

**Channel Islands Internet Domain Name Registry
Dispute Resolution Procedure**

LEGO Juris A/S

v

Yu Hai Long

**DECISION OF
THE INDEPENDENT EXPERT**

1. Identity of the Complainant

Name: LEGO Juris A/S

Address: Koldingvej 2, 7190, Billund, Denmark

2. Identity of the representative authorized to act for the Complainant

Name: CSC Digital Brand Services

Address: Saltmätargatan 7, Box 3396, 103 68 Stockholm, Sweden

Telephone: +46 8 553 402 00

Fax & E-mail address: (provided)

3. Address information of the Domain Name Holder

Name: Yu Hai Long

E-mail: (provided)

4. Domain name that is the subject of the Complaint

LEGO.gg (hereafter referred to as "the Domain Name")

5. IP Registration

China.	LEGO word	LEGO Juris A/S DK	28	2016-12-21T00:00:00	1976-12-22T00:00:00	75.682
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Guernsey	LEGO word	LEGO Juris A/S DK	28	2015-06-11T00:00:00	1991-01-29T00:00:00	754.628
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1 Numerous other trademark registrations provided.

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3 6. Background to the Dispute

4 **6.1.** The Complainant LEGO Juris A/S (hereinafter referred to as the Complainant), based
5 in Denmark, is the owner of the trademark LEGO and all other trademarks used in
6 connection with the LEGO brand of construction toys and other LEGO branded
7 products and represents the other members of the LEGO Group of Companies in this
8 matter.

9

10 **6.2.** The Complainant licenses third parties to exploit the Complainant's intellectual
11 property rights, including its trademark rights worldwide. The British LEGO Ltd. was
12 established in 1959 and the use of the LEGO mark has been extensive, exclusive and
13 continuous since that date in the UK and Guernsey and the Complainant has
14 subsidiaries and branches throughout the world, and LEGO products are sold in more
15 than 130 countries. It is not cited when LEGO was introduced into China.

16

17 **6.3.** The Complainant's registered trademarks include word marks for the name LEGO in
18 the United Kingdom (A 754.628) and Guernsey (754.628), as well as the European
19 Union and in China and the Complainant is the owner of more than 4000 domain
20 names containing the term LEGO.

21

22 **6.4.** The Complainant alleges that the domain name LEGO.gg is identical or confusingly
23 similar to a registered or unregistered trademark or service mark in which
24 the Complainant has rights; and avers that the Respondent, who registered the
25 domain name on 12th December 2015, had no rights or legitimate interests in respect
26 of the name or that the domain was registered (or is being used) in bad faith.

27

28 **6.5.** The Complainant alleges that it had first tried to contact the Respondent on January
29 27, 2016, through a notice letter sent by email and provided a copy of the same. In
30 that letter, the Complainant alleged that the Respondent made unauthorized use of
31 the LEGO trademark within the Domain Name and violated the Complainant's rights
32 in its trademarks and requested a voluntary transfer of the Domain Name and also
33 offered compensation for the expenses of registration and transfer fees (not
34 exceeding out of pocket expenses).

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1 **6.6.** The Complainant alleges that the Respondent replied that he would only agree to
2 transfer the domain name if paid US\$1,450-3,000 for the Domain Name, implying that
3 this was the sum paid by the Respondent for the Domain Name. (This was
4 subsequently revised during the dispute period to \$1,500).

5
6 **6.7.** Having commenced the dispute, it became clear that there were communication
7 difficulties. The Respondent, living in China, was clearly communicating in a foreign
8 language and from the communications there were concerns that the Respondent did
9 not understand the procedure. The Respondent stated, in communication, that his
10 English was very poor and made it clear that he did not understand the procedure.

11
12 **6.8.** The Independent Expert examined the Registry records and was able to determine
13 that the name was originally registered by the Respondent and had never changed
14 hands.

15
16 **6.9.** Accordingly the Independent Expert and the Registry co-operated to provide to the
17 Respondent the rules of the Channel Islands Internet Domain Name Registry Dispute
18 Resolution Procedure in Mandarin, together with an explanatory guide to filing and
19 defending domain disputes generally, also in Mandarin. The application of this
20 procedure, being used for the first time in China, delayed procedures but was felt
21 necessary to ensure that the Respondent had the opportunity to properly make out
22 any defence available. The Respondent was also permitted to make a response in
23 Mandarin if desired, in order to ensure procedural fairness. (This is despite the rules
24 of the Channel Islands Registry stating that rules and regulations are in English and
25 communication is normally to be in English language and does not set any precedent
26 in relation to other languages).

27
28 **6.10.** The only response from the Respondent was a request for the aforesaid sum.

7. Considerations

29
30
31 **7.1.** It is an established principle of trademark law that the use of the trademark in a domain
32 name without the addition of prefixes or suffixes (and ignoring the country code) is the
33 registration of a domain name is identical or confusingly similar to the parallel
34 registered trademark.

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1 **7.2.** The addition of the country code top-level domain (ccTLD) “.GG” does not have any
2 impact on the overall impression of the dominant portion of the Domain Name and is
3 therefore irrelevant to determine the confusing similarity between the trademark and
4 the Domain Name.

5
6 **7.3.** The Independent Expert:

7 (i) on the basis of the evidence filed by the Complainant, accepts that the trademark
8 LEGO is among the best-known trademarks in the world, being ranked as number 11
9 of the most famous trademarks and brands in the world, particularly for toys, computer
10 hardware and software, books, videos and computer controlled robotic construction
11 sets; and

12 (ii) considers that the mark LEGO has inherent and acquired distinctiveness.
13 Accordingly under the provisions of Article 6bis of the Paris Convention for protection
14 of Industrial Property (“PC”), confirmed and extended by Article 16.2 and Article 16.3
15 of the Agreement on Trade-Related Aspects of Intellectual Property Rights (“TRIPS
16 Agreement”), the status of LEGO as a well-known trademark provides the owner of
17 such a trademark with the right to prevent any use of the well-known trademark or a
18 confusingly similar denomination in connection with any products or services (i.e.
19 regardless of the list of the products and services for which the trademark is registered)
20 and therefore the protection for LEGO is very broad.

21
22 **7.4.** The Complainant alleges that there is a considerable risk that Internet users will
23 perceive the Respondent's Domain Name either as a domain name owned by the
24 Complainant or that there is some kind of commercial relation with the Complainant
25 and it is the view of the Independent Expert that, in the particular case of LEGO.gg,
26 this is the case, (although it may not be the case where the letters LEGO are combined
27 with other letters.) It is the Independent Expert's view that the incorporation of a well-
28 known trademark of itself into a domain name is prima-facie bad faith where no
29 secondary purpose or explanation for registration (such as genericity) exists,
30 (although the Independent Expert is conscious that the mere incorporation of the
31 Complainant's trademark name with other letters is not, in all cases, automatically bad
32 faith, but may operate to reverse the burden of proof onto the Registrant by requiring
33 a plausible explanation for registration to be given). Each case must be viewed on its
34 own merits.

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1 **7.5.** The Domain Name in question is clearly confusingly similar to said trademark.

2
3 **7.6.** The Independent Expert finds that there is a prima-facie case that the Respondent's
4 registration of the Domain name and any use thereof may result in dilution and other
5 damage to the trademark and (although not asserted by the Complainant) that the
6 Domain Name may also be prima-facie potentially an instrument of fraud.

7
8 **7.7.** The Independent Expert examined the Registry records and was able to determine
9 that the Domain Name was originally registered by the Respondent and had never
10 changed hands and therefore it became clear that the Registrant was seeking a sum
11 in excess of the legitimate out of pocket expenses associated with its registration of
12 the Domain Name.

13
14 **7.8.** The Independent Expert also established that the word "LEGO" and its phonetic
15 pronunciation had no secondary meaning in Mandarin and that there were no relevant
16 registered trademarks or trade names in the name of the Respondent at relevant
17 Chinese national registries. The Respondent did not allege, nor did the Independent
18 Expert find anything that would suggest that the Respondent is using LEGO in any
19 other way that would give him any legitimate rights in the name.

20
21 **7.9.** Although it was alleged that LEGO is a world famous trademark and accordingly the
22 Respondent must have known of the Complainant's legal rights in the name LEGO at
23 the time of the registration, in a country as diverse as China, it is entirely conceivable
24 that some of the population have never heard of LEGO nor seen its products, and the
25 Independent Expert took the view that although knowledge was likely on a balance of
26 probability, it was rebuttable. No rebuttal was received .

27
28 **7.10.** The Independent expert considered the allegation that by connecting the
29 Domain Name to a website where it is listed for sale, and attempting to sell the Domain
30 Name to the Complainant, the Respondent is not making a legitimate or fair use of
31 the Domain Name. A domain registrant could have legitimately registered (and held
32 or used) a domain name in good faith and then faced personal circumstances
33 necessitating sale and the Independent Expert is mindful therefore that merely
34 connecting a domain name to a website where it is listed for sale is not necessarily
35 bad faith.

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1 **7.11.** The Expert concluded that on the balance of probability, the offer for sale to
2 LEGO in response to their letter at a price significantly above out of pocket expenses,
3 in the particular circumstances, was bad faith within the circumstances of this case,
4 the Registrant having no explainable purpose for holding the domain. Accordingly the
5 Respondent was not making a legitimate or fair use of the Domain Name, although
6 the Independent Expert found no evidence of an intention to misleadingly (or
7 otherwise) divert consumers for commercial gain connected to the actual use of the
8 Domain Name.

9
10 **7.12.** In the circumstances, the Independent Expert finds that the registration of the
11 relevant Domain Name was an Abusive Registration, being registered or used in bad
12 faith at the time of the Complaint and that it was likely on the balance of probability
13 that registration had occurred the purposes of selling, renting or otherwise transferring
14 the Domain Name to the Complainant or to a competitor of the Complainant, for
15 valuable consideration in excess of the Respondent's documented out-of-pocket
16 costs directly associated with acquiring or using the Domain Name. Accordingly it was
17 not necessary to consider the question of a blocking registration or purpose of unfairly
18 disrupting the business of the Complainant.

19
20 **7.13.** Despite the opportunity to respond in Mandarin, the Respondent presented no
21 plausible explanation for registering the Domain Name.

22
23 **7.14.** In the particular case, as the Domain Name "LEGO.GG" was identical to the
24 trademark LEGO, it is likely that where a member of the public sees the Domain Name
25 they may on the balance of probabilities initially associate it with the Complainant,
26 however the Independent Expert is mindful that the world has moved on from the
27 initial days of the internet and that where the domain name merely incorporates the
28 Complainant's trademark together with other words (such as, for example, "unofficial")
29 the use of the domain name in association with a website and where listed for sale or
30 leading to a holding page or a clearly distinctive and different character of website or
31 a site which is patently not the trademark owner's site, may be differently interpreted
32 and not initially associated with a trademark owner, depending on the nature of that
33 particular case [contrary to the conclusion in DRS No. 08216, duluxtrades.co.uk].

34
35 **7.15.** The Independent Expert is mindful that the impact of the L'Oreal "riding on the
36 coat-tails" ruling has been gradually relaxed so that it is not axiomatic that a

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1 registration of a domain incorporating the mark and other words, or where there is a
2 secondary meaning, or legitimate explanation for registration, automatically takes
3 unfair advantage of or was unfairly detrimental to the Complainants' Rights.
4

5 7.16. In the case of LEGO.GG, on the balance of probability, and particularly in the
6 absence of explanation from the Respondent, the registration, took "unfair advantage
7 of or was unfairly detrimental to the Complainants' Rights".
8

9 7.17. The period allowed by the Independent Expert for any reply from the
10 Respondent expired on 6th January 2017. On or about that date, the validity period
11 for the Domain's Annual Fee also expired. At approximately the same date, the
12 registrar for the Domain Name advised the Registry that the Respondent had
13 instructed them not to renew the Domain Name and that accordingly the domain
14 registrar requested cancellation of that domain. The cancellation instruction could not
15 be carried out because the domain was locked status due to the dispute. (Locked
16 status in a dispute prevents loss of a domain whilst the dispute is in process and
17 protects the domain from drop-catchers). In view of the timing of this instruction to
18 cancel (which was not communicated by the Respondent to the Independent Expert
19 directly), the instruction to cancel was not taken into account for the purposes of this
20 decision, expiry and non-renewal instruction being irrelevant for the purposes of this
21 decision and a full reasoned Decision has been made.
22

23 8. Decision

24 Accordingly the Independent Expert:

- 25 (i) considers that the Domain Name is confusingly similar to the Complainant's LEGO
26 trademark, that the Respondent lacks rights in the name LEGO and the Domain Name
27 was registered and was being used at the time of the Complaint in bad faith; and
28 (ii) directs that the domain be held to the order of the Complainant pending payment of the
29 appropriate registration/renewal fee for the domain; and
30 (iii) that upon payment as in (ii), the Domain Name be transferred to the Complainant.
31

32 8th January 2017

33 *Nick Lockett*

34 Nick Lockett
35 Independent Expert
36 Solicitor and Barrister*
37

38 *Nick Lockett is a commercial and IP solicitor, having formerly been qualified/practising as a commercial, contract and intellectual property
39 barrister. He was the first European author to publish on Internet Law and advisor in the first domain dispute in the UK and has been
40 advising on intellectual property and internet law since 1992. He practices with adllegal.com.