

DECISION OF THE THIRD-PARTY DECIDER

Meguiar's Inc. / W3 Company

Case no. 444140 / meguiarsshop.be

1. The Parties

1.1. Complainant: Meguiar's, Inc., US company with registered office at 17991 Mitchell South, Irvine, California 92614, United States of America

Hereafter referred to as the "Complainant"

Represented by: Mr. Michaël De Vroey, Baker McKenzie CVBA with office at Borsbeeksebrug 36 bus 8, B-2600 Berchem, Belgium

1.2. Domain name holder: W3 Company, Dutch company with registered office at Tilgrupweg 3, 8439 SR Oude Willem, the Netherlands

Hereafter referred to as the "Domain Name Holder"

Represented by: Mr. Niek Bakker, ICTRecht BV, with office at Jollemanhof 12, 1019 GW Amsterdam, the Netherlands

2. Domain name

Domain name: <meguiarsshop.be>
Registered on: 7 May 2020

Hereafter referred to as "the domain name".

3. Procedure

On 6 August 2021, the Complainant filed its complaint with CEPANI, requesting the transfer of the Domain Name to the Complainant.

On 1 September 2021, the Domain Name Holder filed its Response with CEPANI.

On 6 September 2021, the Third-Party Decider was appointed to settle the dispute.

On 10 September 2021, the Complainant filed a request to reply to the Domain Name Holder's Response.

On 13 September 2021, the Third-Party Decider granted this request. The Third-Party Decider allowed the Complainant to file a reply no later than by 27 September 2021 and allowed the Domain Name Holder to file a last reply no later than by 5 October 2021.

The Complainant's reply was dated 27 September 2021; the Domain Name Holder's last reply was dated 4 October 2021.

The debates were closed on 12 October 2021.

4. Factual Background information

(a) The Complainant

The Complaint was filed by the US company Meguiar's, Inc., which manufactures the MEGUIAR'S brand of care products for cleaning and protecting automotive surfaces.

In 2008, Meguiar's, Inc. was acquired by 3M Company.

The Complainant has the following trademark rights on which its Complaint is based:

- Benelux word mark "MEGUIAR'S" with registration number 485255, filing date 30 May 1990, registered for the goods in class 3, including car care products;
- EU word mark "MEGUIAR'S" with registration number 003255759, filing date 4 July 2003, registered for the goods in classes 1, 3 and 21, including car care products;
- EU figurative (word/device) mark "MEGUIAR'S SINCE 1901" with registration number 009883257, filing date 11 April 2011, registered for the goods and services in classes 1, 3, 17 and 21, including car care products; and
- EU figurative (word/device) mark "MEGUIAR'S SINCE 1901" with registration number 009883315, filing date 11 April 2011, registered for the goods and services in classes 1, 3, 17 and 21, including car care products.

The Complainant and its authorized partner, trading under the name Meguiar's Belgium Polish & Cleaning Products, are commercially active in Belgium, including through the website: www.meguiars.be.

The Complainant offers its products also for sale in the Netherlands, including via the website www.meguiars.nl, which is operated by the affiliated company Meguiar's Holland BV.

(b) The Domain Name Holder

The Domain Name Holder "W3 Company" is a full-service internet agency for consulting, design, development and management of websites, web applications and internet marketing campaigns. Since 2017, the Domain Name Holder buys and resells authentic Meguiar's products through G.K.B. Import BV, the distributor of the Complainant in the Netherlands.

The Domain Name Holder registered the domain name <Meguiarshop.be> on 7 May 2020.

5. Position of the parties

5.1. Position of the Complainant

(a) The domain name is identical or confusingly similar to the Complainant's trademarks

The Complainant asserts that the domain name is confusingly similar to the MEGUIAR'S trademarks. The suffix ".be" should not be taken into consideration in deciding whether the domain name is identical to the trademarks (cf. CEPANI no. 44082, "touringassurance.be", and no. 444132, "Accenture-insights.be").

The word 'shop' does not diminish the confusing similarity, but even adds to the confusion (namely the sale of MEGUIAR'S car care products, which takes place in shops) (cf. WIPO no. D2008-0923, "yourtamiflushop.com" and no. DNL2016-001, "crestwhiteshop.nl").

(b) The domain name holder has no rights or legitimate interests in the domain name

The Complainant claims that the Domain Name Holder has no rights or legitimate interest in the domain name. To support this claim the Complainant developed the following arguments:

- Firstly, the Domain Name Holder is not authorized in any way by the Complainant to register or use the MEGUIAR'S trademarks as part of the domain name, nor has the Complainant recognized the Domain Name Holder as an "official reseller / authorised dealer", especially not for Belgium. GKV Import BV has no authority to grant any reseller the right to use Complainant's trademarks in domain names as an "official reseller/dealer" for the Complainant. Moreover, the Complainant's

'Brilliant Solutions brochure', which lists the resellers/point of sales is only for the Netherlands, and not for Belgium. Further, the brochure does not list "meguiarsshop.be", but only "autowebshop.nl".

- Second, even an official reseller has no legitimate interest to register or use a third party's trademark as (part of) a domain name (cf. CEPANI no. 44043 "Mitsubishi.be" and no. 44323 "muckboots.be").

The Domain Name Holder is also not commonly known by the domain name.

- Third, the Domain Name Holder does not disclose the nature of its relationship with the Complainant in an *accurate, prominent and unmistakable way*, so the Oki-Data criteria are not met. The Domain Name Holder states nowhere that it is a mere non-exclusive reseller and has no direct commercial relationship with the Complainant.

At the top of the website, the Domain Name Holder prominently states: "Meguiar's webshop Belgium. Buy all Meguiar's products on "Meguiarsshop.be". Several screens lower, at the very bottom of its website, the Domain Name Holder states "Meguiarsshop.be is part of W3 Company" in very small letters, which requires significant scrolling down before it becomes visible and this will go unnoticed for the average consumer. This statement cannot be regarded as a disclosure of the nature of its relationship in a prominent way (cf. WIPO no. DNL2013-0029). Another potential disclosure is found at the contact page. However, the customer must first scroll through multiple screens, as well as large MEGUIAR'S logo's before finding the statement "is part of W3 Company". By prominently using the Meguiar's figurative trademarks, logo's and official product imagery, the Domain Name Holder creates the false impression that the website is operated by the Complainant or that the Domain Name Holder is somehow officially authorized or affiliated with the Complainant (cf. WIPO no. DNL2020-0026 "aurasomakleurentherapie.nl" and no. DNL2019-0003 "esigaretjuul.nl").

The Complainant regularly receives inquiries from customers which are meant for the Domain Name Holder. This shows that the customers assume that the Domain Name Holder is affiliated with the Complainant.

(c) The domain name has been registered or used in bad faith

The Complainant puts forward several arguments to show that the Domain Name Holder registered or used the domain name in bad faith:

- First, the Domain Name Holder wrongfully claims that it is an official authorized distributor of the Complainant, while it clearly is not.
- Second, The Domain Name Holder registered the domain name, and recreated the look and feel of the Complainant's website, by using the original copyrighted

photos, images and materials without the Complainant's consent, in order to resell Complainant's products without authorization (cf. WIPO no. D2017-2473).

The Complainant has repeatedly informed the Domain Name holder on the phone that his use of the Domain Name is not legally permitted, approved or accepted. Nonetheless, the Domain Name Holder knowingly continued its practice by using the Domain Name in such a way as to deliberately mislead customers away from the Complainant's original website to the economic benefit of the Domain Name Holder and detriment of Complainant.

- Third, the Complainant adduces evidence of actual confusion on the part of customers to the detriment of the Complainant's interests.
- Fourth, the Domain Name Holder registered at least six domain names corresponding to the MEGUIAR'S marks and trade/company name, including the disputed Domain Name. This can be considered as a pattern of bad faith.
- Finally, the Domain Name Holder incorporated the name W3 Company, which is a conscious choice for a name that can easily be mistaken by the customer as being 3M Company (i.e. owner of Complainant). These are all clear indicators of bad faith, no legitimate interest, and a deliberate intent to confuse and deceive the public.

5.2. **Position of the Domain Name Holder**

(a) The domain name is identical or confusingly similar to the Complainant's trademarks

The Domain Name Holder does not dispute that the Domain Name is similar to the MEGUIAR'S trademarks to which the Complainant owns valid rights. However, the biggest distinction is made through the word "shop".

(b) The Domain name holder has rights or legitimate interests in the domain name

The Domain Name Holder asserts that it does have rights, or at least legitimate interests, in the disputed Domain Name as:

- The Domain Name Holder has been a reseller of Meguiar's products for many years, and only Meguiar's products have been sold under the Domain Name, and constitute a "bona fide" offering.
- The Domain Name Holder buys Meguiar's products through G.K.B. Import BV, which is the exclusive partner and distributor of Meguiar's in the Netherlands, and the Domain Name Holder is as a result the authorized and official Meguiar's reseller. This was also confirmed by G.K.B. Import BV, which has the authority to

select its resellers to offer products in Belgium as well. The Domain Name Holder is even listed as one of the official Meguiar's Resellers "Ultimate Dealer" in an official catalogue/brochure from the Complainant.

- The Domain Name Holder accurately disclosed its relationship with the Complainant, namely at the bottom of each web page it reads: "Meguiarsshop.be is part of W3 Company. Registered in The Netherlands KvK 50676776". This statement can also be read in every order confirmation or other message from the Domain Name Holder to customers. The letters are not smaller than most text on the webpages, clearly applied in white on a black background and can be found on every web page under the Domain Name. Hence the declaration is easy to find and thereby accurately discloses on its relationship with the Complainant, being that of a mere distributor. Moreover, the Oki-Data criteria are met.
- Moreover, the customers are not likely to believe that they are dealing with the Complainant, since it is made clear that the Domain Name Holder is only the reseller of Meguiar's products.
- To conclude, the Domain Name Holder has a clear legitimate interest in the domain name; it sells the Complainant's products, has not registered a plethora of domain names with the trademark designation, and clearly indicates its own trade name and relationship with the Complainant in several places.

(c) The domain name has not been registered or used in bad faith

In general, the Domain Name Holder points out that it is the official reseller, whereby it has a legitimate interest in the use of the Domain Name. This implies that it is not likely that the Domain Name has been registered in bad faith (cf. WIPO no. D2009-0227).

The Domain Name Holder further asserts that:

- It has good reasons to believe that it is an "official reseller" which evidences good faith.
- It received permission by telephone from Rick McDonough (Customer Engagement / Digital Content Editor at Meguiar's Inc.) to use the Complainant's images and promotional material. Therefore, it does not recreate the look and feel of the original website without permission.
- The choice of the Domain Name Holder's corporate name W3 Company is pure coincidence and stands for WWW or "World Wide Web" since it refers to an internet company and all its activities are internet oriented.

6. Discussion and findings

Pursuant to Article 16.1 of the *CEPANI rules for domain name dispute resolution* ('the Rules'), the Third-Party Decider shall rule on domain name disputes with due regard for the Policy and the CEPANI rules for domain name dispute resolution.

Pursuant to Article 10b (1) of the Terms and conditions of domain name registrations under the ".be" domain operated by DNS BE ('the Policy'), the Complainant must provide evidence of the following in order to successfully claim the transfer of a domain name:

- *"the Domain name holder is identical or confusingly similar to a trademark, a tradename, 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."*

6.1. Identity or confusing similarity of the domain name and Complainant's trademarks

The Domain Name Holder does not dispute that the domain name is similar to the Complainant's registered trademarks.

The disputed domain name is not identical with the MEGUIAR'S trademark, but does incorporate this mark entirely, in combination with the generic word "SHOP". As prior panels have held, the fact that a domain name wholly incorporates a Complainant's registered mark is sufficient to establish a confusing similarity despite the addition of other words to such marks (see e.g. WIPO no. D2008-0923, "yourtamiflushop.com"; WIPO no. D2007-1859, "onlinetamiflu.com"; WIPO no. D2001 0160, "mercedeshop.com").

The Third-Party Decider concludes therefore that the Domain Name is confusingly similar to the trademarks of the Complainant. Accordingly, the first condition of article 10b (1) is satisfied.

6.2. Rights and legitimate interests in the domain name

The Complainant asserts that the Domain Name Holder is not recognized in any way as an "official reseller / authorised dealer" and as an unofficial reseller, it may not use the domain name corresponding to the trademark of the Complainant. The Complainant

refers to the decision of CEPANI no. 44043, <mitsubishi.be>, but that case is different compared to the case at hand. In the Mitsubishi.be case, the domain name holder had obtained the domain name from the previous exclusive distributor of Mitsubishi products, who did not want to hand over the domain name at the end of his distribution agreement. He transferred the domain name to a third party who used the domain name to offer Mitsubishi products, but also competing products. The panel found that the new domain name owner tried to take unfair advantage of the repute of the Mitsubishi trademark.

The Complainant also refers to the decision of CEPANI no. 44323, <muckboots.be>, but this decision is based on different facts, because that domain name merely consisted of the trademark of the complainant. Here, the trademark is complemented with the word “shop”, which informs the internet user that he will visit a website where products of the trademark concerned will be offered for sale, and not necessarily a website that belongs to the trademark owner.

The situation of the Domain Name <Meguiarsshop.be> can better be assessed in the light of the criteria that were developed under the UDRP, which have served as an important source of inspiration for the alternative dispute resolution in the .be domain.

In the case law under the UDRP, panels have recognized that resellers, distributors, or service providers using a domain name containing the complainant's trademark to undertake sales or repairs related to the complainant's goods or services may be making a bona fide offering of goods and services and thus have a legitimate interest in such domain name (see Paragraph 2.8.1. of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition, www.wipo.int/amc/en/domains/search/overview3.0/#item31).

Pursuant to the decision in Oki Data Americas, Inc. v. ASD, Inc. (WIPO no. D2001-0903) referred to by the Complainant, the use of a trademark in a domain name by an authorized sales agent of trademarked goods may be considered a bona fide offering of goods, constituting a legitimate interest, if several requirements are met. These requirements include the following: (1) the Domain Name Holder must actually offer the goods and services at issue; (2) the website must sell only the trademarked goods; (3) the website must accurately and prominently disclose the Domain Name Holder's relationship with the trademark holder; and (4) the Domain Name Holder must not try to “corner the market” in domain names that reflect the trademarks.

According to the Complainant, the application of the Oki Data requirements leads to the conclusion that the Domain Name Holder has no legitimate interest in the Domain Name.

The Third-Party Decider agrees that the Domain Name Holder does not meet all of the four criteria set by the UDRP panel in the Oki Data case (even if those criteria may be up for an update, 20 years later):

- (1) On the web shop linked to the Domain Name, the Domain Name Holder offers the trademarked MEGUIAR'S products at issue. The Domain Name Holder meets this requirement.
- (2) The web shop is exclusively used to offer the trademarked goods. No other products are being offered for sale. This makes the current case about the Domain Name different from other cases such as the case regarding the domain names "xbox1.nl" and "xbox360gameskopen.nl" where the litigious website explicitly indicated that the Respondent also offered and sold competing products, albeit through a link to another website (WIPO DNL2013-0029, www.wipo.int/amc/en/domains/decisions/text/2013/dnl2013-0029.html). The Domain Name Holder meets this requirement.
- (3) The Domain Name Holder's web shop contains a disclaimer at the bottom of each web page, disclosing the relationship with the trademark holder, which reads as follows: "*Meguiarsshop.be is part of W3Company. Registered in The Netherlands KvK 50676776*". This is further clarified on the information and customer service page of the Domain Name Holder's web shop: "*Meguiarsshop.be is part of W3Company. Through our webshops we gladden many consumers daily with products to keep their car in top condition. As a reseller of Meguiar's products, we are proud to offer them in a specially designed webshop. For detailed information about the Meguiar's brand, the official sales channel or support from one of the product experts, we refer you to the website of Meguiar's Netherlands.*"

The Complainant, however, correctly asserts that the disclosure is not prominent, as it must be searched for by website users ("*statement is in small letters at the very bottom of the website, which requires significant scrolling down before it becomes visible*") and the disclosure is not unmistakable, so this Oki-Data requirement has not been met.

The disclosure should be more prominent and clear. The statement on top of the Domain Name Holder's website "*Meguiar's webshop Belgium. Buy all Meguiar's products on Meguiarsshop.be*" (exhibit 5 of the Complainant) does not allow to distinguish between the origin of the websites of the Complainant and the Domain Name Holder. Therefore, the Domain Name Holder does not meet this requirement of the Oki Data test.

- (4) Finally, the Domain Name Holder cannot be said to corner the market, as the Complainant does not assert that the Domain Name Holder blocks him from registering other domain names with the MEGUIAR'S trademarks. The Complainant holds various domain names incorporating the MEGUIAR'S trademark, such as <meguiars.be> and <meguiars.nl>, which allow him to sell his products via websites in the ".be" or ".nl" domain.

Applying the criteria of the Oki Data case, the Third-Party Decider comes to the conclusion that the Domain Name Holder has no right or legitimate interests in the

Domain Name. Accordingly, the second condition of article 10b (1) of the Policy is satisfied.

6.3. Bad faith registration or use

Under the third requirement, the Complainant must show beyond reasonable doubt that the Domain Name has been registered or has been used in bad faith. Bad faith is not being presumed.

In general, bad faith is understood to occur where a respondent takes unfair advantage of or otherwise abuses a complainant's mark (see Paragraph 3.1. of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition, www.wipo.int/amc/en/domains/search/overview3.0/#item31). In the Belgian Code of Economic Law (art.XII.22) the intent to harm a third party (often the trademark owner) is the equivalent of bad faith in the alternative dispute resolution.

The Terms and conditions for .be domain name registrations give several examples of bad faith, such as:

- the domain name was registered or acquired primarily for the purpose of selling, renting, or otherwise transferring the domain name to the complainant for a price that exceeds the costs that the registrant can show are directly related to the acquisition of the domain name;
- the domain name was registered in order to prevent the owner of a trademark, to use the domain name and that the registrant has engaged in a pattern of such conduct;
- the domain name was registered primarily for the purpose of disrupting the business of a competitor; or
- the domain name was intentionally used to attract, for commercial gain, Internet users to the registrant's web site or other on-line location, by creating confusion with the complainant's trademark as to the source, sponsorship, affiliation, or endorsement of the registrant's web site or location or of a product or service on his web site or location.

The Complainant first states that bad faith is established because the Domain Name Holder knows or should have known that the Complainant was already using the registered sign or already had rights to it. The mere finding, however, that a domain name holder knows or should know the distinctive sign, is not sufficient to rule that bad faith is established when the holder incorporates that sign in a domain name. Using the trademark GOLF that is well known for cars (of Volkswagen) is not an act of bad faith if the domain name holder wants to share information about the sport golf. Bad faith must be examined taking all circumstances into account.

The Domain Name Holder refers to several circumstances to show that it does not act in bad faith. The Domain Name Holder states to have good reasons to believe that since it was listed as a reseller, it was entitled to use the trademark in the Domain Name. The listing as a reseller does not necessarily mean that one is entitled to use the trademark in

a domain name, but registering a domain name in such circumstances does not necessarily mean either that the registration was made in bad faith.

Recreating the look and feel of the original website without permission can be a circumstance that helps showing bad faith. In this case, however, there is doubt about whether the look and feel of the website of the Domain Name Holder is being used with permission. According to the Domain Name Holder it received permission per telephone from the Customer Engagement / Digital Content Editor at the Complainant to use the Complainant's images and promotional material. These images and material result in the look and feel of the parties' websites being similar to some extent, but it is not a circumstance that supports a finding of bad faith.

To show that the Domain Name Holder acts in bad faith, the Complainant refers inter alia to the Cepani decision 434399 regarding the domain name <daalderop-shop.be> and two similar domain names. The defendant in that case was the company Eco-Star, which was also the defendant in the court case regarding the domain names <Vaillantshop.be> and <Bulexshop.be> (Commercial Court of Antwerp, 30 March 2016). In both cases, the defendant was ordered to transfer the domain name to the Complainant.

The Third-Party Decider does not want to give too much authority to the Cepani case regarding <daalderop-shop.be>, because in that case the domain name holder did not file a response during the proceedings.

The decision of the Commercial Court of Antwerp regarding <Vaillantshop.be> and <Bulexshop.be> is a precedent in favour of the Complainant, but the Third-Party notes that this decision is the result of regular legal proceedings, not of Cepani proceedings. Legal proceedings before the judicial courts are the appropriate way to decide the dispute between the Domain Name Holder and the Complainant.

This case is complex and involves questions of trademark law, copyright law, distribution law and even competition law. The alternative dispute resolution proceedings were developed to solve, in an efficient manner, via short and on-line proceedings, clear cases of cybersquatting. The Cepani proceedings are not designed to solve a legal dispute that is much broader. The Third-Party Decider is aware that ordering the transfer of the Domain Name to the Complainant will have far-reaching consequences for the Domain Name Holder, which may lose part of the business that it built by offering for sale only genuine products of the Complainant.

Accordingly, as in the CEPANI case no. 44054, <gallup-europe.be>, it should be stressed that within the limited framework of the Rules and the Policy, it is not the task of the third-party decider to settle a complex dispute of which the Domain Name is only a part.

Only legal proceedings before the regular courts offer sufficient guarantees for both parties that all factual and legal arguments are correctly assessed before a final decision is being taken.

In the case regarding the Domain Name <Meguiarsshop.be>, it is not sufficiently established that the Domain Name Holder has acted in bad faith when registering or using the Domain Name.

The Third-Party Decider concludes that the third condition of article 10b (1) of the Policy is not satisfied.

7. Decision

The Third-Party Decider denies the claim to transfer the Domain Name to the Complainant.

Brussels, 26 October 2021.

Tom HEREMANS
The Third-party Decider