# Decision for dispute CAC-UDRP-101345

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| Case number | **CAC-UDRP-101345** |
| Time of filing | **2016-12-14 11:22:11** |
| Domain names | **actaviscoughsyrup.net** |

## Case administrator

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| Name | **Aneta Jelenová (Case admin)** |

## Complainant

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| Organization | **Actavis Group PTC ehf** |

## Complainant representative

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| Organization | **RiskIQ, Inc.** |

## Respondent

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| Name | **Allan Asuncion** |

OTHER LEGAL PROCEEDINGS

No other proceedings have been notified to the Panel.

IDENTIFICATION OF RIGHTS

According to certification adduced in evidence by the Complainant, the Complainant is the registered holder of the ACTACIS trademark (EUIPO / CTM No. 003615721), registered on 16 January 2006 in a variety of Classes under the Nice Classification System, including Class 5 covering pharmaceuticals and pharmaceutical preparations.

FACTUAL BACKGROUND

FACTS ASSERTED OR EVIDENCED BY THE COMPLAINANT AND NOT CONTESTED BY THE RESPONDENT:

The Complainant in 2014 withdrew its trademarked Actavis cough syrup from production and thus sale. The product had been available on a prescription basis until then, notably in the United States. This is because the Codeine and Promethazine it contained posed known health hazards if the recommended dose were exceeded, thus requiring medical supervision. However, a substance-abuse culture grew up around use of the cough syrup. In this culture, exceeding the recommended dose became commonplace and the product acquired notoriety under different sobriquets such as “purple drank” and “lean”. There were indications that inappropriate use of the cough syrup could lead to physical and mental impairment and in some cases death.

The Respondent was not authorized to use the distinctive trade mark Actavis by the Complainant and has no affiliation with it.

The Respondent's website proclaims, "LOOKING FOR A GOOD TIME, THEN YOU ARE AT THE RIGHT PLACE" and offers the cough syrup in an e-commerce enabled catalogue for which Bitcoin and wire-transfer are the means of payment offered.

The site contains a copyright notice "© 2016 Actavis Cough Syrup" and states that those involved are "Legit sellers" of the cough syrup. It adds that "[a]ll products are sourced directly from the manufacturer and are 100% authentic and original". The pricing ranges between US $300 for two small bottles up to US $2000 for eight.

Against this background, the Amended Complaint contains the following contentions, supported by evidence as contained in its annexes:

THE DISPUTED DOMAIN NAME IS CONFUSINGLY SIMILAR TO A TRADEMARK IN WHICH COMPLAINANT HAS RIGHTS

On August 2, 2016, Teva Pharmaceutical Industries Ltd. (NYSE and TASE: TEVA) and Allergan plc (NYSE: AGN) announced that Teva completed its acquisition of Allergan's generics business ("Actavis Generics"). Complainant is now an indirect, wholly-owned subsidiary of Teva Pharmaceutical Industries Ltd. (NYSE and TASE: TEVA), a leading global pharmaceutical company headquartered in Israel, and the world's largest generic medicines producer. Teva's net revenue in 2015 amounted to $19.7 billion. Complainant has registered trademark rights in the ACTAVIS mark (EUIPO / CTM No. 003615721) in a variety of Classes, including Class 5 covering pharmaceuticals and pharmaceutical preparations. Annexes 4-5.

According to the consensus view, the first element of the Policy is a 'standing requirement', meaning the bar is relatively low. E.g. WIPO Case No. D20090227 (<unofficialblackberrystore.com>) ("a low threshold test"). "The addition of merely generic or descriptive wording to a trademark in a domain name would normally be insufficient in itself to avoid a finding of confusing similarity under the first element of the UDRP. Panels have usually found the incorporated trademark to constitute the dominant or principal component of the domain name." See Paragraph 1.9 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Second Edition ("WIPO Overview 2.0").

Here, the created string of characters in the disputed domain name consists of the well-known ACTAVIS trademark as the clearly dominant component, followed by a string of characters comprising the words "cough syrup" without spacing (in accordance with the technical limitations of domain name registrations) followed only by the ".com" gTLD suffix.

Adding the generic term "cough syrup" to the well-known ACTAVIS mark is not sufficient to avoid confusion similarity as the mark remains clearly visible and the words are descriptive of goods that are covered by Complainant's trademark in Class 05 (Annexes 4-5) and Complaint's business. E.g., WIPO Case No. D20120781 (<walgreensmailorderpharmacy.com>); see also HewlettPackard Development Company, L.P. v. Navamani Mathavadian Selvaraj, Forum Claim Number: FA1609001696174. Adding terms related to a complainant's business and the goods or services covered by the registration is likely to actually compound the likelihood of confusion according to the minority of panelists who may look further than the confusing similarity of the textual string. E.g., Caterpillar Inc. v. personal, D20102190 (WIPO Feb 8, 2011); see also Novartis AG v. Bob de vries, WIPO Case No. D20161154 (transferring <ritalinshop.net>): "The accompanying term "shop" is only likely to reinforce the impression of a connection between the [c]omplainant and the relevant website. It suggests a website where the [c]omplainant makes its legitimate products available for sale. That is not in fact the case as the website is unauthorized and the goods offered of doubtful origin."

Therefore, the disputed domain name is confusingly similar to a trademark in which Complainant has rights.

RESPONDENT HAS NO RIGHTS OR LEGITIMATE INTERESTS IN THE DISPUTED DOMAIN NAME

The Panel is entitled to accept all reasonable allegations and inferences set forth in the complaint as true unless the evidence is clearly contradictory. See Vertical Solutions Mgmt., Inc. v. webnetmarketing, inc., FA 95095 (Nat. Arb. Forum July 31, 2000) (holding that the respondent's failure to respond allows all reasonable inferences of fact in the allegations of the

complaint to be deemed true); see also Talk City, Inc. v. Robertson, D20000009 (WIPO Feb. 29, 2000) ("In the absence of a response, it is appropriate to accept as true all allegations of the Complaint.").

Respondent was not authorized to use the distinctive trade mark ACTAVIS for any purpose by the Complainant, and has no affiliation whatsoever with it. Respondent's website states, "LOOKING FOR A GOOD TIME, THEN YOU ARE AT THE RIGHT PLACE," suggesting it is marketing to those seeking to abuse prescription-strength cough syrup used in doses much higher than medically recommended and contrary to indication, which was known on the street as “purple drank”. Annex 5. The website markets that Respondent will ship a minimum of two bottles discreetly after payment through Bitcoin, Western Union or MoneyGram, representing on the site that the product will be professional screened by them "for maximum potency and customer satisfaction" and then delivered by certifying the parcel as "a medical equipment." The website falsely states that all products are "sourced directly from the manufacturer" alongside pictures of Complainant's product, claiming it to be "100% authentic and original," but Complainant had ceased all production and sales of its Promethazine Codeine product literally years ago because of the unlawful and dangerous use of the product contrary to its approved indication. Illustrative third-party articles discussing such abuse and dangers of purchasing such product outside of a trusted supply chain and contrary to indication "for a good time" is included as Annex 7. The practice the Respondent is engaged in of relying on deception to take consumers to a website purporting to offer Complainant's discontinued product to those seeking to abuse promethazine codeine for "a good time" and in a way that is hazardous to their health is not of a kind to vest rights or justify a finding of legitimate interests. E.g., Novartis AG v. Bob de vries, WIPO Case No. D20161154 (<ritalinshop.net>).

Respondent falsely claims its products are sourced directly from the manufacturer and are 100% authentic and original. Respondent is not a reseller or licensee or authorized agent, who may otherwise have a right to register and use a domain name under the "Oki Data Test" first set forth in WIPO Case No. D20010903. Even if the four-part test were applicable, the Respondent does not employ a disclaimer prominently disclosing its relationship as would otherwise be required under one of the four prongs of the test. Therefore, Respondent still has no rights or legitimate interest as the test is a cumulative test that requires all the prongs to be satisfied. Some panels hold that the Oki Data test is not applicable to unauthorized resellers or distributors to establish rights or a legitimate interest. Domain Name Law and Practice: An International Handbook (Second Edition). Edited by Torsten Bettinger & Allegra Waddell. 2016 ("Domain Name Law and Practice"), Section IIIE.3111 (citing WIPO Case No. D20071850 and NAF Case No. 902965).

Even according to those that would apply the Oki Data test to unauthorized resellers, Respondent should have a relatively high burden to come forward with evidence to establish it is an unauthorized resller by satisfying a "higher standard of fair dealing." Domain Name Law and Practice, Section IIIE.309 (citing WIPO Case No. D20100392 (<budgetcarcover.com> et al.) (disclaimer alone would be insufficient). In any case, Respondent cannot possibly meet this high burden. Respondent displays a copyright notice legend: "© 2016 Actavis Cough Syrup" similar to the copyright notice legend used by the unauthorized reseller of the complainant's clothing products in WIPO Case No. D20122471 (<wellensteynjacken.org>), where it was held that even if genuine, offering for sale the trademarked goods is not bona fide because of the copyright notice legend excluding any relationship with the trademark owner.

RESPONDENT HAS REGISTERED AND IS USING THE DISPUTED DOMAIN NAME IN BAD-FAITH

Given that the Respondent reproduces photographs of apparent ACTAVIS packaging and signage on his website, it is clear that Respondent was fully aware of the Complainant's business and the goodwill that vests in the ACTAVIS mark. The Respondent offers products for sale that are marked "Actavis" from the website to which the disputed domain name resolves. There is no knowing from the site itself whether these are fake or genuine products, but they are not likely genuine considering Complainant had ceased all production and sales of its Promethazine Codeine product years ago, and in any case would be offered for sale without prescription as required at least in some jurisdictions (the website suggests they will deliver anywhere and to the USA where a prescription would be required), in an unregulated and unauthorized manner for purposes of "a good time" and hazardous to one's health (e.g., eight 32 ounce bottles at a time for $2,000). It is clear that the Respondent is, under the circumstances, using the disputed domain name in bad faith, relying on consumer deception to gain a financial advantage from the misconception the disputed domain name generates as to the connection between the goods offered and the Complainant. This is clearly indicated by use of the false copyright notice legend on the site, "© 2016 Actavis Cough Syrup," which indicates the website originates with "Actavis Cough Syrup," when the Whois record shows

Respondent is not Actavis Cough Syrup, nor could Respondent be known by that name given that Complainant has exclusive rights.

In light of the use of the disputed domain name as evidenced by documents submitted by the Complainant (Annex 7), the Respondent is attempting to attract, for commercial gain, Internet users to its web site or to the web sites linked thereto, by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of its web site and of the product promoted therein. E.g., Cephalon, Inc. v Alen Mironassyan, Alen Mironassyan, CAC Case No. 100892. In fact, the underlying customer behind the Proxy services is purportedly in the United States, where it would have been illegal to be offering the product for sale in this manner over the Internet without a valid prescription. Finally, Complainant called the phone number to see if the identity of Respondent is accurate behind the proxy services, and the phone call was rejected. This suggests that the Whois is inaccurate and certainly incomplete, hiding behind multiple proxies from the time the Complaint was initiated and submitted, which under these facts also is indicative of bad faith.

Therefore, according to the Complainant, the requirement of bad faith registration and use of the disputed domain name pursuant to article 4(a)(iii) of the Policy has been met, and the disputed domain name was registered and is being used in bad faith.

Schedule of Annexes

Annex 1 - UDRP Policy
Annex 2 - Registration Agreement
Annex 3 - Whois Record at time of submission of original Complaint
Annex 4 - Printout of EUIPO - CTM 003615721
Annex 5 - Certified Registration 003615721
Annex 6 - Illustrative articles related to abuse of Promethazine Cough Syrup with Codeine
Annex 7 - Printout of site hosted on disputed domain name
Annex 8 - Public Whois at time of submission of Amended Complaint

PARTIES CONTENTIONS

NO ADMINISTRATIVELY COMPLIANT RESPONSE HAS BEEN FILED.

RIGHTS

The Complainant has, to the satisfaction of the Panel, shown that the disputed domain Name is identical or confusingly similar to a trademark or service mark in which the Complainant has rights (within the meaning of paragraph 4(a)(i)of the Policy).

NO RIGHTS OR LEGITIMATE INTERESTS

The Complainant has, to the satisfaction of the Panel, shown the Respondent to have no rights or legitimate interests in respect of the disputed domain Name (within the meaning of paragraph 4(a)(ii)of the Policy).

BAD FAITH

The Complainant has, to the satisfaction of the Panel, shown the disputed domain Name has been registered and is being used in bad faith (within the meaning of paragraph 4(a)(iii)of the Policy).

PROCEDURAL FACTORS

The Panel is satisfied that all procedural requirements under UDRP were met and there is no other reason why it would be inappropriate to provide a decision.

PRINCIPAL REASONS FOR THE DECISION

1. Background

This case involves not only an issue regarding use of a right-holder's trademark but one of public health in circumstances in which a prescription drug has been demonstrated to be marketed and sold after having been withdrawn by its manufacturer from the market.

In applying the UDRP's three criteria under which a domain name may be withdrawn from a registrant and transferred to a right holder, it thus becomes all the more important to establish the situation regarding rights as priority, and then the issues of closeness to the protected name in question and of bad faith registration and use. The issue of bad faith is in particular largely predicated on the other two issues in such a situation as this, in which the right holder is not merely acting on its own behalf but using its rights to prevent harm to public health.

2. Potential rights or legitimate interest on the part of the Respondent

In face of the well-documented proof of the Complainant's trademark in the Actavis brand name, there is no indication that the Respondent was ever granted any form of right to market or sell Actavis cough syrup by employing the Complainant's brand.

Furthermore, the registration on 4 July 2016 of the disputed domain name <activiscoughsyrup.net> occurred after the widely publicized withdrawal of its trademark-protected pharmaceutical product from production.

To the contrary, the screenshot evidence of content from the <activiscoughsyrup.net> site shows that the Respondent went to considerable lengths to suggest that it had some form of privileged supply relationship, which did not exist.

It is notable too that the website catalogue includes only Activis cough syrup, in varying quantities, and always at prices so high as to suggest pronounced scarcity.

Cough syrup not being a precious commodity, the conclusion is inescapable that the Respondent's website was established in order to satisfy specifically that same secondary market -- in which a culture of substance abuse was endemic -- that prompted the Complainant to withdraw the product two years before registration of the site's disputed domain name. This conclusion is amply supported by the further evidence adduced by the Complainant on that culture and the negative health outcomes of abuse of the syrup's pharmaceutical agents. There is hence no room in this context for any legitimate interest based on resale to form.

The Panel thus finds the Respondent had neither rights nor legitimate interest in the Actavis brand or its use.

3. The disputed domain name's similarity to or identity with the Complainants' protected rights

While this part of the UDRP test must always be applied with some caution in view of the potentially global augmentation in efficacy particularly a generic TLD may promote relative to a national or regional trademark, it is well established that the addition of generic or descriptive terms to a protected one will not necessarily lessen confusing similarity or identity with the trademark name itself. And it is equally well recognized that such an addition may reinforce the association between a disputed domain name and a protected right. The present proceeding epitomizes such reinforcement, since the disputed domain name concisely describes for potential customers the type of pharmaceutical product for which the Complainant obtained its trademark -- namely, cough syrup.

The Panel thus finds that the disputed domain name is confusingly similar to the Complainant's trademark.

4. Bad faith registration and use on the Respondent's part

As regards what may constitute "bad faith" registration and use, the UDRP lists for registrants to be aware of some non-exhaustive scenarios that meet this part of the UDRP test.

They include: "[when] using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your web site or other on-line location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of your web site or location or of a product or service on your web site or location".

In the present proceeding, screenshots from the Respondent's website demonstrate that the Respondent claimed to be "Legit sellers" of the cough syrup and that "[a]ll products are sourced directly from the manufacturer and are 100% authentic and original". These baseless claims to a non-existent relationship with the Complainant are further compounded by (1) the fact that the Complainant had withdrawn the product in question and (2) the manner in which the Complainant's prescription drug was directed at a secondary market that had grown up around uses of the syrup quite other than as cough medicine.

The Panel in light of these factors therefore finds that the last UDRP requirement, of the Respondent's bad faith, has been met in the circumstances of this case.

5. Decision

As a consequence of the foregoing, the Panel orders transfer of the disputed domain name to the respective rights holders.

FOR ALL THE REASONS STATED ABOVE, THE COMPLAINT IS

Accepted

AND THE DISPUTED DOMAIN NAME(S) IS (ARE) TO BE

1. **ACTAVISCOUGHSYRUP.NET**: Transferred

## PANELLISTS

| Name | **Kevin J. Madders** |
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DATE OF PANEL DECISION 2017-02-01

Publish the Decision