Policy on .MX Domain Names (the "Supplemental Rules").

The Center sent an email communication in English and Spanish to the parties on July 28, 2022 regarding the language of the proceeding, noting that the Request was submitted in English. The Petitioner submitted a request for English to be the language of the proceeding on July 29, 2022. The Holder did not comment on the language of the proceeding.

In accordance with the Rules, article 4 the Center formally notified in both Spanish and English the Holder of the Request, and the proceedings commenced on August 3, 2022. In accordance with the Rules, paragraph 5, the due date for Response was August 23, 2022. The Holder did not submit any response. Accordingly, the Center notified the Holder's default on August 24, 2022.

The Center appointed Martin Michaus-Romero as the sole panelist in this matter on August 22, 2022 and received. The Statement of Acceptance and Declaration of Impartiality and Independence, as required by the Center to ensure compliance with the Rules, paragraph 9.

4. Factual Background

According to what is stated in the Request and with the support of the respective documents attached to the Request, the following facts are taken into account with respect to the Petitioner:

- 1) It is one of the leading international fashion companies and a symbol of Italian Luxury worldwide. It designs manufactures, distributes and retails fashion and lifestyle products including haute couture, prèt-à-porter, accessories, jewelry, eyewear, fragrances and home furnishings, characterized by the VERSACE trademark.
- 2) It has been using the trademark VERSACE in Italy for over forty years and the trademark VERSACE has been also consistently used in most of the countries in the world.
- 3) It is an Italian limited liability company founded in 1978 in Milan by the stylist Gianni Versace, one of the most talented fashion designers of the past decades, who open the very first boutique in Via della Spiga.
- 4) In 1982 the company expanded by offering other products such as designers accessories, furniture, and fine jewelry under the VERSACE brand. In 1993 the founder's sister Donatella Versace created the "Young Versace" and the "Versus" lines. In 1994, the brand gained widespread international coverage due to the black Versace dress of Elisabeth Hurley, referred to at the time as "that dress".
- 5) On July 15, 1997, Gianni Versace was shot and killed. After the murder, the brand was taking over by siblings, Donatella, and Santo Versace. Santo became a CEO of the Company while Donatella, formally Vice President took over the role of Artistic Director. Donatella's daughter Allegra Versace was left a 50% stake in the company.
- 6) In 2000 the Versace Group, opened Palazzo Versace in Queensland (Australia) the first hotel project to be branded by a luxury goods company. The second Palazzo Versace-built in Dubai- opened in 2015. The third Palazzo Versace was built in Macau-China. The same year, the "green Versace dress" worn by Jennifer Lopez at the 42nd. Annual Grammy Awards gained a lot of media attention, being voted as the "fifth most iconic dress of all time" in 2008, with Hurley's dress being voted first in a Daily Telegraph poll.
- 7) In February 2014, announced its agreement with Blackstone to participate in the next face of the Company's development. Blackstone, owned twenty percent of the company (bought for EUR210 million) while the Versace family remain at its heart, with Ms. Allegra Versace Beck, Ms. Donatella Versace and Mr. Santo Versace all playing important rolls in the company.
- 8) In May 2016, the Versace Group appointed Mr. Jonathan Akeroyd to the position of the CEO and member of the company's Board of Directors, while in September of 2018, Versace announced that one hundred percent of all Blackstone and Versace family shares had been sold to the Group Michael Kors Limited. In January 2019, Gianni Versace S.r.l. joined Capri Holdings Limited, forming a new global fashion luxury group, together with Michael Kors and Jimmy Choo.
- 9) It distributes its products through a world-wide DOS network over 200 boutiques and over 1,500 wholesalers worldwide.
- 10) Versace heritage, is still represented through its strong and fearless design and magnetic appeal of the Medusa logo continues to mesmerize and address a new global audience, thus strengthening VERSACE's position in contemporary culture.

- 11) It has had a very wide group of celebrities and models supporting its brand and wearing its clothing and accessories, such as Carolyn Murphy, Angela Lindvall, Christy Turlington, and Kate Moss.
- 12) Was one of the first designers to link the music industry to the fashion industry (dressing, Elton John and Michael Jackson) and designed clothing for the Princess of Wales and Princess Caroline of Monaco. It has been also involved in a series of various social events such as the Premiere of "the Darjeeling limited", the Britannia awards in Los Angeles or Charity Party AMFAR.
- 13) It looks to the future with responsibility towards people and the planet. In 2018, it established the going fur-free as a natural choice of Versace.
- 14) Trademark VERSACE was and presently is strongly supported by global advertising campaigns through television and other media such as with international magazines. It directly promotes, its VERSACE brand and products via Internet, in particular with the strong presence on-line through the most popular social media.
- 15) Considering the significant investment in R&D, marketing and sales, the regular use of the sign VERSACE for over 40 years, as well as the existence of the impressive client base for all products worldwide VERSACE is a well-know trademark worldwide.
- 16) Is the owner of numerous of trademark registrations for VERSACE, including Mexican trademark registration number 518469 (word mark) filed on December 9, 1994, registered on March 4, 1996 and duly renewed thereafter in international class 25.
- 17) It registered VERSACE and variations thereof as domain names in numerous generic Top-Level Domains ("gTLDs") and country Top-Level Domains ("ccTLDs"), including the domain name <versace.com> registered on March 25, 1997 and over 500 "versace" domain names.
- 18) The disputed domain name was registered on June 9, 2018. According to the evidence submitted with the Request, the disputed domain name resolved to pay-per-click ("PPC") website with sponsored links mainly related to the VERSACE trademark. The disputed domain name later resolved to a parked website, offering the disputed domain name for sale at USD 9,999.

5. Parties' Contentions

A. Petitioner

The Petitioner states in its Request that the Holder:

- 1) Registered the disputed domain name, which is confusingly similar to the Petitioner's trademark VERSACE without the Petitioner's knowledge or authorization.
- 2) Registered the disputed domain name, which included the VERSACE trademark, to create confusion in Internet users that the disputed domain name <versace.com.mx> is affiliated with the Petitioner.
- 3) Has no rights or legitimate interests in the disputed domain name.
- 4) Likely intended to confuse the Petitioner's customers or potential customers, considering the complete reproduction of the VERSACE trademark.

Accordingly, the disputed domain name was selected, registered and used by the Holder in bad faith to mislead Internet users, disrupt the Petitioner's business, and affect the reputation of the VERSACE trademark

B. Respondent

The Holder did not reply to the Petitioner's contentions.

6. Language of proceedings

The Request was filed in English. The Petitioner stated that pursuant to article 13 of the Rules, the language of .MX Domain Name disputed proceedings is typically Spanish, subject to the authority of the group of experts to determine otherwise, having regard on the circumstances of the case..

The Petitioner requested that the language of the proceedings be English and the Holder did not comment on the language of the proceeding. The Petitioner provided supported arguments and evidence to justify its petition, based on Section 4.5 of the Overview of Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), such as: the Petitioner would be prejudiced by undue expense, delay or complication; evidence showing that the Holder can understand the language of the Request; the content on the web page under the disputed domain name; and prior cases involving the Holder in a particular language and prior correspondence between the parties. The Panel notes that certain of these conditions occur in this case. The case file shows that the Holder, can effectively communicate in English.

Considering the arguments and evidence provided by the Petitioner, the no objection of the Holder, and that this should be an expeditious procedure, the Panel according to article 13 of the Rules, determines that the language of the proceeding shall be English.

7. Discussion and Findings

According to the LDRP, the Petitioner must prove the following three elements in order to obtain the transfer of the disputed domain name,

- i. the domain name is identical or confusingly similar in respect of a trademark or registered service, registered trade announcement, appellation of origin or reservation of rights on which the petitioner has rights; if and when the holder has developed a pattern of such conduct; or
- ii. the registrant has no rights or legitimate interests in the domain name; and
- iii. the domain name has been registered or used in bad faith.

By virtue of the foregoing and given that the Holder did not file a response to the request filed by the Petitioner, the Panel proceeds in accordance with the provisions of Articles 5 (e) and 19 of the Rules; to resolve the dispute, taking into account the declarations and documents submitted in accordance with the LDRP, the Rules and any other rules and principles of rights that it deems applicable. Given the similarities between the LDRP and the Uniform Domain Name Dispute Resolution Policy (the "UDRP"), the Panel will also refer to the doctrine adopted under the UDRP, as reflected in the WIPO Overview 3.0.

Since the Holder did not file a response to the Petitioner's allegations, this Panel accepts as true the reasonable and evidence supported assertions of the Petitioner and consequently, certain inferences that may affect the interests of the Holder.

A. Identical or Confusingly Similar

The Petitioner has submitted evidence of its rights in the VERSACE trademark. The disputed domain name is identical to the Petitioner's VERSACE trademark. The disputed domain name reproduces the Petitioner's trademark VERSACE, with the addition of the ccTLD ".com.mx"

The Panel finds that the Petitioner satisfies the first requirement set in the LRDP.

B. Rights or Legitimate Interests

The Holder has not received permission or authorization to use the Petitioner's trademark. The Holder did not substantively reply to the Petitioner's contentions, it has not provided any evidence to demonstrate any rights or legitimate interests. It should be pointed out that nothing in the available record indicates that the Holder is an individual, business, or corporation known by the name "versace" or owns any trademark registrations for VERSACE. It has no license nor is an authorized agent of the Petitioner or in any other way is authorized to use the Petitioner's trademark.

Furthermore, the Holder is not using the disputed domain name for a *bona fide* offering of goods or services, nor for a legitimate or noncommercial fair use that might give rise to rights or legitimate interests in the disputed domain name.

There is no evidence that the Holder is commonly known by the disputed domain name, or owned a trademark for "versace", or is making a legitimate noncommercial or fair use of the disputed domain name.

The Holder has chosen not to respond to the Petitioner. The disputed domain name previously pointed to a parking page displaying PPC links, which does not makes a *bona fide* offering of goods or services, nor a legitimate non-commercial use under the disputed domain name. Previous panels considered that the use of the disputed domain name to direct Internet users to a directory page containing PPC links does not amount to a *bona fide* offering of goods and services because the Holder is using the confusingly similarity between the disputed domain name and the Petitioner's VERSACE mark in order to attract Internet users to its website (see section 2.9 of the <u>WIPO Overview 3.0</u>).

The redirection of the disputed domain name to a parked "Sedo.com" webpage where the disputed domain name <versace.com.mx> is offered for sale for USD 9,999, further demonstrates the absence of the Holder's rights or legitimate interests, in respect of the disputed domain name, which is identical to the prior registered and well-known trademark VERSACE. Likewise, it confirms the lack of intention to use the disputed domain name in connection with the *bona fide* offering of goods or services or for a legitimate non-commercial or fair use.

The Panel also notes that, according to the evidence submitted with the Request, the disputed domain name was offered for sale to a web agency entrusted by Petitioner and to the Petitioner's representatives at USD 9,000 and USD 6,000, via emails sent from the address [...]@gmail.com, dated September 9, 2019 and September 24, 2019, respectively.

Per the Petitioner, the Holder sent these communications to reply to the web agency entrusted by Petitioner as well as to Petitioner's representative. Since the email address [...]@gmail.com was not provided by the .MX Registry when providing the Registrant details, and without any further information on this matter, the Panel cannot confirm if these communications effectively come from the Holder or if they come from a third party. Nevertheless, this is not particularly relevant because given all the aforementioned facts, the Panel is convinced that the Holder lacks rights or legitimate interests in the disputed domain name.

The Respondent's intention to sell the disputed domain name, for the likely more than its out-of-pocket cost to the legitimate trademark owner, constitute additional evidence of the lack of rights or legitimate interests in the disputed domain name.

The Panel finds that the second requirement of the LDRP is met.

C. Registered or Used in Bad Faith

According to the evidence submitted by the Petitioner, it is clear to the Panel that the registration and the use of the disputed domain name has been in bad faith, particularly by including the VERSACE trademark, to

intentionally attract Internet users for commercial gain. The inclusion of the term "versace" in the disputed domain name attempts to deceive or lead Internet users to believe that the disputed domain name is operated by the Petitioner, or at least to take unfair advantage of its similarity with the Petitioner's trademark, and the disputed domain name.

The Holder has demonstrated, by registering the disputed domain name an intent to capitalize on the goodwill of the Petitioner's well-known trademark. Furthermore, the Holder intentionally attempted to attract for commercial gain, Internet users to the Respondent's website or other online location by creating a likelihood of confusion with the Petitioner's VERSACE trademark. These activities constitute, in view of the Panel, clear evidence of registration and use of the disputed domain name in bad faith.

The Petitioner's VERSACE trademark registrations and their registered domain names predate the registration date of the disputed domain name, and the Holder knew or should have known of the Petitioner's trademark rights, considering the notoriety and worldwide reputation of the marks. Therefore, it is unlikely that the Holder was not aware of the Petitioner's rights.

Considering that: 1) The disputed domain name is confusingly similar to the well-known trademark VERSACE; 2) The Holder was presumably fully aware of the Petitioner's business activities, and its VERSACE mark at the time of registration; 3) The Holder did not reply to the Petitioner's communications, before filing the Complaint; 4) The disputed domain name resolved to a parking page displaying PPC links in order to attract Internet users to its website; 5) The Holder's intention to sell the disputed domain name to the legitimate trademark owner; 6) The later redirection to an internal webpage of the "Sedo.com" platform where the disputed domain name is offered for sale for USD 9,999; 7) The Holder seems to be involved in several prior LDRP and UDRP cases which were concluded with the transfer of the disputed domain names to the Petitioner; 8) The statements and the evidence provided by the Petitioner. The Panel finds that registration and use of the disputed domain name were in bad faith.

The Holder sought to attract for commercial gain, Internet users to its website by creating a likelihood of confusion with the Petitioner's mark as to the source, sponsorship, affiliation and/or endorsement of the Holder's website. This also negatively affects the Petitioner's online presence and disrupts the Petitioner's business.

The registrant has incurred in the registration and use of the disputed domain name in bad faith in accordance with Article 1A of the LDRP and therefore, the third requirement of the LDRP has been fulfilled.

8. Decision

For the foregoing reasons, in accordance with Articles 1 of the Policy and 19 and 20 of the Rules, the Panel orders that the disputed domain name <versace.com.mx> be transferred to the Petitioner.

/Martin Michaus Romero/ **Martin Michaus Romero** Sole Panelist

Date: September 16, 2022