

Sao Paulo Alpargatas S.A v. Ilan Omer

IL-DRP Panel Decision

1. The Parties

The Complainant is Sao Paulo Alpargatas S.A, of Sao Paulo, Brazil, represented by Dr. Shlomo Cohen & Co., Israel.

The Respondent is Ilan Omer, of New York, United States of America.

2. The Domain Name and Registrar

The disputed domain name <havaianas.co.il> is registered with the Israel Internet Association ("**ISOC-IL**").

3. Procedural History

The Complaint was filed with ISOC-IL on May 27, 2009. The Complaint was transmitted to the Israeli Dispute Resolution Panel of ISOC-IL ("**IL-DRP**") under the IL-DRP Rules ("**Rules**").

On May 31, 2009 the IL-DRP appointed Jonathan Agmon as the sole panelist.

In accordance with the Rules, on June 7, 2009, the Panel transmitted to the Respondent by e-mail a copy of the Complaint and attached materials, providing the Respondent 15 days to respond to the Complaint. The Respondent did not submit a response to the Complaint.

4. Factual Background

On June 20, 2004, the disputed domain name was registered by the Respondent.

The Complainant is a manufacturer of clothing, textile and sporting goods, established in 1907.

The Complainant's products are sold under the name havaianas, among others. The Complainant's best known products are a line of sandals, loafers and casual footwear, bearing the name havaianas.

The Complainant has been using the mark havaianas since 1962.

The Complainant is the owner numerous trademark registrations for the mark havaianas logo worldwide. For example: U.S. trademark registration No. 1906924 – havaianas logo, with the filing date of September 13, 1993; United Arab Emirates trademark registration No. 21108 – havaianas logo, with the filing date of May 20, 1998; Porto

Rican trademark registration No. 37094 – havaianas logo, with the filing date of September 14, 1995; South African trademark registration No. 200205140 – havaianas logo, with the filing date of April 15, 2002; and many others.

The Complainant is also the owner of Israeli trademark registration No. 95067 – havaianas logo, with the filing date of October 19, 1994 and Israeli trademark registration No. 201514 – havaianas logo, with the filing date of June 19, 2007.

In addition, the Complainant owns several domain names, bearing the mark havaianas. For Example, www.havaianas.com; www.havaianas.com.br; www.havaianas.com.ar; www.havaianas.de; www.havaianas.ae; and many others.

The Complainant's products, bearing the havaianas mark, are being sold in large quantities worldwide. 173 million pairs of havaianas sandals were sold worldwide in 2007. In 2008, the Complainant sold some 170 million pairs of products bearing the havaianas mark around the world.

The Complainant has invested substantial efforts and funds advertising the mark – havaianas. The products bearing the havaianas mark received substantial coverage in the media in Israel and numerous other countries worldwide.

The Complainant did not authorize the Respondent to use the havaianas mark in any way.

On August 24, 2006 the Complainant's attorneys sent a Cease and Desist letter to the Respondent's known address in Israel, requesting that the Respondent refrain from using the havaianas mark, to remove the website operating under the disputed domain name and transfer the disputed domain name to the Complainant. The cease and desist letter was also sent to the Respondent via e-mail.

On December 28, 2006 the Respondent replied that he cannot address the Cease and Desist letter, as it is in Hebrew. The Respondent therefore requested the letter be sent to his New York address in English.

On January 14, 2007 the Complainant's attorneys sent a Cease and Desist letter to the Respondent in English via e-mail and courier mail. The letter to the Respondent could not be delivered, as it appeared that the Respondent did not reside in the address mentioned in the domain name registration record. The Respondent did not respond to the letter sent to him via e-mail.

On February 1, 2007 the Complainant's attorneys sent the Respondent a reminder regarding the Cease and Desist letter, but did not receive a response to date.

The Respondent operated a website under the disputed domain name, however, since the Cease and Desist letters were sent to the Respondent, the Respondent has ceased to operate the website under the disputed domain name. The disputed domain name is now directing consumers to an error page, which reads "cannot display the webpage". Nevertheless, the domain name is still registered in the name of the Respondents.

5. Parties' Contentions

A. Complainant

The Complainant argues it is the owner of trademark registrations in Israel for the havaianas mark and that the havaianas mark is a famous trademark in Israel and worldwide.

The Complainant argues that the havaianas mark has acquired substantial goodwill among consumers over the years.

The Complainant further argues that the disputed domain name is a misleading domain name, and that it is identical in its main component havaianas to the famous and registered trademark of the Complainant. The Complainant further argues that the additional suffix ".co.il" is transparent as it is commonly used to denote commercial websites registered in Israel.

The Complainant further argues that the Respondent has no rights of any kind to the word or name havaianas or to the registered trademark of the Complainant.

The Complainant further argues that the Respondent acts in bad faith, trying to attract for commercial gain Internet users by creating a likelihood of confusion with the Complainant's well known mark – havaianas as to the source, sponsorship, affiliation or endorsement of its website.

The Complainant also argues that it approached the Respondent via Cease and Desist letters, in an attempt to stop the infringement of its rights. However, it did not receive any substantial reply.

Finally, the Complainant argued that the Respondent, by his actions, dilutes the trademarks belonging to the Complainant; has been unjustly enriched at the expense of the Complainant; and misleads the public or the average consumer leading him to believe that the Complainant is associated with the disputed domain name.

B. Respondent

The Respondent did not reply to the Complaint.

6. Discussion and Findings

The IL-DRP is an alternative dispute resolution procedure intended to provide expedited resolution to disputes regarding the allocation of domain names under the .IL ccTLD in accordance with the Rules. The Respondent submitted to this process and Rules when he applied for and registered the disputed domain name. The ISOC-IL registration rules provide that "the [domain name] holder agrees to the jurisdiction of the IL-DRP." (See section 24.4). The Respondent, therefore, by applying for and registering the disputed domain name agreed to the IL-DRP and the Rules.

It is also noted that the Rules now adopted by ISOC-IL follow closely those of the Uniform Dispute Resolution Policy (UDRP) and therefore the WIPO Arbitration and Mediation Center case law (and others interpreting the UDRP) can be used as examples

of how previous panels have adopted and interpreted provisions similar to the Rules and UDRP.

The Rules provide that disputes regarding the allocation of a domain name by a Holder may be brought by a Complainant on the following grounds:

- 3.1. the disputed domain name is the same or confusingly similar to a trademark, trade name, registered company name or legal entity registration ("**Name**") of the Complainant; and
- 3.2. the Complainant has rights in the Name; and
- 3.3. the holder has no rights in the Name; and
- 3.4. the application for allocation of the disputed domain name was made or the disputed domain name was used in bad faith.

A. Same or Confusingly Similar

It is up to the Complainant to show that the disputed domain name is the same or confusingly similar to a trademark, trade name, registered company name or legal entity registration of the complainant.

The disputed domain name comprises of the word havaianas and the suffix .co.il. The suffix .co.il is ignored for the purpose of determination the similarity between the disputed domain name and the name havaianas since it is a common suffix showing that the domain name is part of the .il domain and associated with commercial activities (.co suffix). The relevant part of the disputed domain name is the word havaianas.

The Complainant is the owner of two Israeli trademark registrations: trademark registration No. 95067 – havaianas logo, with the filing date of October 19, 1994 and trademark registration No. 201514 – havaianas logo, with the filing date of June 19, 2007.

It is therefore the finding of the Panel that the disputed domain name is identical to the trademarks owned by the Complainant.

B. Rights in the Name

Next, it is up to the Complainant to show that the Complainant has rights in the havaianas trademark; and that the Respondent has no rights in the havaianas Name.

As noted above the Complainant showed sufficient evidence showing it has rights to the havaianas trademark. The registration of a trademark under a disputed domain name has been held by many WIPO panels as sufficient evidence to show that the Complainant has sufficient rights in the Name. (See Consorzio del Formaggio Parmigiano Reggiano v. La Casa del Latte di Bibulic Adriano, WIPO Case No. D2003-0661).

It is also up to the Complainant to show that the Respondent has no rights in the Name. Complainant has provided that it has not approved for the Respondent to use its trademarks or Name.

While the Complainant bears the "general burden of proof" under Rule 3.3, this burden shifts to the Respondent once Complainant makes a prima facie showing that the Respondent lacks rights or legitimate interests. (See: Neusiedler Aktiengesellschaft v. Kulkarni, WIPO Case No. D2000-17699; see also Dow Jones & Company and Dow Jones LP v. The Hephzibah Intro-Net Project Limited, WIPO Case No. D2000-0704.)

In this case the Panel finds that the Complainant has indeed made a prima facie showing that the Respondent does not have rights or legitimate interests in the disputed domain name within the meaning of Rule 3.3. This finding is based on the following, non-disputed facts brought forward by the Complainant:

- a. The Complainant has no relationship whatsoever with the Respondent and has not authorized the Respondent to use the disputed domain name; and
- b. The Complainant is the owner of two Israeli trademark registrations. The first registration was registered well before the Respondent allocated the disputed domain name; and
- c. There is no indication in the file that the Respondent is known under the disputed domain name.

It is therefore the finding of the Panel that the Complainant has rights in the havaianas Name and that the Respondent has no rights in the havaianas Name.

C. Application and Use in Bad Faith

Finally, it is up to the Complainant to show that the Respondent applied for allocation of the disputed domain name or the disputed domain name was used in bad faith.

WIPO panels, relying on Rule 4.1 of the UDRP Rules, ruled that the bad faith clause provides a non-exclusive list of circumstances which can be helpful in showing that the Respondent acted in bad faith when he or she applied for or used the disputed domain name: "For the purposes of [Paragraph 3.4 above], the following circumstances, in particular but without limitation, if found to be present, shall be evidence of the allocation or use of a domain name in bad faith:

- a. the Holder continues to hold the domain name during or after termination of employment or work for hire contract where the domain name allegedly should have been allocated to the employing/contracting party; or
- b. the Holder has requested allocation of the domain name primarily for the purpose of disrupting the business of a competitor; or circumstances indicating that the Holder has requested allocation or holds the Domain Name primarily for the purpose of selling, renting, or otherwise transferring the Domain Name allocation to the complainant who is the owner of the trademark or service mark or to a competitor of that Complainant, for valuable consideration in excess of documented out-of-pocket costs directly related to the domain name; or

- c. the Holder has requested allocation of the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that there is evidence of having engaged in a pattern of such conduct; or
- d. by using the domain name, the Holder has intentionally attempted to attract, for commercial gain, Internet users to its web site or other on-line location, by creating a likelihood of confusion with the Complainant's Name as to the source, sponsorship, affiliation, or endorsement of its web site or location or of a product or service on its web site or location".

Rule 4.1(b) provides that this Panel can find that the Respondent acted in bad faith if there are circumstances showing that the Respondent requested allocation of the disputed domain name primarily for the purpose of disrupting the business of a competitor; or circumstances indicating that the Respondent requested allocation or holds the disputed domain name primarily for the purpose of selling, renting, or otherwise transferring the disputed domain name allocation to the Complainant, who is the owner of the trademark or the service mark, or to a competitor of the Complainant, for valuable consideration in excess of documented out-of-pocket costs directly related to the domain name.

The disputed domain name is virtually identical and confusingly similar to the Complainant's trademark. Previous WIPO panels ruled that "a likelihood of confusion is presumed, and such confusion will inevitably result in the diversion of Internet traffic from the Complainant's site to the Respondent's site" (see Edmunds.com, Inc v. Triple E Holdings Limited, WIPO Case No. D2006-1095). To this end, prior WIPO Panels have established that attracting Internet traffic by using a domain name that is identical or confusingly similar to a registered trademark is evidence of bad faith under paragraph 4(b)(iv) of the UDRP (see Humana Inc., op. cit. supra; Edmunds.com v. Ultimate Search, Inc., WIPO Case No. D2001-1319).

Rule 4.1(d) provides that this Panel can find that the Respondent acted in bad faith if there are circumstances showing that the Respondent has intentionally attempted to attract, for commercial gain, Internet users to its web site or other on-line location, by creating a likelihood of confusion with the Complainant's Name as to the source, sponsorship, affiliation, or endorsement of its web site or location or of a product or service on its web site or location.

It is suggestive of the Respondent's bad faith that the trademarks of the Complainant were registered long before the allocation of the disputed domain name. The Complainant submitted evidence, which shows that the Complainant's trademark havaianas was registered in different territories around the world, including Israel, and is known in Israel and that its trademark would be recognized publicly. The Complainant's havaianas trademark is registered in Israel since 1994. The Respondent registered the disputed domain name long after the Complainant registered its havaianas trademark.


The evidence submitted by the Complainant shows that the Respondent made use of the website operated under the disputed domain name. The Panel finds that it is highly unlikely that the Respondent was not aware of the trademark havaianas and of the product sold under this trademark at the time he allocated the disputed Domain Name in June 2004. The Complainant has been using the mark havaianas since 1962 and filed it for registration in Israel during 1994. The Panel therefore finds that the Respondent requested the allocation of the disputed domain name in order to intentionally attempt to attract, for commercial gain, Internet users to its web site or other on-line location, by creating a likelihood of confusion with the Complainant's Name as to the source, sponsorship, affiliation, or endorsement of its web site or location or of a product or service on its web site or location.

Further the Complainant provided as evidence a Cease and Desist letter addressed to Respondent, which the Complainants asserted was never responded. As decided in Gaggia S.p.A. v. Yokngshen Kiang, WIPO Case No. D2003-0982: “[w]hen receiving such notice, good faith requires a response. Instead, the Respondent did nothing.” This Panel concurs with such reasoning and finds that Respondent’s inaction shows lack of legitimate interest in the disputed domain name and lack of good faith in the registration and use thereof (See Carrefour and Carrefour Property v. MIC Domain Management, Case No. D2009-0489).

Given these circumstances the Panel finds that that there are circumstances showing that the Respondent acted in bad faith as provided in Rule 4.1(b) and 4.1(d) thus, it is the finding of the Panel that the Complainant met the burden of showing that the Respondent used the disputed domain name in bad faith in accordance with Rule 3.4.

7. Decision

For all the foregoing reasons, in accordance with the Rules, the Panel orders that the domain name, <havaianas.co.il> be transferred to the Complainant.


Jonathan Agmon
Sole Panelist

Date: July 9, 2009