

WIPO Arbitration and Mediation Center
Zaak-/rolnummer: DNL2014-0055
Datum: 26 februari 2015

1. The Parties

The Complainant is Xtralis Technologies Limited of Nassau, Bahamas, represented by Klos Morel Vos & Schaap, the Netherlands.

The Respondent is Trendesign Bureau voor vormgeving & communicatie, represented by Secusense B.V. of Diemen, the Netherlands, internally represented.

2. The Domain Name and Registrar

The disputed domain name <xtralis.nl> is registered with SIDN through Netholding Hosting Facilities.

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on November 25, 2014. On November 28, 2014, the Center transmitted by email to SIDN a request for registrar verification in connection with the disputed domain name. On November 28, 2014, SIDN transmitted by email to the Center its verification response. The Center verified that the Complaint satisfied the formal requirements of the Dispute Resolution Regulations for .nl Domain Names (the “Regulations”).

In accordance with the Regulations, articles 5.1 and 16.4, the Center formally notified the Respondent of the Complaint, and the proceedings commenced on December 8, 2014. In accordance with the Regulations, article 7.1, the due date for Response was December 28, 2014. The Respondent did not submit any response. Accordingly, the Center notified the Respondent’s default on December 29, 2014. Secusense B.V. contacted the Center on December 30, 2014 on behalf of the Respondent. The Center received a communication/ late Response on December 31, 2014.

The Center appointed Wolter Wefers Bettink as the panelist in this matter on January 13, 2015. The Panel finds that it was properly constituted. The Panelist has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required to ensure compliance with the Regulations, article 9.2.

As several statements in the Response suggested slightly different facts than those underlying the Complaint, the Panel invited the Complainant’s response to those statements. Beginning with the Respondent, two subsequent rounds of Party comments followed.

4. Factual Background

The Complainant is a manufacturer of life safety and security systems such as smoke/gas detection and video surveillance products designed for early detection and prevention of fire and the intrusion of threats.

The Complainant holds a number of trademark registrations with validity in the European Union, including the Community trademark XTRALIS (word mark), registered on April 14, 2008 under number 5875935 (the “Trademark”).

The Respondent is a Dutch company dedicated to marketing and communication. It has registered the domain name <xtralis.nl> on June 9, 2009 for the benefit of Sensegroup B.V. (the "Domain Name") in connection with its developing and maintaining a website for this company and its two subsidiaries Firesense Benelux B.V. and Secusense B.V. The Respondent has authorized Secusense B.V. to respond on its behalf. Unless expressly stated otherwise, reference to the Respondent in this Decision will include reference to Sensegroup B.V. and its subsidiaries.

5. Parties' Contentions

A. Complainant

The Complainant submits that the Domain Name is confusingly similar to the Trademark as they are identical, save for the Top-Level Domain ".nl".

The Complainant further states that the Respondent has no rights or legitimate interests in the Domain Name as it does not own a trademark and/or trade name containing the word "Xtralis". Furthermore, the Complainant has not licensed or otherwise permitted the Respondent to register the Domain Name or use the Trademark. It objects to the Trademark being used as a domain name by a third party to which it is not connected. The Complainant has submitted an email dated July 12, 2013 in which it requested the Respondent to "remove immediately all references to cooperation and partnership with Xtralis. Use of our branding is not permitted without our express written consent."

According to the Complainant, the Respondent has no rights or legitimate interests in the Domain Name as a reseller, as it does not meet the criteria established in the OKI Data-case (OKI Data Americas, Inc. v. ASD Inc., WIPO Case No. D2001-0903). The Complainant points out that when entering the Domain Name in the browser, an Internet user was initially redirected to a website under the domain name <firesense.nl> through which smoke detection products and solutions are sold. According to the Complainant, this website was connected to Firesense Benelux B.V., a former distributor of the products of the Complainant. On this website both products of the Complainant and products of other manufacturers were also offered for sale. Furthermore, the Complainant points out that this website does not accurately disclose the Respondent's relationship with the Complainant. Therefore, it cannot be held that the Domain Name is used by the Respondent for a bona fide offering of goods and services, the Complainant submits. The Complainant further states that only after the Complaint was filed the link to the website under <firesense.nl> was replaced by a link to a website under the domain name <secusense.nl> and that the contents of that website have been changed thereafter.

According to the Complainant, on the websites under both <firesense.nl> and <secusense.nl> products are offered for sale which compete with those sold by the Complainant under the Trademark, notably products of the companies GKB and Bosch. In any event, these products do not originate with the Complainant, so that in the opinion of the Complainant the OKI Data criteria, which require the reseller to sell only the trademarked goods, are not met. According to the Complainant, the Domain Name has been registered in bad faith, because the Respondent must have been aware of the Trademark at the time of registration and since it is likely that the Respondent registered the Domain Name to take unfair advantage of the reputation of the Trademark and the Complainant.

The Complainant states that the Domain Name is being used in bad faith as it is connected to the website of the former distributor of Complainant on which products of competitors of the Complainant are sold. This means, the Complainant submits, that the Domain Name has been used for commercial gain by attracting Internet users to this website through a likelihood of confusion between the Trademark and the Domain Name.

B. Respondent

According to the Respondent it was completely surprised to receive the Complaint, since Sensegroup B.V., as the exclusive distributor of the Complainant's products for the Netherlands, has been using the Domain Name since 2009. According to the Respondent the Complainant was fully aware of the website links and connections to the Domain Name and there has not been any dispute about this. In 2014, the Complainant stopped direct deliveries to the Respondent of smoke detection and solution products. The Respondent submits it then changed the link to redirect the Domain Name to the website under <secusense.nl> operated by Secusense B.V. and it no longer refers to a website under <firesense.nl>.

According to the Respondent, Secusense B.V. is the only distributor within the Netherlands appointed by the Complainant for its security management and detection equipment. The Respondent states that for Secusense B.V. it is vital to have this connection and that this is also in the interest of the Complainant. The Respondent considers it very doubtful that there is a likelihood of confusion between the Trademark and the Domain Name as Secusense B.V. is the distributor for the products under the Trademark in the Netherlands and does not sell any competing products for that region. Furthermore, the Respondent puts forward that it has a legitimate interest in the Domain Name as it is the only wholesale supplier in the Netherlands of the Complainant's security and detection equipment.

The Respondent submits that it has a signed contract with the Complainant "to promote the brand". It points out that the products sold on the website "www.secusense.nl", to which the Domain Name redirects, are complementary to those of the Complainant and not competing with those products.

According to the Respondent, both Bosch and GKB are camera manufacturers which the Complainant is not. Furthermore, the Respondent submits that it is not using the Domain Name in bad faith as it is trading in the Complainant's products on a daily basis in the Netherlands.

6. Discussion and Findings

A. Identical or Confusingly Similar

The Complainant has shown that it has rights in the Trademark. The Trademark consists of the element of XTRALIS, which is also the main element of the Domain Name. Therefore, in line with jurisprudence under the Regulations, the Domain Name and the Trademark are identical.

B. Rights or Legitimate Interests

The Complainant has to make out a prima facie case that the Respondent does not have rights or legitimate interests in the Domain Name (WIPO Overview of WIPO Panel views on selected Uniform Domain Name Dispute Resolution Policy and Rules ("UDRP") Questions, Second Edition ("WIPO Overview 2.0"), paragraph 2.1). The central question in this case is whether the Respondent has rights or legitimate interests in the Domain Name as a reseller of the products of the Complainant.

Based on the statements and evidence submitted, the Panel understands that for a number of years the Respondent (Sensegroup B.V. and/or its subsidiaries Firesense Benelux B.V. and Secusense B.V.) was the exclusive distributor for the Netherlands of the products of the Complainant both in the smoke detection and in the security area. At some point, the Complainant terminated the distribution relationship in respect of the smoke detection products, but not for security systems. At that time, the Panel understands, the Domain Name redirected to a website under the domain name <firesense.nl> which was operated by the Respondent.

Apparently, after the Complaint was filed the redirection of the Domain Name to the website under <firesense.nl> was removed and the Domain Name now redirects to a website under <secusense.nl>. On that website products of two other manufacturers are offered next to those of the Complainant.

The leading case in relation to the question whether a reseller of trademarked goods can use the trademark at issue in its domain name is OKI Data Americas, Inc. v. ASD Inc., WIPO Case No. D2001-0903. Under OKI Data in order for the offerings of the Respondent on its website under the Domain Name to be characterised as bona fide, the following requirements must be met:

- a. the Respondent must actually be offering the goods or services at issue;
- b. the Respondent must use the site to sell only the trademarked goods, otherwise, it could be using the trademark to bait Internet users and then switch them to other goods;
- c. the site must accurately disclose the registrant's relationship with the trademark owner; it may not, for example, falsely suggest that it is the trademark owner, or that the website is the official site, if, in fact, it is only one of many sales agents;
- d. the respondent must not try to corner the market in all domain names, thus depriving the trademark owner of reflecting its own mark in a domain name.

The Panel notes, first, that it is not disputed that the Respondent has been the exclusive distributor for the products of the Complainant in the Netherlands for a number of years and that it is still the exclusive distributor for security management and detection products. Furthermore, the Complainant has not disputed that it has been aware of the registration of the Domain Name by the Respondent and its use for a website on which other products were offered for sale next to the Complainant's products. Therefore, the Respondent appears to have been using the Domain Name for this website for a number of years with the implied consent of the Complainant, while it was the exclusive distributor of the Complainant for the Netherlands. This is one of the situations where the OKI Data principles apply.

As with many similar cases, this case revolves around the question whether part b of the Oki Data test is fulfilled. The Complainant also focuses on this issue, in particular whether the Respondent on the website to which the Domain Name redirects is offering competing products. There is extensive UDRP case law on the "bait-and-switch" tactic that is central to this question. (Seiko EPSON Corporation v. ANEM Computers / ANEM, WIPO Case No. DNL2010-0024; Bayerische Motoren Werke Aktiengesellschaft v. Quispel Motoren, WIPO Case No. DNL2013-0026) "Bait-and-switch" evidently occurs when the trademark forming part of the domain name is used to expose Internet users to a website featuring (also) products competing with those of the trademark owner.

It is less evident, however, whether this is also the case if the other products offered are not competing. As set out by the Panel in Lise Charmel Industrie v. Laurela Inc., [persoonsnaam] / Domains By Proxy LLC, WIPO Case No. D2012-1874, the Oki Data factors are intended to be applied contextually. It should be kept in mind that the overarching purpose of the Policy is to defeat cybersquatting. Therefore, if the use of the Domain Name does not amount to bait-and-switch selling, or to the Respondent attempting to divert Internet users contrary to the Complainant's presumed interests, then the Oki Data factor under b is more likely met. In certain circumstances, this might also be the case if certain other products are offered that are truly complementary to those of the trademark owner. Depending on the circumstances, such offering may also promote the trademark owner's products in the interest of both parties, as it may represent a more complete offering. Such a situation may not necessarily constitute "bait-and-switch", as the domain name would not be used to bait potential customers of the trademark owner to switch them to competing products from other manufacturers.

While the Complainant has submitted that the Respondent on the website under <secusense.nl>, to which the Domain Name redirects, offers competing goods, the Respondent has stated that the goods of other manufacturers it offers for sale (i.e. GKB and Bosch) are in fact complementary to those of the Complainant.

To support Complainant's contentions on this point, the Complainant has provided screenshots of the website under the domain name <firesense.nl>. As regards its own products the Complainant has provided screenshots of its website with general information on its products and specific information on its smoke detectors. However, it has not stated (and the Respondent denies) that these products are offered on the website connected to the Domain Name.

On the basis of these statements and the underlying evidence, it is difficult for the Panel to establish whether the goods of GKB and Bosch, offered for sale by the Respondent's website involved, are competing with those of the Complainant or not. Strictly on the record of this case, the Complainant has not met its burden of showing that the Respondent fails part b of the OkI Data test.

The Complainant has also submitted that the Respondent does not meet point c of the OKI Data criteria, stating that on the website under <firesense.nl> it does not accurately disclose the relationship with the Complainant. On the other hand, the Panel notes that the Domain Name no longer redirects to this website, but solely to the website under <secusense.nl>. Here, the Panel notes that the later change in redirection only occurred after the filing of the Complaint. The Panel has weighed this factor in its overall consideration of the facts and contentions of this case. However, even after three rounds of submissions, these facts and contentions remain rather unclear and therefore provide insufficient basis for the Panel to conclude that part c of the OkI Data test has not been met.

On balance, the Panel must conclude on the basis of the statements and the evidence submitted in this ".nl" case, the Complainant has not shown that the Respondent does not meet the OKI Data criteria, as applied to this case, or that the Respondent is otherwise not using the Domain Name in connection with a bona fide offering of goods or services.

The fact that the Complainant in its email of July 12, 2013 has stated that the use of the Trademark is not permitted without the express written consent of the Complainant, does not alter this. If the Respondent has a legitimate right or interest in the Domain Name, the Complainant cannot prohibit the use thereof under the Regulations. The Panel adds that, if the Complainant did not wish the Respondent to promote and distribute its products in this manner, presumably it could have attempted earlier communication with the Respondent in this regard, or it could have taken alternative legal action at any point over the last couple of years. In fact, this possibility may still be open to the parties and may indeed, in light of the complexity of this case, be the preferred option.

On the basis of the above, the Panel concludes that the Complainant has not succeeded in making out a prima facie case that the Respondent lacks legitimate rights or interests in the Domain Name.

C. Bad faith

In view of the findings in Paragraph 6(B), under Rights and Legitimate Interests, the Panel will not proceed to make a finding with respect to Bad Faith.

7. Decision

For the foregoing reasons, the Complaint is denied.

Wolter Wefers Bettink
Panelist