



उत्तर प्रदेश UTTAR PRADESH

BW 440517

- 2 JUN 2014

Dr. Bodhisatva Acharya
ARBITRATOR

(Appointed by .IN Registry-National Internet Exchange of India)

ARBITRATION AWARD

DISPUTED DOMAIN NAME :< www.velcro.in >

In the matter of:

Velcro Industries B.V.

Castorweg, 22-24 Curacao

E-mail: jskiff@velcro.com

Filed by its authorized representative attorney –

Remfry & Sagar

Remfry House at the Millennium Plaza

Sector -27, Gurgaon-122009

E-mail: remfry-sagar@remfry.com

.....Complainant.

Vs.

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Zhao Ke
Weihai Road 755
Shanghai
China 200041
E-mail: domainstore@163.com

.....Respondent.

AWARD

1. The Parties:

The complainant in this arbitration proceeding is Velcro Industries B.V., Castorweg, 22-24 Curacao **filed by its authorized representative attorney** Remfry & Sagar, Remfry House at the Millennium Plaza, Sector -27, Gurgaon-122009

Respondent Zhao Ke, Weihai Road 755, Shanghai, China 200041.

2. The Domain Name, Registrar & Registrant:

The disputed domain name is :< www.velcro.in >

3. Procedural History:

The Complainant, through its authorized representative, filed this complainant to NIXI regarding the disputed domain name www.velcro.in following the clause 4 of the policy of .IN Registry and .IN Registry appointed **Dr. Bodhisatva Acharya** (The Arbitrator) as Sole Arbitrator under clause 5 of the policy. The Arbitrator submitted his statement of acceptance and declaration of Impartiality and the Independence and the complaint was produced before the Arbitrator on May 2nd, 2014 and the Arbitrator sent a notice, to the Respondent through his email for the Arbitration Proceeding on May 10th, 2014, to submit his reply but nothing was submitted to Arbitrator till the date of award hence the AWARD is being declared on the August 10th, 2014 as Ex-parte.

4. Factual Background:

- a. The Complainant 'Velcro Industries B.V.', a limited liability company organized and existing under the laws of Netherlands is a technology-driven, global organization providing fastening solutions for business and consumers around the world. The Complainant was founded by one George de Mestral, who in the early 1940s invented the first hook and loop fastener after studying the natural hook surface of a cocklebur under a microscope. Mr. Mestral in the year 1951 applied for a Swiss patent for his hook and loop fastener. The Complainant (the term includes all predecessors-in-interest, affiliates, subsidiaries, franchises and parent company) was thereafter established by Mr. Mestral in the year 1952 in Switzerland. The trade mark and name VELCRO was coined from the French words 'Velour' meaning 'velvet' and 'crochet' meaning 'hook' and after many years of innovation, promotion, quality control and product distribution, VELCRO is recognized as a trusted brand and a strong indicator of source for the Complainant's products.
- b. The Complainant today is a leader in the industrial, consumer, military, automotive, construction, and personal care markets with a host of fastening innovations under the VELCRO brand hook and loop fasteners. The Complainant through its worldwide subsidiaries offers hundreds of different hook and loop products and fastening systems under the trademark VELCRO which range from standard fastening tapes of woven and knit construction, through custom-designed specialty fasteners featuring a variety of performance characteristics, materials, sizes and shapes. Today the Complainant has a network of business offices, research and development centers and manufacturing facilities spread across 11 countries and presence in more than 40 countries worldwide. Being the pioneers in hook and loop fastener technology, the Complainant owns over 400 active patents for its various products.

- c. The trade mark VELCRO also forms an integral part of the corporate name of the Complainant and its group companies, is its house mark and serves as its principal trade mark and domain name. The trade mark VELCRO being the most valued intellectual property, the Complainant has taken care to secure statutory rights therein through trade mark registration in almost all jurisdictions of the world including in India. The Complainant's trade mark VELCRO is the subject of over 200 trade mark registrations in over 150 countries worldwide.
- d. The Complainant has invested years of time, capital, efforts, and resources in advertising and promoting its products under the trade mark VELCRO across the globe through media such as the print, internet, magazines etc. having circulation in various countries of the world. The Complainant's trademark has been extensively advertised in many notable Indian newspapers such as The Hindu, Hindustan Times, International Herald Tribune, The Statesman, The Times of India etc. The aforesaid advertisements have left an indelible impression in the minds of the public that the mark VELCRO is exclusively associated with the Complainant and none other. The worldwide acclaim attained by the Complainant in respect of its products under the trade mark VELCRO is also reflected by the host of awards received by it over the years. In the year 2004, the Complainant's trade mark VELCRO featured in the April edition of the International Trade Mark Association's bulletin as the mark of the month. In the year 2013, the Complainant was named one of the world's most effective rebrands in the 2013 REBRAND 100 Global Awards. The Complainant has registered numerous top level domain names such as 'velcro.com', 'velcro.net', and 'velcro.org' etc. in addition to country level domain names such as 'velcro.co.in', 'velcrokids.in' etc.
- e. The Complainant's websites are extremely popular and are a valuable source of knowledge with respect to the Complainant and its product under the trade mark VELCRO. The website 'www.velcro.com' of the Complainant records a significant number of hits every month and, therefore, it is apparent that the goodwill and reputation of the Complainant as regards the trade mark VELCRO pervades both the real world as well as cyber space and thereafter, the Complainant discovered that the said domain had been transferred in the name of Botega Veneta SA of via Industria 19, Cadempino, Massachusetts-6814. On December 9, 2013 the Complainant addressed a demand letter to Botega Veneta SA, but received no reply. The Complainant discovered that the domain had registered in the name of the Respondent. The Complainant addressed a demand letter to the Respondent on January 23, 2014 setting out its rights in the trade mark VELCRO and calling upon the Respondent to inter alia transfer the domain to the Complainant. A reply was received from the Respondent on January 23, 2014 offering a 'discounted price' of USD 6000 for sale of the domain.
- f. Lastly the complainant filed this complaint for Arbitration proceeding and the Arbitrator submitted his statement of acceptance and declaration of Impartiality and the Independence and the complaint was produced before the Arbitrator on March 3rd, 2014 and the Arbitrator sent a notice, to the Respondent through his email for the Arbitration Proceeding on March 13th, 2014, to submit his reply but nothing was submitted to Arbitrator till the date of award hence the AWARD is being declared on the May 11th, 2014 as Ex-parte.

5. Parties Contentions:

(a) Complainant contends that

- (i) The Registrant's domain name is identical or confusingly similar to a name, trademark or service mark in which the Complainant has rights;
- (ii) The Registrant has no rights or legitimate interests in respect of the domain name; and
- (iii) The Registrant's domain name has been registered or is being used in bad faith, and the domain name be transferred to the Complainant.

(b) Respondent contends that

The respondent filed no reply till the date of Award.

6. Discussion & Findings:

- I(a) The Registrant's impugned domain name 'velcro.in' is identical to and comprises in entirety the Complainant's trade mark VELCRO which is registered in a number of countries including India. It is submitted that the Registrant has registered the impugned domain name 'velcro.in' with mala fide to trade upon the immense goodwill and reputation enjoyed by the Complainant in its well-known mark/domain name VELCRO thereby gain undue leverage from it. It is evident that the objectionable domain name has no meaning or significance independent of the Complainant's trade mark VELCRO. This is a clear case of infringement and passing off which is violative of the rights enjoyed by the Complainant in its well-known and established trade mark/name/domain name VELCRO. Moreover, the Registrant's use of the Complainant's coined trade mark VELCRO clearly establishes that the Registrant registered the impugned domain name with full knowledge of the Complainant, its business activities and intellectual property.
- I (b) Registrant registered/adopted the impugned domain name on August 12, 2013 where as the Complainant's domains 'Velcro.co.in' was created on November 2, 1994 and November 18, 2009, respectively. Further the Complainant's earliest trade mark registration in respect of the trade mark VELCRO dates back to the year 1958 in Norway. The trade mark Velcro is also registered in India under No. 184852 since April 30, 1958. Thus, the Complainant's adoption of the trade mark /name/domain name VELCRO is much prior to the Registrant's registration of the impugned domain name 'velcro.in'. In view of the same, it is crystal clear that the complainant has prior rights in the trade mark/name/domain VELCRO vis-à-vis the Registrant.
- II (a) Registrant is not offering any goods/services under the domain name 'velcro.in'. In fact, the Registrant monetizes the objectionable domain name by directing it to parked pay-per-click or sponsored search portals. Moreover, the web page operated under the objectionable domain name consists of web links comprising the Complainant's trade mark thereby portraying an association with the Complainant in an attempt to divert unwary Internet users to the said web page. Further, by also posting links to competitor's websites, the Registrant is attempting to divert the Complainant's business. Moreover, a review of the web page under the objectionable domain reflects that the domain is listed for sale by its owner. The domain name is also listed on 'sedo.com' which is a destination for trading of/monetizing domain names. Therefore, by no stretch of imagination, can the Registrant demonstrate any use relating to bona fide offering of goods or services before any notice of this dispute or at any point in time whatsoever.
- II (b) Registrant is not commonly known by the said domain name and is not authorized or licensed by the Complainant to use its mark. The Complainant is a global organization providing fastening solutions for businesses and consumers around the world and the mark/name VELCRO is inextricably interwoven and identified exclusively with the Complainant. Further, the Complainant is not only using the trade mark/name VELCRO since the year 1952 but has also registered the said mark in numerous jurisdictions including India. Due to the extensive and continuous use of the trade mark/name VELCRO for more than 60 years, the same has become well-known and come to be exclusively associated with the Complainant and no one else. Hence, the Registrant cannot establish any association with the domain name for any reason whatsoever. Registrant is not making any legitimate non-commercial or legitimate fair use of the domain name. In fact, the conduct of the Registrant as highlighted above cannot come under the definition of 'bona fide use'. The registration of the impugned domain is aimed to gain leverage from the immense goodwill and reputation of the Complainant's trade mark/name VELCRO, divert visitors/customers by creating initial Internet confusion and thereby commercially profit from use of the Complainant's trade mark VELCRO. Thus, the Registrant is indulging in (i) unfair use of the domain name with an intention to reap profits there from, (ii) misleading/diverting customers to competitor websites, and (iii) tarnishing the goodwill and reputation enjoyed by the Complainant's well-known trade mark/name VELCRO. The Registrant, therefore, cannot justify any legitimate interest in the domain name 'velcro.in'.

- III (a) Insofar as Paragraph 6(i) is concerned, it is submitted that the Registrant has registered the impugned domain name 'velcro.in' with the sole purpose of selling/transferring the same for excessive consideration as is clear from its listing on www.sedo.com. The web page operated under the domain also lists the domain for sale and the link redirects to 'sedo.com'. Further, the string of apparently false registrant information as well as the offers to sell the domain name for the price of USD 8000 and thereafter USD 6000 received from the Registrant coupled with the above clearly establish (mis)use of the Complainant's well-known trade mark/name/domain VELCRO to gain illegal benefits.
- III (b) Registrant registered the impugned domain name knowing fully well of the Complainant and its subsidiaries and their businesses. This is established by the fact that it has uploaded links comprising the Complainant's trade mark VELCRO. The registration of the domain name 'velcro.in' by the Registrant has resulted in the Complainant being prevented from reflecting the trade mark/name/domain(s) VELCRO in a corresponding domain name with the .IN Registry, which is presently in the name of the Registrant. The Complainant has already established that several TLDs/ccTLDs comprising VELCRO including the domain 'velcro.co.in' are owned and managed by the Complainant.
- III (c) Registrant's webpage has been constructed in a manner so as to portray an association/affiliation with the Complainant and its subsidiaries. The confusion is further enhanced by the presence of links to the websites of the Complainant's competitors. Thus, the conduct of the Registrant amply proves its mala fide to attract Internet users to its web page by using the mark/name of the Complainant and consequently creating a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the Registrant's web page. Further, Internet users desirous of accessing the Complainant's website may get attracted to the impugned web page, thereby creating confusion establish the Registrant's mala fide to gain illicit benefits and cause harm to the Complainant's business.

The Complainant thus has satisfied the Arbitrator on all the parameters as mentioned in the Paragraph 4 of the Policy (INDRP).

7. Decision:

Hence the Arbitrator decides the Disputed Domain Name www.velcro.in is identical or confusingly similar to registered trademark of the Complainant and Respondent has no right to use the disputed domain name and the Respondent domain name has been registered in bad faith.

The Arbitrator further decides and orders that the domain name www.velcro.in shall be transferred to the Complainant with immediate effect.


Dr. BODHISATYA ACHARYA
SOLE ARBITRATOR

PLACE: NEW DELHI, NIXI

INDIA

DATED: August 10th, 2014,