

## DECISION OF THE THIRD-PARTY DECIDER

**Zandera Ltd. / E-lites Scandinavia AS**

**Case no. 44374: my-e-lites.be**

### 1. The parties

**Complainant:** ZANDERA Ltd., with registered offices in the United Kingdom, B60 3DX, Bromsgrove, Worcestershire, Buntsford Park Road, 18,

*Represented by*

Mr. Timme Geerlof, attorney at law, with offices in The Netherlands, 3011 TA, Rotterdam, Blaak, 28,

**Domain name holder:** E-LITES SCANDINAVIA AS, with registered offices in Norway, 2019, Skedsmokorset, Trondheimsveien, 62,

*Represented by*

Mr. Oivind Dreier Sivertsen, director.

### 2. Domain name

Domain name: **"my-e-lites.be"**  
Registered on: 24 January 2013

hereafter referred to as "*the Domain name*".

### 3. Background to the case

- 3.1. The Complainant manufactures e-cigarettes which it distributes, internationally, under the brand "*E-lites*".
- 3.2. On 22 February 2012 an affiliated company of the Complainant, Zandera International Oü, appointed the Domain name holder as its exclusive distributor for the promotion and the sale of the e-cigarettes in the territory of Norway, Sweden and Denmark. The distribution agreement made reference to the trademark applications and registrations for the word "*E-lites*".

It was provided in the distribution agreement that except for the territory of Norway, Sweden and Denmark, the Domain name holder would "*refrain from making active sales*" of the e-cigarettes to customers outside said territory. The distribution agreement did not allow the Domain name holder to e.g. advertise on the internet "*where such advertising or promotion is specifically targeted at customers*" in Belgium (article 2.3.3 of the distribution agreement).

The Domain name holder, which was allowed to act under the company name "*E-lites Scandinavia*", under the distribution agreement had to set up, maintain and operate a website using the domain name of the Complainant at [www.e-lites.co.uk](http://www.e-lites.co.uk), in accordance with "*the source materials*" provided by Zandera International Oü and "*the written instructions*" of Zandera International Oü. It was provided that "*ownership of the website remains*" with the Complainant (article 3.1.12 of the distribution agreement).

Zandera International Oü granted to the Domain name holder the non-exclusive right, in the territory of Norway, Sweden and Denmark, to use the word "*E-lites*", the related trademarks, "*in the promotion, advertisement and sale*" of the e-cigarettes, "*subject to, and for the duration of the distribution agreement*" (article 11.1 of the distribution agreement).

The Domain name holder was not allowed to "*sub-license, transfer or otherwise deal with the rights of use*" of the concerned trademarks (article 11.6 of the distribution agreement).

- 3.3. On 24 January 2013, the Domain name holder registered the Domain name.
- 3.4. On 20 February 2014, Zandera International Oü terminated the distribution agreement with the Domain name holder, with reference to a notice of 28 November 2013 for breach of contract to which the Domain name holder would not have replied.
- 3.5. On 13 November 2014, the Complainant sent a notice to the Domain name holder, requesting it to "*at the latest for 20 November 2014 finish any use of the 'E-lites' trademark and to give the relating domains my-e-lites.be and my-e-lites.nl over to the owner of the trademark Zandera Ltd.*".

With a letter of 18 March 2015, the Domain name holder again was requested by the Complainant to "*voluntarily transfer*" the Domain name.

The file does not show any replies from the Domain name holder to this correspondence.

#### 4. Additional information

- 4.1. The Complainant filed its complaint in the present procedure on 18 March 2015, thereby requesting that the transfer of the Domain name to the Complainant be ordered.

The Third-party decider was appointed on 29 April 2015, and was informed of the fact that the Domain name holder did not file a response to the complaint.

Deliberations were closed on 6 May 2015.

- 4.2. On 6 May 2015, further correspondence from the Complainant was transmitted to the Third-party decider.

In this correspondence, the Complainant expressed its view according to which an amicable settlement between the Complainant and the Domain name holder would have been reached.

The Complainant referred to correspondence from the Domain name holder, dated 14 April 2015, according to which the Domain name holder would have expressed its wish "*to terminate all services related to the brand name E-lites*", with reference a.o. to the Domain name. The Complainant hence signed a transfer agreement, aiming at having transferred the Domain name from the Domain name holder to the Complainant, which transfer agreement was not signed by the Domain name holder.

The Domain name holder sent a copy to the Complainant of an email that it sent on 14 April 2015 to a person called T.R. Utengen, who seems to be representing the Norwegian registrar that acts for the Domain name holder, whereby the Domain name holder's wish to terminate all services related to the brand name "*E-lites*" was indeed expressed, with a request for confirmation of such termination. Mr. Utengen, with an email of 15 April 2015, confirmed termination of the services related to the Domain name.

The attention of both the Complainant and the Domain name holder was drawn by Cepani to the fact that the Domain name could not be transferred to the Complainant if the Domain name holder did not sign a transfer agreement.

The Domain name holder did not further react. It did not file a signed transfer agreement.

- 4.3. The Third-party decider re-opened the debates on 18 May 2015, whereby the parties were requested to provide further information and/or confirmation.

The Complainant subsequently clarified that it considered that the Domain name holder had shown its readiness to transfer the Domain name to the Complainant, and hence that an amicable solution was reached. The Complainant clarified however that "*should the Domain name holder persist in not signing the transfer agreement*", the Complainant maintained its complaint and its request for transfer of the Domain name.

The Domain name holder did not further react. It did not submit a signed transfer agreement.

- 4.4. Since the file submitted by the parties does not contain conclusive evidence of an amicable settlement and does not contain a transfer agreement signed by the Domain name holder, the complaint of the Complainant and its request for transfer should be considered as being maintained.

Furthermore, DNS.BE was notified of the complaint by Cepani and the Domain name consequently was put on hold. The Domain name hence cannot be considered as having been transferred or deleted (cf. Terms and conditions for domain name registrations under the ".be" domain operated by DNS.BE, article 3, c).

Therefore the Third-party decider decides as follows.

## **5. Position of the parties**

### **5.1. Position of the Complainant**

The Complainant invokes its trademark rights in the word "*E-lites*". It refers to the existence of its own website [www.my-e-lites.co.uk](http://www.my-e-lites.co.uk). It mentions that it promotes its e-cigarettes in 112 countries, that it received media coverage and received many awards. It considers that the majority of smokers is aware of its trademark.

The Domain name holder registered the Domain name on 24 January 2013, using a website with information on the Complainant's products. The Domain name holder however was appointed only for distribution in Norway, Sweden and Denmark, not in Belgium.

On 20 February 2014, the distribution agreement was terminated. On 13 November 2014 the Domain name holder was notified and requested to transfer the Domain name.

The Domain name holder hence would not have any rights or legitimate interests in the use of the Domain name, since it is not an authorized distributor anymore.

The Domain name holder would show bad faith where, on its website, it does not disclose its relationship to the Complainant. The Complainant also considers that the Domain Name was registered in bad faith, since the Domain name holder was aware of the Complainant's trademark rights and was never granted the right to register the Domain name.

### **5.2. Position of the Domain name holder**

The Domain name holder did not reply to the Complainant's position.

## 6. Discussion and findings

Pursuant to Article 16.1 of the *CEPANI rules for domain name dispute resolution*, 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 10 b (1) of the Terms and conditions of domain name registrations under the ".be" domain operated by DNS BE, the Complainant must provide evidence of the following:

- *The Domain name holder's domain name 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. *The Domain name is confusingly similar to a trademark in which the Complainant has rights*

The Complainant files evidence of the filing on 24 June 2011 of the word trademark "*E-lites*", and the registration thereof on 2 November 2011, for a.o. electronic cigarettes.

The addition of the generic term "*my-*" preceding the word "*e-lites*" in the Domain name does not change the fact that the Domain name is confusingly similar to the trademark.

Furthermore, the suffix ".be" does not alter the fact that the Domain name is confusingly similar to the trademark neither (cf. a.o. Cepina cases nrs. 4025, 4030, 4035, 4039, 4042, 4051, 4053, 4054, 4056, 4059, 4060, 4061, 4067, 4068, 44042).

The Complainant shows that the name "*e-lites*", but equally the name "*my-e-lites*", with reference to its own UK website, have become distinctive identifiers associated with the e-cigarettes manufactured by the Complainant: the Complainant refers a.o. to the extent of advertising and media coverage.

For the purposes of the present procedure, the Complainant sufficiently shows that it has rights in the name "*E-lites*", as well as in the name "*my-e-lites*".

Therefore, the Third-party decider considers that the first condition is fulfilled.

### 6.2. *Rights and legitimate interests*

The distribution agreement of 22 February 2012 between Zandera International Oü, affiliated company of the Complainant, and the Domain

name holder prohibited the Domain name holder to make active sales of the e-cigarettes to customers in Belgium. It was not granted any rights to use the Complainant's trademark for such sales.

Since the termination of the distribution agreement on 20 February 2014, all rights, under the distribution agreement, for the Domain name holder to use the trademark of the Complainant were withdrawn.

The Domain name holder did not file any evidence of any other rights or interests in the Domain name.

Consequently, it can be considered that the Domain name holder does not have rights or legitimate interests in the Domain name.

### 6.3. *Registration or use in bad faith*

The Domain name holder did not explain the circumstances of the registration of the Domain name on 24 January 2013.

Since the distribution agreement of 22 February 2012 did not allow the Domain name holder to make active sales of the e-cigarettes in Belgium, it is questionable that the registration of the Domain name was done in the interest of and with the knowledge of the Complainant and/or its affiliated company Zandera International Oü.

It can be deduced from this that the Domain name holder was not entitled to register the Domain name, and that it concerns registration in bad faith.

The Domain name holder moreover maintained the registration after the termination of the distribution agreement, and refused to transfer the Domain name to the Complainant although it was explicitly requested to do so with notice letter of 13 November 2014.

The Domain name holder did not explain why it considered to be entitled to continue to use the Domain name. It did not explain why it continued to refuse to transfer the Domain name to the Complainant.

Given the termination of the distribution agreement, and the termination of any rights to sell the e-cigarettes, the Domain name holder cannot in any way refer to its activity of distribution of the e-cigarettes to continue the use of the Domain name.

The Domain name holder thus continued to use the Domain name without any right thereto, thus in bad faith.

**7. Decision**

Consequently, pursuant to Article 10 (e) of the *Terms and conditions of domain name registrations under the ".be" domain operated by DNS BE*, the Third-party decider hereby rules that the domain name registration for the "**my-e-lites.be**" domain name is to be transferred to the Complainant.

Brussels, 1 June 2015,

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Catherine Erkelens  
The Third-party decider