

.nz Dispute Resolution Service

DRS Reference: 1181

Salvatore Ferragamo S.p.A.

v

Yan Sun

Key words –

Domain name – ferragamo.nz – registered mark – well-known mark – identical – unfair registration – likely to confuse, mislead or deceive

1. Parties

Complainant:

Salvatore Ferragamo S.p.A.
Ilaria Pecchioli
Via dei Tornabuoni 2
Firenze
Italy

Respondent:

Yan Sun
50 Beulah AVE,
Rothesay Bay
North Shore
NZ (NEW ZEALAND)

2. Domain Name

ferragamo.nz

3. Procedural history

The Complaint was lodged on 09 August 2016 and Domain Name Commission (DNC), notified the Respondent of the validated Complaint on 11 August 2016. The domain was locked on 11 August 2016, preventing any changes to the record until the conclusion of these proceedings.

No Response was received.

The Complainant paid Domain Name Commission Limited the appropriate fee on 5 September 2016 for a decision of an Expert, pursuant to Paragraph 9 of the .nz Dispute Resolution Service Policy (the Policy).

Andrew Brown QC, the undersigned, (the Expert) confirmed to the DNC on 20 September 2016 that he knew of no reason why he could not properly accept the invitation to act as expert in this case and that he knew of no matters which ought to

be drawn to the attention of the parties, which might appear to call into question his independence and/or impartiality.

4. Factual background

The Complainant is Salvatore Ferragamo S.p.A (the Complainant). The Complainant is an Italian company in the business of manufacturing, marketing and selling shoes, handbags and other articles. The Complainant has been using the trade mark FERRAGAMO since 1927 with respect to shoes and since 1968 with respect to handbags. In addition to those items, the Complainant manufactures, markets and sells wallets, luggage, belts, apparel, fragrances, gift items and costume jewelry under the trade mark. The Complainant sells those products in New Zealand at its store located at 22 Customs Street, Auckland, as well as through other retail outlets. The Complainant's products can be found at retail stores located all over the world.

The Complainant contends that over the last few years since 2011 it has spent an average of €40 million per year worldwide in advertising and marketing its products including products bearing trade marks centred on FERRAGAMO. It has also sought to protect its intellectual property rights worldwide through trade mark protection. In New Zealand it is the owner of the word mark FERRAGAMO in classes 3, 9, 18 and 25. Those registered trade marks date back to 1998. The Complainant has also provided a print out of its trade mark registrations for FERRAGAMO both as a word mark and in logo form in scores of countries worldwide in classes 1-43. The Complainant has also taken steps to obtain and utilise domain names under the name FERRAGAMO. Those domain names include www.ferragamo.com, www.ferragamo.net and www.ferragamo.co.nz.

The Respondent is Yan Sun (the Respondent). He is the registrant of the domain name ferragamo.nz (the Disputed Domain Name). That domain was registered on 30 March 2015 (the Relevant Date) with Instra Corp. The Respondent listed an Auckland address for the registration.

5. Parties' contentions

a. Complainant

The Complainant contends that the Disputed Domain Name, ferragamo.nz, is identical to its trade mark. It contends that this will unquestionably cause confusion among internet users. The Complainant contends that it has been using its FERRAGAMO trade mark in commerce for a long time and has established rights in that mark throughout the world, including New Zealand. It contends that the Respondent chose a domain name that consists of its mark, and that this constitutes an intentional violation of its rights.

The Respondent is not affiliated with the Complainant, nor has the Complainant licensed or otherwise authorised the Respondent to use its trade mark or to register a domain name using that mark.

The Complainant further contends that the Respondent's registration is in bad faith. This is because the Complainant's business and product line is said to be so well-known that the Respondent must have registered the Disputed Domain Name to take advantage of that worldwide reputation. The Complainant contends that this worldwide reputation supports a finding not only of bad faith use but registration. The Expert notes that bad faith is not a required element to be proved under the Policy.

The Complainant submits that the registration of the Disputed Domain Name will confuse consumers by suggesting some affiliation between the Respondent and the Complainant. It submits that the Disputed Domain Name will also "discourage users from locating [the Complainant's] true website, thereby diluting the value of [the Complainant's] trade mark".

Finally, the Complainant notes that the Disputed Domain Name does not resolve to any active website. Instead, it re-directs to the website for a domain name registrar known as Asia Registry. The Complainant submits that this constitutes "passive holding", which can be considered to amount to acting in bad faith.

The Complainant seeks transfer of the Disputed Domain Name to it.

b. Respondent

The Respondent did not reply to the Complainant's contentions.

6. Discussion and findings

The Complainant is required to satisfy the Expert on the balance of probabilities that it has met the requirements of paragraph 4 of the Policy, namely that:

- 4.1.1 The Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name; and
- 4.1.2 The Domain Name, in the hands of the Respondent, is an Unfair Registration."

Rights

The term "Rights" is defined in paragraph 3 of the Policy as follows:

"**Rights** includes, but is not limited to, rights enforceable under New Zealand law. However a Complainant will be unable to rely on rights in a name or term which is wholly descriptive of the Complainant's business."

The Complainant has provided evidence that it has registered trade mark rights in the word mark FERRAGAMO, enforceable under New Zealand law (as well as rights to the mark in many other jurisdictions). The Expert therefore finds that the Complainant has Rights in respect of the trade mark FERRAGAMO and that the trade mark was well known in New Zealand at the Relevant Date. Although this is not a requirement of the Policy, these Rights were in existence prior to the Relevant Date and the registration of the disputed domain name.

The Expert also finds that the Disputed Domain Name ferragamo.nz is identical to the Complainant's trade mark FERRAGAMO in New Zealand (and many other countries). The trade mark FERRAGAMO is entirely subsumed within the Disputed Domain Name.

Accordingly, the Expert finds that paragraph 4.1.1 of the Policy is satisfied in favour of the Complainant.

Unfair registration

Unfair Registration is defined in paragraph 3 of the Policy as follows:

"Unfair Registration means a Domain Name which either:

- (i) was registered or otherwise acquired in a manner which, at the time when the registration or acquisition took place, took unfair advantage of or was unfairly detrimental to the Complainant's Rights; or
- (ii) has been, or is likely to be, used in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights."

Paragraph 5.1 of the Policy provides a non-exhaustive list of factors which may be evidence that the Domain Name is an Unfair Registration as follows:

"5.1.1. Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily:

- (a) for the purposes of selling, renting or otherwise transferring the Domain Name to the Complainant or to a competitor of the Complainant, for valuable consideration in excess of the Respondent's documented out-of-pocket costs directly associated with acquiring or using the Domain Name;
- (b) as a blocking registration against a name or mark in which the Complainant has Rights; or
- (c) for the purpose of unfairly disrupting the business of the Complainant; or

5.1.2. Circumstances demonstrating that the Respondent is using the Domain Name in a way which is likely to confuse, mislead or deceive people or businesses into believing that the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant ..."

As to Unfair Registration, the Expert notes that the Disputed Domain Name does not currently resolve to a website. Instead it re-directs to a domain registrar page. As a result there are no existing circumstances for the purposes of paragraph 5.1.1(a) indicating that the Respondent has registered the Disputed Domain Name for the purposes of selling, renting or transferring that name for valuable consideration.

However, the Expert finds that the Disputed Domain Name is an Unfair Registration under paragraph 3 of the Policy for two reasons.

First, the FERRAGAMO trade mark was both well-known and distinctive as at the Relevant Date. The Respondent must have been well aware of the fame of the mark at the time of registration. Even the simplest of trade mark searches in New Zealand conducted prior to registration would have revealed the longstanding registration of the FERRAGAMO mark in a number of classes. In this regard the Expert is entitled to draw adverse inferences from the Respondent's failure to respond to the Complaint. Therefore the Expert finds that the Domain Name was registered in a manner which, at the time when registration took place, took unfair advantage of the Complainant's Rights.

Secondly, the Expert agrees with the submission made on behalf of the Complainant that the Disputed Domain Name is being used (or which in future is likely to be used) in a manner which takes unfair advantage of or is unfairly detrimental to the Complainant's Rights in breach of paragraph (ii) of the definition. The Disputed Domain Name is likely to confuse consumers by suggesting an affiliation between the Complainant and the website presently hosted. Although the Disputed Domain Name does not currently resolve to an active website and instead directs to a holding page of a domain registrar, the fact that there is no live site will lead consumers looking for

the Complainant and its services to assume that there is no New Zealand FERRAGAMO website. This could discourage them from locating the genuine site. In that way the Disputed Domain Name is unfairly detrimental to the Complainant's Rights.

Accordingly, the Expert finds that paragraph 4.1.2 is satisfied in favour of the Complainant.

7. Decision

For all the foregoing reasons, the Expert orders the transfer of the domain name ferragamo.nz to the Complainant.

Place of decision Auckland

Date 5 October 2016

Expert Name Andrew Brown QC

Signature

