

**WIPO Arbitration and Mediation Center**

**ADMINISTRATIVE PANEL DECISION**

**Case No. DNL2018-0043**

**Date 12 November 2018**

**1. The Parties**

Complainant is Johnson Controls, Inc. of Milwaukee Wisconsin, United States of America (“United States”), represented by Gevers Legal NV, Belgium.

Respondent is ITT Holding B.V. of Amsterdam, the Netherlands, represented by Mr. F.J. Van Eeckhoutte, the Netherlands.

**2. The Domain Name and Registrar**

The disputed domain name <penn-controls.nl> (“Domain Name”) is registered with SIDN through Mijn InternetOplossing B.V.

**3. Procedural History**

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on July 16, 2018. On the same day, the Center transmitted by email to SIDN a request for registrar verification in connection with the Domain Name. On July 17, 2018, SIDN transmitted by email to the Center its verification response confirming that Respondent is listed as the registrant and providing the contact details. 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 Respondent of the Complaint, and the proceedings commenced on July 18, 2018. In accordance with the Regulations, article 7.1, the due date for Response was August 7, 2018. The Response was filed with the Center on August 1, 2018.

SIDN commenced the mediation process on August 2, 2018, and extended it until October 29, 2018. On October 25, 2018, SIDN confirmed that the dispute had not been solved in the mediation process.

The Center appointed Remco M.R. van Leeuwen as the panelist in this matter on October 31, 2018. 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.

**4. Factual Background**

Complainant is a company organized under the laws of Wisconsin, United States. It is a supplier of diversified technology products including heating, ventilation, and air-conditioning equipment for buildings.

Complainant is the owner of trademark registrations for the mark PENN, including European Union (“EU”) Trade Mark number 009778606 for the word mark PENN, registered on November 11, 2011, and the figurative trademark PENN, filed in the Benelux with number 91928 on December 7, 1971, both in classes 7, 9, and 11, for goods which include various types of controls (the “Trademarks”).

The Domain Name has been registered on October 20, 2013.

Complainant produces evidence that the Domain Name redirects Internet users to “www.penn-controls.nl”. The website is headed “Penn Controls” and includes a section headed “Penn” which contains several paragraphs of information about Complainant and its products and invites visitors to contact Respondent’s sales department for more information about those products, parts, and accessories. Under the second section headed “Brands” the website further includes information about numerous other suppliers of products and components and states that Respondent is a supplier of those products. All hyperlinks presented at the website “www.penn-controls.nl” (deep)link to the website “www.ittcontrols.nl”.

## **5. Parties’ Contentions**

### *A. Complainant*

Complainant states that it is an industrial leader, serving customers in more than 150 countries and employing 170,000 individuals in over 1,300 locations worldwide. It states that, in addition to its registered Trademarks, it is the owner of the trade name “Johnson Controls”, which is commonly used in correspondence and on its website “www.johnsoncontrols.com”. Complainant produces evidence of various affiliated companies in Belgium and the Netherlands that use the trade name “Johnson Controls”.

Complainant submits that the Domain Name is identical or confusingly similar to its registered Trademarks. It states that the Domain Name comprises that mark together with the descriptive term “controls”, which only adds to the likelihood of confusion with its Trademarks.

Complainant submits that Respondent has no rights or legitimate interests in respect of the Domain Name. It states that it has never authorized Respondent to use its Trademarks, that Respondent has no independent rights in that name and has not been commonly known by it, and that Respondent is making neither bona fide commercial use nor legitimate noncommercial or fair use of the Domain Name. In particular, Complainant submits that Respondent is using the Domain Name to attract Internet users to its website by misrepresenting that it is an authorized supplier of Complainant’s goods, and that it offers products from Complainant’s direct competitors on that website.

According to Complainant, Respondent and Complainant had a commercial relationship in the past, which for undisclosed reasons came to an end. Complainant further submits that the Domain Name was registered and is being used in bad faith. It contends that Respondent was obviously aware of Complainant and its products because Respondent expressly refers to those products, among others, on its website and indeed had a trading relationship with Complainant. Complainant further contends that Respondent uses the Domain Name to attract Internet users to its website for commercial gain, including the sale of competing products, by misrepresenting that it is an authorized distributor of Complainant.

Complainant requests the transfer of the Domain Name.

### *B. Respondent*

Respondent states that it is a wholesaler in machines, products, appliances and accessories for the oil and gas industry for almost 50 years. Respondent submits that it almost exclusively carries premium brands in its focus on development, maintenance and repair of systems and processes in the oil and gas industry.

It is further stated by Respondent that the website “www.penn-controls.nl” is used for the bona fide offering of products of the company formerly known as Penn Controls, which trade name ceased to exist in 2005. Respondent asserts that it registered the Domain Name to enable Internet users searching for “penn controls” to quickly find Respondent’s website. Respondents further argues that “penn controls” is not registered as such by Complainant and as a result there can be no question of confusion.

Respondent asserts that it does not use the Domain Name to redirect traffic to its website, to create the false impression of being an authorized distributor or to offer products competing with Complainant’s products. Respondent further states that it is an unauthorized reseller of Complainant’s products.

Respondent states that the Oki Data criteria (Oki Data Americas, Inc. v. ASD, Inc., WIPO Case No. D2001-0903, <okidataparts.com>) should be applied with considerable restraint and that the “bait and switch” criteria “should not be applied”. To support this statement, Respondent refers to the maturity of the Internet experience of the current Internet user and various judgments of the European Court of Justice in the field of EU trademark law.

Respondent states that it should be possible to register a domain name that connects to a website that presents alternatives to Complainant’s products. Respondent states that including hyperlinks on the website that refer to competing products or services is not a problem in itself and cannot lead to the conclusion that Respondent has no rights or legitimate interests in the Domain Name.

Respondent asserts that it is an independent wholesaler that resells original PENN products, for which the use of the Domain Name serves a legitimate use. Respondent further argues that neither the Domain Name nor the website to which it resolves nor its appearance in Google search results leads to the impression that a commercial link exists between Respondent and Complainant.

Finally, Respondent asserts that the Domain Name is used to obtain commercial benefit, and that Respondent is permitted to benefit from the success of the well-known Trademarks. Respondent states that this does not constitute bad faith since Respondent has a legitimate right to use the trade name of a liquidated company.

Respondent seeks the denial of the Complaint.

## **6. Discussion and Findings**

Pursuant to article 2.1 of the Regulations, Complainants’ request to transfer the Domain Name must meet three cumulative conditions:

a) the Domain Name is identical or confusingly similar to a trademark or trade name protected under Dutch law in which Complainant has rights, or other name by means of article 2.1(a) under II of the Regulations; and

b) Respondent has no rights to or legitimate interests in the Domain Name; and

c) the Domain Name has been registered or is being used in bad faith.

Considering these conditions, the Panel rules as follows.

#### *A. Identical or Confusingly Similar*

Complainant has based the Complaint on the Trademarks. Complainant has submitted a copy of the registration of the Trademarks demonstrating that it is the holder of the Trademarks. The Trademarks are protected under Dutch law and there is no indication of their invalidity.

The Panel notes that it is established .nl case law that the country code Top-Level Domain “.nl” may be disregarded in assessing confusing similarity between the relevant trademark on the one hand, and the disputed domain name on the other hand (see, *Caterpillar Inc. v. H. van Zuylen Materieel*, WIPO Case No. DNL2011-0073; *Roompot Recreatie Beheer B.V. v. Edoco LTD*, WIPO Case No. DNL2008-0008).

As stated at section 1.8 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition (“WIPO Overview 3.0”), where the relevant trademark is recognizable within the disputed domain name, the addition of other terms would not prevent a finding of confusing similarity. The Domain Name comprises the term “penn” together with a hyphen and the dictionary term “controls”. The Panel observes that it is irrelevant in this respect that “penn controls” is not as such registered as a trademark by Complainant nor that “penn controls” refers to the trade name of a terminated third-party company called “Penn Controls”. This, in the view of the Panel, does not prevent a finding of confusing similarity between the Domain Name and the Trademarks.

The Panel finds that the Domain Name is confusingly similar to the Trademark for purposes of the Regulations. Therefore, the first requirement of article 2.1(a) under I of the Regulations is met.

#### *B. Rights or Legitimate Interests*

It is clear on the evidence before the Panel that Respondent uses the Domain Name for the purpose of a website which makes direct reference to Complainant's goods, but also offers the other brands, which appear to be of competitors.

A reseller of trademarked goods or services may in certain circumstances legitimately incorporate that trademark into a domain name used for the resale of the goods or services in question (see, e.g., section 2.8 of the WIPO Overview 3.0). However, those circumstances do not include those where the domain name is inherently deceptive, or those where the domain name is used to sell goods or services other than those offered by the trademark owner.

The Panel observes that Respondent refers to various rulings of the European Court of Justice in matters relating to EU trademark law and infringement criteria. Such material law arguments would need to be examined in an ordinary court proceeding where

broader opportunities for arguments and evidence are available. By contrast, the Regulations offer a limited administrative proceeding and govern the admissibility or rejection of .nl registrations which are in a potential conflict with established trademarks to prevent the misuse of the domain name system by cybersquatters. The Panel must proceed on the legal criteria established by the Regulations and take into account the .nl precedent that has been developed over the years.

It is the Panel's opinion that the Domain Name is inherently deceptive, just as has been determined with respect to the domain name <penn-controls.com> (Johnson Controls, Inc. v. ITT Holding B.V., WIPO Case No. D2018-1596). The Domain Name comprises the Trademark together with a product with which Complainant is closely associated, and is therefore likely to lead a significant number of Internet users to believe that the Domain Name is operated or authorized by Complainant.

The Panel further observes that Respondent is using the Domain Name to attract Internet users to a website where it offers Complainant's competitors' products for sale. This is also explicitly acknowledged by Respondent in the Response. Additionally, the Panel observes that all hyperlinks on the website connected to the Domain Name redirect to a website at "www.ittcontrols.com" which offers competing products and services and that Respondent expressly acknowledges that in using the Domain Name, it intends to obtain commercial benefit from the success of the well-known Trademarks.

In all the circumstances of this case, the Panel finds that Respondent is taking unfair advantage of the goodwill attached to Complainant's Trademarks, which does not provide Respondent with rights or legitimate interests in respect of the Domain Name.

The Panel concludes that Complainant has met the second requirement of article 2.1(b) of the Regulations.

#### *C. Registered or Used in Bad Faith*

The Panel accepts Complainant's evidence that Respondent knew of and intended the Domain Name to refer to Complainant and its products.

It is apparent from the Response, from the prominent reference on the website to Complainant's products and those of its competitors, and the fact that all hyperlinks on the website connected to the Domain Name refer to "www.ittcontrols.nl", that Respondent's only intention was to appropriate the goodwill of Complainant's Trademarks. Anyone who became aware of the Domain Name would likely believe that this Domain Name, its proprietor or the website connected to the Domain Name, was associated with Complainant.

Consequently, the Panel finds that, by using the Domain Name, Respondent has intentionally attempted to attract Internet users to its website, for commercial gain, through the likelihood of confusion with Complainant's Trademarks as to the source, sponsorship, affiliation, or endorsement of its website, its other online location "www.ittcontrols.nl", or of a product or service on that website (article 3.2(b) of the Regulations).

Taking into account the foregoing, the Panel finds that the Domain Name is being used in bad faith. The requirement of registration or use in bad faith of the Domain Name pursuant to article 2.1(c) of the Regulations has thus been met.

## 7. Decision

For all the foregoing reasons, in accordance with articles 1 and 14 of the Regulations, the Panel orders that the domain name <penn-controls.nl> be transferred to Complainant.

Remco M.R. van Leeuwen

Panelist