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Certificate Issued Date

Account Reference

Unique Doc. Reference

Purchased by

Description of Document

Property Description

Consideration Price (Rs.)

First Party

Second Party

Stamp Duty Paid By

Stamp Duty Amount(Rs.)

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: IMPACC (IV)/ dl712203/ DELHI/ DL-DLH

: SUBIN-DLDL71220362571664931191N

: DIVYA BALASUNDARAM

Article 12 Award

Not Applicable

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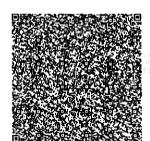
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: DIVYA BALASUNDARAM

: Not Applicable

DIVYA BALASUNDARAM

(One Hundred only)



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Before The Sole Arbitrator, Divya Balasundaram

C/O National Internet Exchange Of India

In the matter of:

Aerogroup International LLC vs. Lin Yanxiao

Inja Balenuda



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ARBITRAL AWARD

.IN REGISTRY C/O NATIONAL INTERNET EXCHANGE OF INDIA

BEFORE THE SOLE ARBITRATOR, DIVYA BALASUNDARAM

AEROGROUP INTERNATIONAL LLC 201, Meadow Road, Edison, New Jersey 08817 United States of America

...Complainant

Versus

LIN YANXIAO Panyu, Guangzhou, Guangdong – 510000, China

...Respondent

1. The Parties

- 1.1 The Complainant is Aerogroup International LLC of the address 201, Meadow Road, Edison, New Jersey 08817, United States of America, represented by its counsel, Remfry & Sagar, of the address Remfry House at the Millennium Plaza, Sector-27, Gurgaon-122 009.
- 1.2 The Respondent is Lin Yanxiao of the address Panyu, Guangzhou, Guangdong 510000, China.

2. The Domain Names and Registrar

2.1 The disputed domain name is <aerosoles.in> registered with Webiq Domains Solutions Pvt. Ltd.

3. <u>Procedural History</u>

3.1 Arbitrator received an email on June 17, 2015 inquiring if NIXI can avail its services as an arbitrator for the dispute pertaining to the



domain name <aerosoles.in>. Arbitrator confirmed availability by email of same date and also sent the signed Statement of Acceptance and Declaration of Impartiality and Independence as required by the Rules.

- 3.2 The .IN Registry appointed Divya Balasundaram as the Sole Arbitrator on June 18, 2015 and Arbitrator received soft copy of the Complaint along with Annexures on June 19, 2015. Hard copy was also received by courier.
- 3.3 Arbitral proceedings were commenced by Arbitrator on June 20, 2015 by issuance of a notice by email to the Respondent directing him to file his reply to the Complaint within 15 days. Copy of complaint and annexures were also sent to the Respondent vide email.
- 3.4 Arbitrator has sent notice and documents through email which is the preferred method of communication in these proceedings. Steps have been taken by the Complainant to serve the papers by courier to the Respondent.
- 3.5 The Respondent has not entered appearance nor filed any reply.
- 3.6 Arbitrator sent email on July 22, 2015 to Respondent notifying it of its default.
- 3.7 The language of these proceedings in English.

4. <u>Background of the Complainant and its rights in the trademark AEROSOLES as stated in the Complaint</u>

- 4.1 The Complainant was incorporated on June 11, 2008. Copy of the extract from the companies register evidencing the incorporation of the Complainant has been provided at Annexure-A. The Complainant and its predecessors are in the business of innovating, designing, importing, distributing, and marketing footwear and accessories.
- 4.2 The Complainant has been acquired by Palladin Consumer Retail Partners, a Boston-based private investment firm that has extensive experience in investing and building leading retail and consumer brands.



- 4.3 The Complainant's predecessors have been carrying on business since 1987 and have been creating shoes of all kinds and have been selling accessories such as bags, gifts, shoe care, and socks and hosiery since then. The Complainant's shoes are built from the bottom up i.e. starting with diamond patterned soles acting as the base for comfort; the Complainant develops its own unique constructions to create shoes that offer the ultimate in comfort and flexibility.
- 4.4 The Complainant's flagship brand is AEROSOLES, which has been used in commerce since March 01, 1986. Products under this trade mark are distributed worldwide; at physical stores in over 15 countries including Canada, China, Hong Kong, India, Israel, Philippines, Portugal, Spain, Thailand and Turkey. In the US alone, there are over 100 stores/outlets selling AEROSOLES products. Apart from outlets, these products can also be found in departmental stores and specialty retailer locations. The Complainant's products under the mark AEROSOLES can also be purchased online throughout the world website including India through the Complainant's 'www.aerosoles.com'. Extracts from the website www.aerosoles.com are provided at **Annexure-G**.
- 4.5 Products under this trade mark are immensely popular and command a huge presence in the comfort shoe industry. The annual sales of the Complainant's products under the trade mark AEROSOLES is about \$200 million.
- 4.6 The Complainant has invested substantial time, capital, effort and resources in promoting its products under the trade mark AEROSOLES across the globe through various media. Copies of magazines/catalogues / articles etc. featuring the Complainant's products under the trade mark AEROSOLES have been provided at Annexure B.
- 4.7 The trade mark AEROSOLES and/or AEROSOLES formative marks are registered/applied for registration in numerous jurisdictions of the world. The Complainant has more than 90 registrations/applications for the said mark throughout the world. A list of jurisdictions where the mark AEROSOLES is registered and/or pending registration has been provided Annexure-C. Copies of a few registration certificates in respect of the said trade mark and online extracts from the USPTO and other Trade Mark Offices are provided at Annexure-D. As far as India is concerned, the trade mark AEROSOLES is registered in the name of



the Complainant in Classes 18, 25 and 35 under no. 1371541 dated July 15, 2005. Registration Certificate copy and print-outs of the online records of the Trade Marks Registry pertaining to this mark have been provided at <u>Annexure-E.</u>

- 4.8 The Complainant and/or its affiliates have registered almost twenty (20) top level domain names as well as country code top-level domain names comprising the trade mark AEROSOLES. A table listing the same has been provided in the Complaint. WHOIS details in respect of these domains are provided at Annexure-F. The Complainant's websites hosted under some of the above domains are very popular amongst Internet users and disseminate information of products/business under the trade mark AEROSOLES, products are also sold through the website aerosols.com.
- 4.9 In India, Tata International, a global trading and distribution company of the Tata Group has been selling the Complainant's products and for this purpose has tied-up with multi-brand retail outlets. The Tata Group has invested USD 1.5 million as an initial investment towards advertisement of products under the trade mark AEROSOLES.
- 4.10 The trade mark AEROSOLES represents important statutory and/or proprietary rights of the Complainant. The said trade mark is representative of the Complainant's products; brand identity; business reputation and public identification through the globe including India. The Complainant has invested years of time, capital, efforts and resources and attained immense goodwill and reputation world over, including India. Resultantly, a secondary meaning stands attached in respect of the said trade mark, which is exclusively associated by members of the trade and public with the Complainant and its products. The trade mark AEROSOLES of the Complainant is its extremely valued intellectual property; and also serves as the Complainant's principal trade mark and a part of its domain name.

5. Respondent and its registration and use of the disputed domain name

The Complainant has made the following submissions on the Respondent and its registration and use of the disputed domain name:

5.1 The Complainant sought to register the domain name 'aerosoles.in'. However, it learnt that the said domain was already registered in the name of the Respondent on March 29, 2014 and is due to expire on



- March 29, 2016. The WHOIS records in respect of the domain name 'aerosoles.in' have been provided at **Annexure-H**.
- 5.2 Respondent is not operating any active website under the impugned domain name. However, the webpage of aerosoles.in features links pertaining to third parties offering, inter alia, shoes, handbags etc. Further the said domain is also parked for sale at 'Sedo', a well-known site for trading in domains. Printouts indicating the above have been provided at **Annexure-I** and **Annexure-I**.
- 5.3 No bona fide goods/services are on offer on the impugned website and the same has been designed and linked to other websites so as to gain mileage from the Complainant's well-known trade mark AEROSOLES and the reputation and goodwill vesting therein. Internet users may get a wrongful impression that the Complainant has diversified its business or that the Respondent is affiliated to the Complainant.
- 5.4 The Complainant's online research revealed that the Respondent had previously registered several (about 2000) other domain names comprising and/or similar to trade marks/names/brands of prominent third parties such as 'barclayfinance.com', 'facebokook.com', 'ascis.co' etc. Whois records in respect of few such domains are provided at Annexure-M.
- 5.5 The National Arbitration Forum in its judgment in RingCentral, Inc. Vs. Lin Yanxiao, has specifically taken note of the Respondent's ongoing pattern of bad faith registrations and the numerous UDRP proceedings against him and held that the same constitutes bad faith. A copy of the decision of the National Arbitration Forum is provided at Annexure-L. Copies of some other decisions passed against the Respondent by WIPO Arbitration and Mediation Center and National Arbitration Forum are provided at Annexure-K.

6. <u>Contentions of the Complainant in establishing the 3 elements required under the INDRP</u>

- 6.1 <u>Element 1 In support of this element, i.e., the disputed domain name</u> is identical or confusingly similar to Complainant's trademark, the Complainant has submitted that:
- 6.1.1 The Respondent's impugned domain name 'aerosoles.in' is identical to



and comprises in entirety the Complainant's well-known trade mark AEROSOLES, which is registered in numerous countries including India. The Respondent has registered the impugned domain name with mala fide to trade upon the immense goodwill and reputation enjoyed by the Complainant in its well-known mark/domain name AEROSOLES and thereby gain undue leverage from it. The objectionable domain name has no meaning or significance independent of the Complainant's trade mark AEROSOLES. This is a clear case of violation of the Complainant's statutory rights and tantamount to infringement and passing off.

- 6.1.2 The impugned domain name 'aerosoles.in' is identical to several domain names registered in the name of the Complainant/its affiliates, which has been listed by the Complainant. The Complainant's earliest domain 'aerosoles.com' was created on March 19, 1997. The first use in commerce of the mark AEROSOLES by the Complainant dates back to March 01, 1986 in the United States of America.
- 6.1.3 The Respondent registered the impugned domain name on March 29, 2014. The Complainant's adoption of the trade mark AEROSOLES and domain name comprising the mark AEROSOLES is much prior to the Respondent's registration of the impugned domain name 'aerosoles.in'.
- 6.1.4 It is clear that the Complainant has prior rights in the trade mark/domain AEROSOLES vis-à-vis the Respondent.
- 6.2 Element 2 In support of this element, i.e., the Respondent has no rights claims, or legitimate interests in respect of the disputed domain name, the Complainant has submitted that:
- 6.2.1 The Respondent is not offering any goods, services under the domain name 'aerosoles.in'. The Respondent is not operating any active website under the impugned domain 'aerosoles.in'. The Respondent cannot demonstrate any use relating to bonafide offering of goods or services before receipt of notice of this dispute or at any point in time whatsoever.
- 6.2.2 The Respondent is not commonly known by the said domain name and is not authorized or licensed by the Complainant to use its mark. Due to the extensive and continuous use of the trade mark AEROSOLES, the same has become well-known and come to be exclusively associated with the Complainant and no one else. Hence, the



Respondent cannot establish any association with the domain name for any reason/s whatsoever.

- The Respondent is not making any legitimate non-commercial or 6.2.3 legitimate fair use of the domain name. In fact, the conduct of the Respondent cannot come under the definition of 'bona fide use'. The registration of the impugned domain is aimed to gain mileage from the immense goodwill and reputation of the Complainant's trade mark/domain names comprising the mark AEROSOLES and block all attempts of the Complainant from registering the domain in question for furthering its business interests, thereby creating a dent in the Complainant's business. Thus, the Respondent is indulging in (i)unfair use of the domain name with an intention to reap profits therefrom; and reputation enjoyed (ii)tarnishing the goodwill Complainant's well-known and registered trade mark/domain names comprising the mark AEROSOLES; and (iii)diluting the distinctive character of the trade mark AEROSOLES. The Respondent, therefore, cannot justify any interest in the domain name 'aerosoles.in'.
- 6.3 Element 3 in support of this element, that the disputed domain name was registered and is being used in bad faith, the Complainant contends that:
- The Respondent has registered the impugned domain name 6.3.1 'aerosoles.in' with the sole purpose of blocking the Complainant from registering the said domain in its name and selling/transferring the same for excessive consideration. The said objective is evident from the fact that the impugned domain name was parked at 'Sedo, a well known website for selling domain names'. Further, the Respondent has, to date, not developed any active website in respect of the said domain and has only listed weblinks pertaining to third party websites/entities including those selling products identical to those of the Complainant. Thus, the said acts of the Respondent clearly Complainant's well-known establish (mis)use of the trade mark/domain AEROSOLES to gain illegal benefits.
- 6.3.2 The Respondent registered the impugned domain name knowing fully well of the Complainant and its business and with the sole aim to monetize from the same. The said objective is evident from the fact that the Respondent has listed the impugned domain 'aerosoles.in' for sale on the website Sedo.com. Hence, it is apparent that the Respondent's intention is mala fide and aimed at making undue gains. Further, the



Respondent has registered other domain names which include trademarks of other well-known companies. In fact, the factum of the Respondent's bad faith has been recognized by the National Arbitration Forum as well. Thus, the above clearly establishes (mis)use of the Complainant's well-known trade mark AEROSOLES by the Respondent to gain illegal benefits. Moreover, registration of the domain name 'aerosoles.in' by the Respondent has resulted in the Complainant being prevented from reflecting mark/domain(s) AEROSOLES in a corresponding domain name with the .IN Registry, which is presently in the name of the Respondent. The Complainant has already established that several TLDs/ccTLDs comprising AEROSOLES are owned and managed by Complainant.

6.3.3 The Respondent's domain does not host any active website. Further, the conduct of the Respondent only proves its mala fide to attract internet users to its website by creating a likelihood of confusion with the mark(s) or domain name(s) of the Complainant as to the source, sponsorship, affiliation, or endorsement of the Respondent's website and/or of the products/services. Further, internet users desirous of accessing the Complainant's website may get attracted to the impugned website, thereby creating confusion in their minds.

7. Additional grounds put forth by the Complainant

The Complainant has made the following additional submissions:

- 7.1 Paragraph 3(a) of INDRP stipulates that the statements made in the Registrant's Application Form for Registration of Domain Name are complete and accurate. In the instant case, the contact details provided by the Registrant appear to be incomplete and bogus.
- 7.2 Paragraph 3(b) of INDRP obligates that the Respondent's registration of the domain name does not infringe upon or otherwise violate the rights of any third party. In the instant case, the Registrant's domain 'aerosoles.in' infringes upon the worldwide statutory and proprietary rights of the Complainant vesting in the said trade mark.
- 7.3 Paragraph 3(c) of INDRP states that 'the Registrant is not registering the domain for an unlawful purpose'. In the instant case, the factum of parking the impugned domain name 'aerosoles.in' at 'Sedo' for sale and not operating any active website thereunder and thereby



depriving Complainant from registering the corresponding domain in its name speaks volumes of the Registrant's illegality to gain undue profits therefrom.

7.4 Paragraph 3(d) of INDRP obligates the Registrant not to use the domain name in violation of any applicable laws or regulations. In this regard, registration of the impugned domain name violates not only INDRP/INDRP Rules of Procedure but is also in violation of the provisions of the (Indian) Trade Marks Act, 1999 and opposed to the principles of business ethics.

8. Discussions

- 8.1 The Arbitrator has reviewed the Complaint and all the Annexures filed by the Complainant.
- 8.2 The Arbitrator finds that the Arbitral Tribunal has been properly constituted.
- 8.3 The Arbitrator finds that the Complainant has been able to establish its prior rights and interests in the trademark AEROSOLES, on the basis of several factors enumerated below:
- 8.3.1 The mark AEROSOLES has been used by the Complainant through its predecessors since March 01, 1986 and by itself for its business of manufacture and sale of footwear, specializing in the comfort footwear segment.
- 8.3.2 Products under this trade mark are available worldwide; through physical stores and through the Internet on the Complainant's website.

 Annual sales of the Complainant for its products under the mark AEROSOLES is in the range of 200 million dollars.
- 8.3.3 The Complainant's products under the trade mark AEROSOLES have been widely advertised across the globe through various media and the Complainant has invested substantial time, capital, effort and resources towards such promotion and publicity.
- 8.3.4 The Complainant owns registrations for its trade mark AEROSOLES and/or AEROSOLES formative marks globally including in India.



- 8.3.5 The Complainant and/or its affiliates own several domain name registrations comprising the trade mark AEROSOLES and the Complainant operates the website www.aerosols.com.
- 8.3.6 The word AEROSOLES has no meaning or significance independent of the Complainant's trademark; and the said trademark AEROSLOES is a valuable intellectual property of the Complainant.
- 8.4 The Arbitrator also finds that the Complainant has established all the 3 elements essential to maintain its complaint, being that the disputed domain name is identical or confusingly similar to Complainant's trademark; the Respondent has no rights claims, or legitimate interests in respect of the disputed domain name; and the disputed domain name was registered and is being used in bad faith. The factors that support this conclusion are:
- 8.4.1 Not even a single letter differs between the disputed domain name and the trademark of the Complainant.
- 8.4.2 The Respondent is not named AEROSOLES nor is commonly known by this name.
- 8.4.3 The word AEROSOLES is not a dictionary word, it has no meaning or significance independent of the Complainant's trademark which has been used since the year 1986; Respondent has registered the impugned domain name in 2014 which is much subsequent to Complainant's adoption of the mark and the Respondent could not have adopted it except with reference to the Complainant's mark.
- 8.4.4 The Respondent has no statutory or common law rights in the disputed domain name.
- 8.4.5 The Respondent is not authorized or licensed by the Complainant to use the mark or domain name AEROSOLES.
- 8.4.6 No goods or services are being offered for sale by the Respondent nor is any active website being operated under the impugned domain name; rather the webpage of aerosoles.in features links to third parties offering competing products; the Respondent could be earning pays per click to the featured links.



8.4.7 The impugned domain is parked for sale at 'Sedo', a well-known site for trading in domains; when the Arbitrator checked the website aerosoles.in, it came across a notice stating that the owner is offering the impugned domain name for sale for 2000 GBP (which is far in

excess of the costs involved in registering the domain name).

8.4.8 The Respondent has engaged in a pattern of cyber-squatting in several previous instances; the Respondent's ongoing pattern of bad faith been

specifically taken note of by The National Arbitration Forum.

8.4.9 In view of the above various factors, the Arbitrator concludes that the Complainant has established its prior exclusive rights in the trademark and domain name AEROSOLES and has established all the 3 elements

essential to successfully maintain its Complaint.

8.5 The Respondent was given sufficient time to reply to the Complaint,

however, Respondent has chosen not to submit any response.

9. Decision

9.1 For all the foregoing reasons, the Complaint is allowed.

9.2 It is hereby ordered in accordance with paragraph 10 of the INDRP that the disputed domain name <aerosoles.in> be transferred to the

Complainant.

9.3 The Parties shall bear their own costs.

DIVYA BALASUNDARAM

Drije Bale sundaren

ARBITRATOR

Date: July 29, 2015

Place: New Delhi, India

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