

WIPO Arbitration and Mediation Center
Case No.: DNL2020-0048
Date: 25 January 2021

1. The Parties

The Complainant is RGIS B.V., the Netherlands, represented by AMS Advocaten N.V., the Netherlands.

The Respondent is [X], Germany.

2. The Domain Name and Registrar

The disputed domain name <rgis.nl> is registered with SIDN through Registrar.eu. It will hereinafter be referred to as the “Domain Name”.

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on October 22, 2020. On October 22, 2020, the Center transmitted by email to SIDN a request for registrar verification in connection with the Domain Name. On October 23, 2020, SIDN transmitted by email to the Center its verification response disclosing registrant and contact information for the Domain Name which differed from the named Respondent and contact information in the Complaint. The Center sent an email communication to the Complainant on November 5, 2020, providing the registrant and contact information disclosed by SIDN, and requesting the Complainant to submit an amendment to the Complaint in this light. The Complainant filed amended Complaints on November 9 and 10, 2020. The Center verified that the Complaint together with the amended Complaints 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 November 19, 2020. In accordance with the Regulations, article 7.1, the due date for Response was December 9, 2020. The Center received an email communication from the Respondent on November 5, 2020. The Response was filed with the Center on November 25, 2020.

On November 27, 2020, SIDN commenced the mediation process. On December 11, 2020, SIDN informed parties that the dispute had not been solved in the mediation process.

The Center appointed Richard C.K. van Oerle as the panelist in this matter on January 11, 2021. 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

The Complainant is a subsidiary of RGIS Inventory Specialists Limited, whose abbreviation “RGIS” stands for “Retail Grocery Inventory Services”, and which in turn is part of the parent company RGIS International Holdings, LLC. The latter originated in the United States of America (“U.S.”) in 1958 and has since grown into an international leader in the field of technologies for the retail sector with more than 200 offices around the world, including, since 2009, the Dutch “RGIS B.V.”.

According to the evidence submitted by the Complainant, the group of companies to which the Complainant belongs holds several European Union Trademark registrations. RGIS International Holdings, LLC holds the registration with number 004339693 (registered March 9, 2006) and RGIS, LLC (another legal entity belonging to the international RGIS group) holds the registration with number 012849568 (registered September 30, 2014), both for the wordmark RGIS, hereinafter referred to as the "Trademark".

The Domain Name was registered on October 11, 2001, by the Respondent.

The content of the website under the Domain Name will be discussed below.

5. Parties' Contentions

A. Complainant

The Complainant states, in summary and in so far as relevant, the following.

The Respondent's full name is Filiberke Flor Wiese.

The Complainant found out that the Respondent registered a one-man business in 1998 under (among others) the trade name "RGIS". The company was liquidated and de-registered from the Dutch Commercial Register as of January 1, 2015.

In January 2018, the Complainant learned that the Domain Name was being used for a website stating that "RGIS is out of business" and warning visitors not to do business with "anyone pretending to work for RGIS".

Since then, the layout of the website has changed and the website now announces that "RGIS is permanently closed" and warns (also in Dutch):

"Avoid doing any business with any company claiming to be, or trading with the tradename RGIS from Groningen (KvK 02064222)." and "Is RGIS a scam? No, RGIS was a legitimate business and operated for many years but now closed its doors. RGIS holdings have been privately held ever since. This website serves as a PSA against any malicious entities trying to pretend to operate in RGIS' name."

The Complainant considers that the Respondent misleads Internet consumers interested in the Complainant by making them think that all entities operating under the name "RGIS" are malicious and running a scam, thus exposing the Complainant to suspicion and the risk of reputational damage. The Complainant observes that its Dutch business operations were hampered by the existence of a website stating that an entity named "rgis" had ceased operations and explicitly advising any visitor not to do business with any company so named. Actual and potential customers have made inquiries with the Complainant about the website or have been under the impression that the Complainant's business activities had ceased.

The Complainant claims that the Domain Name is identical to the Trademark and therefore confusingly similar.

The Respondent has no right or legitimate interest in respect of the Domain Name, according to the Complainant. Correspondence with the Respondent shows that any business under the Respondent's "RGIS" name has been permanently discontinued since January 1, 2015; therefore, that trade name has lapsed. The Complainant is currently the proprietor of the "RGIS" trade name because it operates under the name "RGIS B.V.". The Complainant asserts that the Respondent cannot legitimately start a

business under that name because that would constitute infringement, and it thus lacks a legitimate interest in the Domain Name.

The Complainant further claims that the Respondent is actively trying to direct Internet consumers interested in the Complainant who search on the term “rgis” to the Domain Name by placing a paid Google ad with the AdWords: “RGIS has stopped” appearing at the top of the search results. The Complainant notes that it is unlikely that the Respondent has any legitimate interest in the paid advertising of the announcement that his company ceased trading over five years ago; on the other hand, this would increase the chances of reputational damage to the Complainant.

The Respondent is trying to sell the Domain Name to the Complainant, and is apparently trying to use its position vis-à-vis the Complainant (due to the risk of reputational damage) by asking a substantial price. Initially, the Respondent asked for USD 10,000. The Complainant felt that this was too high and requested the Respondent to remove the misleading statements from the website. In response, the Respondent raised the asking price to USD 12,500. After being requested again by the Complainant, the Respondent accused the Complainant several times of “abusive, fraudulent and deceitful activities” and raised the asking price further to EUR 28,678.99 excluding VAT.

According to the Complainant, there is no doubt that the Respondent primarily holds and uses the Domain Name to sell it for a substantial sum far in excess of the costs directly associated with the Domain Name. These facts prove the Respondent’s bad faith registration and use, according to the Complainant.

B. Respondent

The Respondent filed an extensive Response stating, in summary and in so far as relevant, the following.

The Respondent states that he has operated a company under the name “RGIS” since 2001 and that he registered the Domain Name in 2001, five years before the Trademark was first registered and eight years before the Complainant registered its trade name with the Dutch Chamber of Commerce (2009). Although the company was dissolved, the Respondent is entitled to the trade name and not the Complainant, which started using the trade name later and registered the Trademark later. Furthermore, for an additional eight years, the Complainant has not raised any issue with the Respondent’s ownership of the Domain Name, co-existing with the Respondent’s trade name for five and a half years and only raising the issue of a trade name conflict with the current proceedings.

The Respondent claims to be actively using the website as an online marketing testbed, performing Search Engine Optimization (“SEO”) experiments and using variations of the same text that apply to the discontinued company. The reason for this is online marketing experiments, which are best done on small websites. The Complainant is aware that the Respondent is actively using the Domain Name, for running online marketing experiments with the domain name, using SEO, and other means. As a practicing online marketer, the Respondent is using the old website as a testbed for his freelance work.

The Respondent emphasizes that none of the content, written or graphical, relates or refers in any way to the Complainant or its subsidiaries, its business partners, its industry niche/sector/branch, its affiliates, its products, its Trademark, or its competitors. Nor does the website generate any monetary income through advertising, affiliation or other means. The website does not offer any product or service competitive or related in any way with the Complainant’s business or activities, nor from its competitors, affiliation, sponsorship or endorsements. The Respondent does not trade – intentionally or unintentionally – on the fame of the Complainant and therefore rejects the Complainant’s statements as to the intent and current purpose of the website and the Domain Name.

The Respondent is of the opinion that he is entitled to the Domain Name as long as he differentiates the content and design of the website enough to avoid confusion with the Complainant, which he has done using the custom design, and none of the content refers in any way to the Complainant. He is listing the Dutch Chamber of Commerce number and rejects the notion that the web design, which predates any design or color scheme of the Complainant by years, causes confusion. The Respondent further states that he changed the content and the design of the website at the request of the Complainant.

According to the Respondent, the Complainant has himself to blame if confusion arises. The Complainant should have conducted a search and done some investigation before adopting the name, then it would have noticed that the Respondent already had been using the name. Since the Respondent was the first to register the trade name, he has corresponding rights. The content of the website is now available in both English and Dutch, as Respondent has operated his business in both languages and had customers and suppliers worldwide.

The Respondent states that the Complainant contacted the Respondent to try to buy the Domain Name for an unreasonably low amount of money in August 2017. The Respondent declared that he did not intend to sell the Domain Name but would be open to reasonable offers. The Complainant attempted to purchase the Domain Name with an unsolicited offer of USD 500, which the Respondent refused. The Complainant then proceeded with an unsolicited offer for USD 10,000, but withdrew after the Respondent agreed to the sale. The Complainant proceeded with legal threats culminating in the present procedure.

6. Discussion and Findings

Based on article 2.1 of the Regulations, a request to transfer a 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 the complainant has rights, or other name by means of article 2.1(a) under II of the Regulations; and
- b. the 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.

The Complainant claims that it is authorized to use the Trademark, but has not submitted evidence confirming such authorization, let alone authorization to file the present case.

The Complainant is, however, a 100% subsidiary of RGIS Inventory Specialists Limited, as evidenced by the Dutch Commercial Register extract submitted. The organizational chart submitted by the Complainant shows that the trademark owner (RGIS, LLC, Michigan, U.S.) is the ultimate parent company of RGIS Inventory Specialists Limited as well as of the Complainant.

The Respondent, who has submitted a comprehensive defense, has not disputed the Complainant's entitlement to file this case, nor has the Respondent asserted that the Complainant's organizational chart was incorrect.

A trademark owner's affiliate such as a subsidiary of a parent or of a holding company, or an exclusive trademark licensee, is considered to have rights in a trademark under the UDRP for purposes of standing to file a complaint (see [WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition](#) ("WIPO Overview 3.0"), [section 1.4.1](#)).¹ On the issue presented here, namely whether a wholly-owned subsidiary may file a Complaint when its parent holds the trademark, the limited UDRP precedent that exists

indicates that it may, either under a theory of implied license, see *DigiPoll Ltd. v. Raj Kumar*, [WIPO Case No. D2004-0939](#), or a more general notion based on corporate control and common sense. As stated in *Grupo Televisa, S.A., Televisa, S.A. de C.V., Estrategia Televisa, S.A. de C.V., Videoserpel, Ltd. v. Party Night Inc., a/k/a Peter Carrington*, [WIPO Case No. D2003-0796](#), “[i]t has been accepted in several decisions that a company related as subsidiary or parent to the registered holder of a mark may be considered to have rights in the mark. See for example *Miele, Inc. v. Absolute Air Cleaners and Purifiers*, [WIPO Case No. D2000-0756](#), where the Complainant’s grand-parent corporation had a long established U.S. trademark registration for the mark for vacuum cleaners.”

This Panel finds it sensible to follow that approach and to allow the Complainant as the Trademark owner’s indirectly wholly-owned subsidiary, to maintain this proceeding. This is not a case of an obvious impediment existing to the Trademark owner bringing the Complaint directly, and nothing in the record suggests any advantage sought or to be gained by having the subsidiary rather than the parent file the Complaint. See *BSH Home Appliances Corporation v. Michael Stanley / Michael Sipo*, [WIPO Case No. D2014-1433](#).

A. Identical or Confusingly Similar

The Domain Name is confusingly similar to the Trademark as it incorporates the Trademark in its entirety. The country code Top-Level Domain (“ccTLD”) “.nl” is typically disregarded under the confusing similarity test, since it is a technical registration requirement (see [WIPO Overview 3.0, section 1.11](#)).

Therefore, the Panel finds that the Domain Name is confusingly similar to the Trademark and the requirement in article 2.1.a. of the Regulations is met.

B. Rights or Legitimate Interests

It is undisputed that the Respondent registered the trade name “RGIS” in 1998. The Respondent professes to have operated a business under this trade name, with customers and suppliers worldwide. The Panel notes that potentially relevant evidence primarily consists of an apparent invoice relating to a stated order of business cards, together with a copy of such card. The record before the Panel concerns no documentary confirmation of actual use of the trade name, including with third parties.

Any business which the Respondent would have operated under the trade name “RGIS” has ceased. The record indicates that the trade name registration ended on January 2, 2015. The Respondent’s website states “No, RGIS is not an essential business and hence decided to close its doors and go out of business. In the future RGIS may start over again.” Given the foregoing, the Respondent does not currently enjoy trade name protection. The Panel also notes that there is no indication that the Respondent had acquired rights corresponding to the trade name in his own capacity.

Against the background of the above observations about the business the Respondent claims to have operated, the Panel does not find that the asserted intention to possibly use the trade name in the future (at least six years after its de-registration) gives rise to a right or legitimate interest under the Regulations.

The claimed new use of the website as an online marketing testbed does not in itself represent a legitimate interest, and even less so considering the text which the website contains.

The Respondent has not put forward any other indications of a legitimate interest in the Domain Name.

The Panel finds that the Complainant has established that the Respondent has no rights or legitimate interests in the Domain Name. The requirement in article 2.1.b. of the Regulations is met.

C. Registered or Used in Bad Faith

In deciding this element of the case, the Panel takes into account a range of circumstances, including the following.

The Complainant's parent company was founded in 1958, and the Complainant is a significant enterprise operating around the world, including in the Netherlands. A Google search on "rgis" predominantly shows a multitude of search results pointing to the Complainant.

The website under the Domain Name includes a warning that "RGIS is out of business" and that visitors should not do business with "anyone pretending to work for RGIS". Along with similar messages, this content, which the Respondent decided to maintain despite the Complainant's repeated legitimate requests to cease such use, is likely to confuse the Complainant's actual or potential customers, to the point where these may believe the Complainant is no longer even in business. The resulting likelihood of damage is compounded by the fact that the Respondent apparently purchased Google AdWord advertisements to have the website under the Domain Name appear at the top of "rgis" search results. The Respondent's extensive Response contains no valid explanation for any of this apparently deliberate action and inaction on his part.

The Respondent asserts that he recently bought and sold other domain names. Despite claiming an intention of specific future business use for himself, the Respondent appeared prepared to sell the Domain Name, for a significant price, which price materially increased with the Complainant's respective fruitless attempts to have damaging content removed from the Respondent's website.

Reviewing these circumstances in their entirety and together with the facts and findings under the preceding section B, the Panel finds it most likely that the Respondent's damaging conduct involving the Domain Name aimed to provoke the Complainant for the Respondent's financial benefit. The Panel concludes that in any event the Respondent's use of the Domain Name constitutes bad faith.

The Complainant has thus also met the requirement in article 2.1.c. of the Regulations.

7. Decision

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

Richard C.K. van Oerle
Panelist

¹In view of the fact that the Regulations are to an extent based on the Uniform Domain Name Dispute Resolution Policy ("UDRP"), it is well established that both cases decided under the Regulations and cases decided under the UDRP, and therefore WIPO Overview 3.0, are relevant to this proceeding (see, e.g., *Aktiebolaget Electrolux v. Beuk Horeca B.V.*, WIPO Case No. DNL2008-0050).