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## ADMINISTRATIVE PANEL DECISION

### In the matter of a Domain Name Dispute

between

**Velcro BVBA**

Complainant

and

**Velcro Engineering & Environmental**

Respondent

**AIAC Case Number: AIAC/DNDR-767-2019**

#### 1. The Parties

The Complainant is Velcro BVBA with its address at Industrielaan 16, 9800 Deinze, Belgium, represented by Advanz Fidelis IP Sdn. Bhd.

The Respondent is Velcro Engineering & Environmental with its address at 178B, Jalan DS 1/12, Bandar Dataran Segar, 71010 Port Dickson, Negeri Sembilan, Malaysia.

#### 2. The Domain Name and the Registrar

The disputed domain name is <velcro2e.com.my> and the Registrar is the Malaysian Network Information Centre ("**MYNIC**").

#### 3. Procedural History

The Complaint was filed under MYNIC's (.my) Domain Name Dispute Resolution Policy (the "**Policy**") with the Asian International Arbitration Centre (the "**Centre**") on 3<sup>rd</sup> October 2019.

The Centre verified that the Complaint satisfied the formal requirements of the Rules of the Policy (the "**Rules**") and the Supplemental Rules of the Centre (the "**Supplemental Rules**"), and the formal date of commencement of these proceedings is 16<sup>th</sup> October 2019.

In accordance with the Rules, the Centre formally notified the Respondent of the Complaint by way of Complaint Notification Instructions on 16<sup>th</sup> October 2019. In accordance with the Rule 6.1 of the Rules, the due date for Response was 7<sup>th</sup> November 2019. The Respondent did not submit any response. Accordingly, the Centre proceeded to appoint a panel pursuant to Paragraph 6(d) of the Supplemental Rules.

The Centre appointed Imaduddin Suhaimi as the sole panellist in this matter on 12<sup>th</sup> November 2019. The Panel finds that it was properly constituted. The Panel has submitted the Declaration of Impartiality and Independence, as required by the Centre to ensure compliance with the Rule 9.3 of the Rules.



#### 4. Factual Background

The following summary sets out the uncontested factual submissions made by the Complainant:

- 4.1 The Complainant is a private limited liability company incorporated under the laws of the Netherlands and headquartered in Deinze, Belgium. The Complainant manufactures and sells fasteners under the brand "VELCRO", with approximately 2,500 employees and a presence in more than 40 countries.
- 4.2 The Complainant owns several trademarks for "VELCRO" around the world, which had been registered by Velcro Industries B.V. and subsequently assigned to the Complainant, including, but not limited to:
  - (a) Malaysian Trademark Registration No. 00014508 for "VELCRO", for class 24 goods, registered on 17<sup>th</sup> October 2010;
  - (b) Malaysian Trademark Registration No. 00014509 for "VELCRO", for class 26 goods, registered on 17<sup>th</sup> October 2010,collectively, the "**Complainant's mark**".
- 4.3 The Complainant started operating a website at <velcro.com> as early as 1994. Thereafter, the Complainant also registered various domain names comprising of the Complainant's mark such as <aboutvelcro.com>, <bestvelcro.com>, <velcro.com.au>, <velcro.com.uk> [sic], <velcro.net>, <velcroexpress.com>, <velcrogroupp.com>, <velcrofasteners.com>, and <velcrohookandloop.com>.
- 4.4 The disputed domain name <velcro2e.com.my> was registered on 15th June 2011.

#### 5. Parties' Contentions

##### A. Complainant

- 5.1 The Complainant contends that it has rights in the trademarks listed in section 4 above and has produced copies of the relevant certificates of registration. The Complainant contends that these trademarks, the majority of which had been initially registered in the name of Velcro Industries B.V., have been assigned to the Complainant and the Complainant has produced a deed of assignment with respect to the Complainant's mark in Malaysia.
- 5.2 The Complainant contends that the disputed domain name is identical or confusingly similar to the Complainant's mark as it is constituted entirely of the Complainant's mark with the added element "2e". The Complainant further contends that this is likely to mislead the public into believing that the disputed domain name belongs to or is related to the Complainant or is associated with the Complainant, particularly due to the domain name resolving to a website that displays the words "Welcome to Velcro" and refers to the entities therein as "Velcro Group".
- 5.3 The Complainant alleges that they did not authorise or consent to the Respondent to use the Complainant's mark nor did they authorise or consent to the Respondent registering the disputed domain name. The Complainant further contends that the Respondent has registered the disputed domain name in bad faith. The Complainant submits that its Complainant's mark is well-

known and predates the disputed domain name registration by over six decades. As a result, the Respondent could not ignore the pre-existence of the Complainant's trademark rights and the Respondent must have been fully aware when selecting the disputed domain name.

- 5.4 The Complainant further contends that the Complainant has suffered damages from the public being deceived into believing that the Respondent provided goods and/or services that had originated from the Complainant when this was not the case.

## **B. Respondent**

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

## **6. Discussion and Findings**

- 6.1 Pursuant to Rule 17.1 of the Rules, the Panel is obliged to decide on the proceedings based on the documents and evidence submitted by the parties, the Policy and Rules as well as any other rules and principles of law which are applied in Malaysia. In addition, the Panel may also undertake limited factual research into matters of public record if it deems this necessary to reach the right decision: *Transplace Texas, L.P. v. Transplace Logistics Sdn Bhd*, AIAC Case No. KLRCA/DNDR-278-2014 (<transplace.com.my>).
- 6.2 In order to succeed in its Complaint, the Complainant is required to establish the following elements set out under Paragraph 5.2 of the Policy:
- (i) that the disputed domain name is identical or confusingly similar to a trade mark or service mark to which the Complainant has rights; and
  - (ii) that the disputed domain name has been registered and/or used in bad faith.

### **A1. Rights in the Mark**

- 6.3 There are two parts to the inquiry under Paragraph 5.2(i) of the Policy. First, the Complainant must demonstrate that it has rights in a mark. Secondly, the Complainant must show that the disputed domain name is identical or confusingly similar to such trademark.
- 6.4 The Panel is satisfied with the evidence adduced by the Complainant to establish its rights to the Complainant's mark. In particular, having sighted the deed of assignment and the relevant documentation for the Complainant's mark in Malaysia, the Panel is convinced that the Complainant is the rightful owner of, at the very least, the two Malaysian marks. Thus, as the Complainant has provided evidence of trade mark registration, their rights with respect to the Complainant's mark are established and undisputed: *U Mobile Sdn Bhd v. Web ID Management*, AIAC Case No: AIAC/D-602-2018.
- 6.5 The Panel also takes cognisance that there have also been several domain name decisions under different policies relating to the Complainant's mark whereby the panels in those decisions recognised the Complainant's rights thereof. These include, *inter alia*, *Velcro BVBA v. Steven Jiang*, WIPO Case No. D2016-0714 (<1lhvelcro.com> *et al.*), *Velcro BVBA v. Sudhir Soam, Velcro*

*Engineering India Pvt. Ltd.*, WIPO Case No. D2018-2937 (<velcroengineering.com>), *Velcro BVBA v. Monali Mohanty, Velcroelectricals*, WIPO Case No. D2018-0635 (<velcroelectrical.com>), *Velcro BVBA v. Naresh Velaga, Micro Green Technologies Pvt. Ltd.*, WIPO Case No. D2019-1387 (<velcrotechno.com>) and *Velcro BVBA v. Phelim Blake*, WIPO Case No. D2019-1615 (<velcrotape.com>).

- 6.6 In light of the above, the Panel is convinced that the Complainant has rights in the Complainant's mark.

## **A2. Identical or Confusingly Similar**

- 6.7 In determining whether the disputed domain name is identical or confusingly similar to the Complainant's mark, the Panel merely has to look at the disputed domain name and the Complainant's mark to determine if the essential element of the Complainant's mark has been adopted or incorporated into the disputed domain name: *Transplace Texas, L.P. v. Transplace Logistics Sdn Bhd*, AIAC Case No. KLRCA/DNDR-278-2014 (<transplace.com.my>).
- 6.8 The disputed domain name comprises of the Complainant's mark in its entirety followed by the number "2" and the letter "e". As such, the disputed domain name is not identical to the Complainant's mark. However, the distinctive feature of the disputed domain name remains the "VELCRO" element. In the Panel's view, the additional letters or numerals do not serve to distinguish the disputed domain name from the Complainant's mark: *Deutsche Telekom AG v. Phonotic Ltd.*, WIPO Case No. D2005-1000 (<t-mobitez.com>), *F. Hoffmann-La Roche AG v. Neata Ioana*, WIPO Case No. D2007-0363 (<valium98.info>), *AIDA Cruises German Branch of Costa Crociere S.p.A. v. Bealo Group S.A.*, WIPO Case No. D2006-1306 (<aida2.org>).
- 6.9 Furthermore, being technical requirements for registration, the addition of the gTLD ".com" and the ccTLD ".my" is immaterial when determining identity or similarity between the Complainant's mark and disputed domain name: *Volkswagen Group Singapore Pte. Ltd. v. Webmotion Design*, AIAC Case No. RCA/DNDR/2003/01(INT) (<volkswagen.com.my>).
- 6.10 As such, the Panel finds that the Complainant has proved that the disputed domain name is confusingly similar to the Complainant's mark in which the Complainant has established rights according to Paragraph 5.2(i) of the Policy.

## **B. Registered and Used in Bad Faith**

- 6.11 Under Paragraph 7.1 of the Policy, the Respondent may prove that the registration and/or use of the domain name was not in bad faith by establishing, *inter alia*, that the Respondent had rights and legitimate interest in the disputed domain name. Based on the absence of a response, the Panel could not find any justification, rights or legitimate interests on the part of the Respondent to the disputed domain name. The notoriety of the Complainant's mark would present a significant hurdle for the Respondent to justify rights or legitimate interests to the trademark without submitting compelling reasons to this Panel to conclude otherwise. In the absence of any evidence provided by the Respondent, the Panel is of the view that the mere incorporation of a company bearing the Complainant's mark, without anything further, is insufficient to demonstrate that the Respondent had acquired any legitimate rights in the domain name: *Budget Rent A Car System Inc v. Budget-Rent-A-Car Sdn Bhd*, AIAC Case No. RCA/DNDR/2008/15 (<budget.com.my>), *Royal Bank of Canada v. RBC Bank*, WIPO Case No: D2002-0672 (<rbcalliancebank.com>). The Panel must emphasise that the failure of the Respondent to respond to a Complaint weighs heavily against the Respondent in this regard: *Millennium &*

*Copthorne International Limited v. Everise Sales Sdn Bhd*, AIAC Case No: KLRCA/D/PFC-568-2018 (<mhotel.com.my>).

- 6.12 As the Panel has already determined that the disputed domain name is confusingly similar with the Complainant's mark, the Panel agrees with the Complainant's contention that this can give rise to confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of the Respondent's website or of a product or service on such website. This is exacerbated by the fact that the disputed domain name resolves to website whereby the user is greeted by the words "Welcome to Velcro" and the copyright notice is stated to be in the name of "Velcro Group".
- 6.13 The Panel agrees with the contention by the Complainant that the Respondent had or should have had knowledge of the Complainant's mark when it registered the disputed domain name and that the Respondent was attempting to misrepresent a connection with the Complainant when in fact no such connection existed.
- 6.14 The factors that the Panel have taken into account to arrive at this conclusion include the date of registration of the disputed domain name which was much later than the date the Complainant started using the Complainant's mark and the widespread use of the Complainant's mark by the Complainant at an international level. Indeed, the Panel takes cognisance of the many jurisdictions that the Complainant has registered the Complainant's mark or variations thereof, with some marks having been registered as early as 13<sup>th</sup> May 1958.
- 6.15 Pursuant to Paragraph 6.1(iv) of the Policy, the Panel finds that the Respondent had registered and was using the disputed domain name for the purposes of and with the intention to attract or divert, for commercial gain, Internet users to the Respondent's website by creating a possibility of confusion or deception that the website was operated or authorised by, or otherwise connected with the Complainant and/or the Complainant's mark.
- 6.16 Even if the Respondent did not specifically know of the Complainant or the Complainant's mark, a finding of bad faith may still be made as a result of the Respondent's wilful blindness to the Complainant's rights in the Complainant's mark: *Millennium & Copthorne International Limited v. Everise Sales Sdn Bhd*, AIAC Case No: KLRCA/D/PFC-568-2018 (<mhotel.com.my>).
- 6.17 In light of the above, the Panel finds that bad faith has been demonstrated under Paragraph 6.1 of the Policy and that the requirement under Paragraph 5.2(ii) of the Policy has been met.

## 7. Decision

For the foregoing reasons, in accordance with Paragraph 12.1(i) of the Policy and Rule 17.2 of the Rules, the Panel orders that the disputed domain name <velcro2e.com.my> be transferred to the Complainant.



Imaduddin Suhaimi

Sole Panellist

Date: 15<sup>th</sup> November 2019