

CEPINA

Decision of the Third-Party decider

The Carat Club Sdn, Bhd. v. Mickey Weinstock & co nv

Case No. 44201: thelovediamond.be and lovediamond.be

1) The Parties

The Complainant in the administrative proceedings is **The Carat Club Sdn, Bhd.**, with its main office at Jalan Maarof 119, Taman Bangsar, 59000 Kuala Lumpur, Malaysia, represented by Bart Van Oudenhove, advocaat, with offices at Meir 24, 2000 Antwerpen, Belgium.

Respondent is **Mickey Weinstock & co NV**, with its main office at Pelikaanstraat 62, 2010 Antwerpen, Belgium, represented by Frederik Cornette, advocaat, with offices at Fr. Rooseveltplaats 12, box 3, 2060 Antwerpen, Belgium.

2) Domain Name

The domain names at issue are “thelovediamond.be” and “lovediamond.be” registered in December 2000 and August 2001, respectively, hereinafter referred to as the “Disputed Domain Names”.

3) Procedural History

On 18 June 2010, Complainant filed a complaint form in English (the “Complaint”).

On 13 July 2010, Respondent filed a response in English (the “Response”).

On 15 July 2010, the Belgian Centre for Arbitration and Mediation (the “Centre”) invited Mr. Flip Petillion to serve as the Third-Party Decider.

On 16 July 2010, the Third-Party Decider sent the Statement of Independence to the Centre.

On 19 July 2010, the Third-Party Decider received the confirmation of his appointment as Third-Party Decider dated 19 July 2010 by the Centre. On the same day, he received a copy of the Complaint and of the Response, with attachments. On the same day, he was informed that the exchange of arguments would be closed on 26 July 2010 and that his decision was due on 9 August 2010.

The Third-Party Decider shall render his decision based on the Complaint, the Response, Article 10 of the “Terms and conditions of domain name registrations under the “.be” domain operated by DNS”, entitled “Dispute resolution policy” (the “Policy”), and the Rules.

4) Elements of Fact

The Complainant holds figurative trademarks (word and device) for goods in class 14 (the "THE LOVE DIAMOND trademark") in several countries.

In particular, the Complainant registered the mark in the Benelux (No. 648679) on 26 February 1999 for diamonds and precious stones; in the European Community (CTM No. 1641893) on 5 May 2000 for diamonds.

Complainant uses THE LOVE DIAMOND trademark in the diamond business.

The Disputed Domain Names were registered on 18 December 2000 (thelovediamond.be) and on 7 August 2001 (lovediamond.be) by the Respondent, who was then licensed by the Complainant to use the mark. The whois records show that both domain names are currently on hold and that they are held by Respondent.

In March, 2007 the Complainant has terminated the THE LOVE DIAMOND trademark license of the Respondent. By letters dated 21 June 2007 and 18 March 2008 addressed to the Respondent, the Complainant sought undertakings that the Respondent would cease use of the mark and would assign the Disputed Domain Names to the Complainant.

Following further unsuccessful attempts to obtain transfer of the Disputed Domain Names and other domain names, the Complainant initiated special summary proceedings with the President of the Commercial Court ("stakingsprocedure" or "procedure zoals in kort geding") in Antwerp, Belgium on 29 April 2008 against the Respondent, seeking *inter alia* a court order for their transfer. On December 30, 2008 the court found the Respondent to be infringing the THE LOVE DIAMOND trademark and prohibited the Respondent from continuing to publicly use this sign or a sign identical to it as a trade name, company name, trademark or domain name.

The court dismissed the application for the transfer of the 'thelovediamond.be' and 'lovediamond.be' (*i.e.* the Disputed Domain Names) to the Complainant, since the domain names were not registered by the Respondent in bad faith, *i.e.* since they were registered at a time when the Respondent had a license to use the THE LOVE DIAMOND trademark for the manufacture and distribution of hearts and arrows diamonds, and as the Law of 26 June 2003 relating to the Unlawful Registering of Domain Names (which is the legal basis of the competence of the President of the court in special summary proceedings) is restricted to bad faith registration and does not extend to bad faith use of a domain name.

The court also dismissed the application for the transfer of the thelovediamond.com, thelovediamond.net, lovediamond.com and lovediamond.net domain names on the ground that they did not belong to the Respondent anymore. The reason why the domain names no longer belonged to the Respondent was because the Respondent had transferred them to a related Hong Kong company, Guangzhou Mickey Weinstock & Co. Diamonds Manufacturing Ltd. The domain names thelovediamond.com and thelovediamond.net were transferred on or about 19 November 2007 and the domain names the lovediamond.com, lovediamond.net were transferred on or about 21 April 2008, *i.e.* after the THE LOVE DIAMOND trademark license had terminated, and after the Respondent had received notice of the Claimant to transfer the Disputed Domain Names to the Claimant.

On 15 January 2009 the Complainant filed a complaint with the WIPO Arbitration and Mediation Center against Guangzhou Mickey Weinstock & Co. Diamonds Manufacturing Ltd. in relation to the thelovediamond.com, thelovediamond.net, lovediamond.com and lovediamond.net domain names (Case No. 02009-0052). On 4 May 2009, the Administrative Panel ruled in favor of the Complainant, and ordered the transfer of these domain names to the Complainant.

On 5 February 2009, the Respondent has appealed the decision of the court in relation to the Disputed Domain Names only (and not in relation to the thelovediamond.com, thelovediamond.net, lovediamond.com and lovediamond.net domain names). In a judgment of 25

January 2010 the Court of Appeal confirmed the first decision in its entirety, namely that the Disputed Domain Names infringe the rights of the Complainant in the THE LOVE DIAMOND trademark, but that the transfer of the domain names cannot be ordered in a special summary proceeding.

The Disputed Domain Name 'thelovediamond.be' resolves to a website where the figurative THE LOVE DIAMOND trademark appears and where information on a Chinese company, a competitor to Complainant, is made available. The Disputed Domain Name 'lovediamond.be' does not actively resolve to a website.

On 18 June 2010, the Complainant filed a complaint with Cepani with the request to transfer the Disputed Domain Names to Complainant.

5) Parties Contentions

a) Complainant

In summary, Complainant argues that:

- Respondent's Domain Names are essentially identical and confusingly similar to a trademark, a trade name, a social name or corporation name, a geographical designation, a name of origin, a designation of source, a personal name or name of a geographical entity in which the Complainant has rights;
- Respondent has no rights or legitimate interests in the Domain Names; and
- Respondent's Domain Names have been registered or are being used in bad faith.

b) Respondent

Respondent argues that he believes to be no longer the holder of the Disputed Domain Names and expressly recognizes not to have any interest in the Disputed Domain Names.

6) Discussion and Findings

a) Analysis of the Complaint

Article 15.1 of the Rules instructs the Third-Party Decider as to the principles the Third-Party Decider is to use in determining the dispute: "*The Third-Party Decider shall decide following the parties views and in accordance with dispute resolution policy, the registration agreement and following the provisions of the present Rules.*"

By virtue of Article 10, b, 1, of the Policy the Complainant must prove each of the following:

- "the domain name holder's domain name is identical or confusingly similar to a trademark, a trade name, a social name or corporation name, a geographical designation, a name of origin, a designation of source, a personal name or name of a geographical entity in which the Complainant has rights; and
- the domain name holder has no rights or legitimate interests in the domain name; and
- the domain name holder's domain name has been registered or is being used in bad faith."

i) Identity

The Disputed Domain Names are 'thelovediamond.be' and 'lovediamond.be'.

'THE LOVE DIAMOND' is a registered trademark of Complainant.

Except for the suffix '.be', which is irrelevant for determining the similarity between a domain name and a trademark, the Disputed Domain Name 'thelovediamond.be' and the THE LOVE DIAMOND trademark are identical. The Disputed Domain Name 'lovediamond.be' only differs from the THE LOVE DIAMOND trademark by the omission of the word 'the' in the domain name. This is however only a subtle difference, which does not affect the identity with the dominant elements of the trademark. Hence, – as was also confirmed in the judgment of the Court of Appeals of Antwerp of 25 January 2010 – the Disputed Domain Names and the THE LOVE DIAMOND trademark are confusingly similar.

In view of the above, the Third-Party Decider decides that the Disputed Domain Names are identical or confusingly similar to the 'THE LOVE DIAMOND' trademark of Complainant.

ii) Rights or legitimate interests

In essence, Complainant contends that Respondent had no rights or legitimate interests in the Disputed Domain Names after the termination of the THE LOVE DIAMOND trademark License in March 2007. Complainant makes reference to the judgment of the President of the commercial court of Antwerp that was confirmed by the Court of Appeals of Antwerp on 25 January 2010, establishing that Respondent is infringing Complainant's trademarks and that he was prohibited to use the sign THE LOVE DIAMOND or a sign identical to it as *inter alia* a domain name and/or to keep the domain name with the word(s) "thelovediamond".

In its Response, Respondent admits not to have any interest in the Disputed Domain Names.

As a result, there are no circumstances which could establish a legitimate interest for Respondent.

In view of the above, the Third-Party Decider decides that Respondent has no rights or legitimate interests in the Disputed Domain Names.

iii) Registration or use in bad faith

The existence of bad faith can be based on circumstances as listed in Article 10, b, 2 of the Policy. Among the circumstances as listed in Article 10, b, 2 are the registration of a name in order to prevent the owner of a trademark, a trade name, a social name or corporation name, a geographical designation, a name of origin, a designation of source, a personal name or a name of a geographical entity from reflecting this name in a corresponding domain name, provided that the domain name holder has engaged in a pattern of such conduct; the registration of a domain name primarily for the purpose of disrupting the business of a competitor; or intentional use of a domain name to attract, for commercial gain, Internet users to the domain name holder's web site or other on-line location, by creating a likelihood of confusion with the Complainant's trademark, trade name, social name or corporation name, geographical designation, name of origin, designation of source, personal name or name of a geographical entity as to the source, sponsorship, affiliation, or endorsement of the domain name holder's web site or location or of a product or service on his web site or location.

Also, bad faith is presumed when there is no reasonable doubt that would prevent from presuming bad faith to have existed or to exist. Equally, it is presumed not to exist when there is

no reasonable doubt that would prevent from presuming bad faith not to have existed or not to exist.

In other words, bad faith can have existed or exists when it is demonstrated by elements of fact or when circumstances exclude any reasonable doubt thereof.

The question at stake is thus whether the arguments developed in the briefs produced by the parties and the context of the case, lead one to conclude to either the existence of bad faith or the absence of any reasonable doubt that subsists on the bad faith of Respondent.

Complainant argued that the Disputed Domain Names were registered and used in bad faith. Respondent did not reply to these contentions.

As demonstrated by the Complainant, the Disputed Domain Name 'thelovediamond.be' resolves to a website containing an exact copy of the registered THE LOVE DIAMOND trademark of Complainant. Doing so, Respondent creates a likelihood of confusion with Complainant's trademark as to the source, sponsorship, affiliation or endorsement of the domain name holder's web site, with the intention to attract internet users for commercial gain.

Such use of a domain name constitutes bad faith use.

The Disputed Domain Name 'lovediamond.be' does not resolve to an active website. According to the Third-Party Decider, the passive holding of a domain name can amount to bad faith use. This is the case when the passive holding of the domain name has no other purpose than to prevent the Complainant from reflecting its trademarks in a corresponding domain name, provided that the domain name holder has engaged in a pattern of such conduct.

Apart from the Disputed Domain Name 'lovediamond.be' Respondent also tried to prevent Complainant from reflecting its trademarks by having transferred the domain names 'thelovediamond.com', 'thelovediamond.net', 'lovediamond.com' and 'lovediamond.net' in an attempt of cyberflying to a company with the same managing director as the Respondent. According to the Third-Party Decider, this evidences a pattern of a conduct of trying to prevent the Complainant from reflecting its trademarks in a corresponding domain name.

As a result, the passive holding of the Disputed Domain Name 'lovediamond.be' evidences bad faith use.

In conclusion and in view of the above, it is the Third-Party Decider's opinion that there is no doubt that Respondent used the Disputed Domain Names in bad faith.

7) Decision

Pursuant to Article 10, e, of the Policy, the Third-Party Decider grants the request of Complainant and orders that the registration of the Domain Name "thelovediamond.be" and "lovediamond.be" be transferred to Complainant.

Flip Petillion
Third-Party Decider

6 August 2010