Decision for dispute CAC-UDRP-101653

Case number	**CAC-UDRP-101653**
Time of filing	**2017-08-15 09:33:51**
Domain names	**novartis.sale**

Case administrator

Name	**Aneta Jelenová (Case admin)**

Complainant

Organization	**Novartis AG**

Complainant representative

Organization	**BrandIT GmbH**

Respondent

Organization	**Zhang Xiao**

OTHER LEGAL PROCEEDINGS

The Panel is not aware of any other legal proceedings related to the disputed domain name.

IDENTIFICATION OF RIGHTS

The Complainant is the owner, among others, of the following trademark registrations relating to the designation "Novartis" which enjoy protection, inter alia, in China:

- Word mark NOVARTIS, World Intellectual Property Organization (WIPO), Registration No.: 666218, Registration Date: October 31, 1996, Status: Active;
- Word-/design mark NOVARTIS LONG LIVE LIFE, WIPO, Registration No.: 1155214, Registration Date: January 24, 2013, Status: Active.

FACTUAL BACKGROUND

FACTS ASSERTED BY COMPLAINANT AND NOT CONTESTED BY RESPONDENT:

i) LANGUAGE OF PROCEEDINGS REQUEST:

“If the language of the Registration Agreement of the disputed domain name <novartis.sale> is a language other than

English, according to the applicable Registrar, Complainant hereby files a language of proceeding request that the language of the proceeding should be English based on the following facts:
Respondent has not replied to the cease and desist letter (“C&D letter”), nor responded that they did not understand the content of the letter. This conduct has a relevancy when deciding on the language of the proceeding, as it was stated on WIPO Case no. D2015-0298 where the “The Respondent did not reply to the Complainant's request, therefore it did not express in any way that it cannot answer the allegations since it does not understand English.”
The disputed domain name includes the Complainant’s mark NOVARTIS. Complainant is a global company whose business language is English. Furthermore, Respondent has registered many other domains with words in English. It is unlikely that Respondent is not at least familiar with the English language.
In addition, Respondent has chosen to register the domain name under the Top Level domain name “.sale” which is a commercial TLD, and is applicable to a broader audience than merely China. Furthermore, the term “sale” is related to the Complainant’s area of commercial activity, as a major pharmaceutical brand it is likely that consumers would be actively search for NOVARTIS products for or on “sale”. A more suitable TLD if only addressing the Chinese market would be the .cn extension. The proceeding will likely be put through unnecessary trouble and delay if Chinese were made the language of the proceeding and there would be no discernible benefit to the parties or the proceeding, in the circumstances, that may be gained by maintaining the default language. In WIPO decisions D2015-1508 and D2015-0614 the Panel decided to accept the Complaint to be filed in English despite the fact that the Registrar had informed the Center that the language of the Registration Agreement was Turkish.“

ii) ABOUT COMPLAINANT AND THE BRAND NOVARTIS

Novartis AG (hereinafter referred to as Complainant) is the proprietor of the NOVARTIS trademarks. Novartis is a global healthcare company based in Switzerland that provides solutions to address the evolving needs of patients worldwide. Novartis manufactures drugs such as clozapine (Clozaril), diclofenac (Voltaren), carbamazepine (Tegretol), valsartan (Diovan) and many others.

Complainant’s products are available in more than 180 countries and they reached nearly 1 billion people globally in 2015. Complainant is the owner of the registered well-known trademark NOVARTIS as a word and figure mark in several classes in numerous of countries all over the world including in China. Complainant has a strong presence in China where the Respondent is doing business with the disputed domain name.

Complainant’s trademark registrations predate the registration of the disputed domain name. Due to extensive use, advertising and revenue associated with its trademarks worldwide, Complainant enjoys a high degree of renown around the world, including in China, where Respondent offers its business. Complainant has previously successfully challenged several NOVARTIS domain names through UDRP processes (among others the following WIPO cases: D2016-1688; D2016-0552; D2015-1989; D2015-1250).

In the case No. D2016-1688, Novartis AG v. Domain Admin, Privacy Protection Service INC d/b/a PrivacyProtect.org, / Sergei Lir regarding the domain name <novartis-bio.com>, the Panel confirmed that NOVARTIS is a well-known worldwide trademark as follows:

“When the disputed domain name was registered by Respondent in June 2016, the trademark NOVARTIS was already well-known worldwide and directly connected to Complainant’s activities in the pharmaceutical business.”

Complainant has registered a number of domain names under generic Top-Level Domains ("gTLD") and country-code Top-Level Domains ("ccTLD") containing the term “NOVARTIS”, for example, <novartis.com> (created on April 02, 1996), <novartis.net> (created on April 25, 1998), <novartis.com.cn> (created on August 20, 1999) and <novartis-bio.com> (created on June 30, 2016). Complainant uses these domain names to connect to a website through which it informs potential customers about its NOVARTIS mark and its products and services.

LEGAL GROUNDS:

i) THE DOMAIN NAME IS CONFUSINGLY SIMILAR

The domain name <novartis.sale> (hereinafter referred to as the " disputed domain name"), which was registered on May 13, 2017, directly and entirely incorporates Complainant's well-known, registered trademark NOVARTIS. The addition of the generic Top-Level Domain (gTLD) ".sale" does not add any distinctiveness to the disputed domain name. These references exaggerate the impression that Respondent is somehow affiliated with Complainant, and Respondent is somehow doing business in China using Complainant's trademark. See as an example the WIPO Overview of on WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Jurisprudential Overview 3.0"), paragraph 1.11. as well as the International Business Machines Corporation v. Sledge, Inc. / Frank Sledge WIPO Case No. D2014-0581 where the Panel stated the following "In addition, it is generally accepted that the addition of the top-level suffix in the domain name (e.g., ".com") is to be disregarded under the confusing similarity test". The following should apply in the current case and the domain name should be considered as confusingly similar to the trademark NOVARTIS.

ii) THE RESPONDENT HAS NO RIGHTS OR LEGITIMATE INTEREST IN RESPECT OF THE DOMAIN NAME

Complainant has not found that Respondent is commonly known by the disputed domain name or that it has interest over the disputed domain name or the major part of it. The WHOIS information "Zhang Xiao" is the only evidence in the WHOIS record, which relates Respondent to the disputed domain name. When entering the terms "NOVARTIS", and "CHINA" in the Google search engine, the returned results point to Complainant and its business activity. Respondent could easily perform a similar search before registering the disputed domain name and would have quickly learnt that the trademarks are owned by Complainant and that Complainant has been using its trademarks in China. Respondent has not by virtue of the content of the website, nor by its use of the disputed domain name shown that they will be used in connection with a bona fide offering of goods or services.

There is no evidence that Respondent has a history of using, or preparing to use, the disputed domain name in connection with a bona fide offering of goods and services. It is clear that Complainant has become a distinctive identifier associated with the term "NOVARTIS" and that the intention of the disputed domain name is to take advantage of an association with the business of Complainant.

THE WEBSITE

Depending on the browser and time of entering the disputed domain name, the domain name resolves to a variety of suspicious domains, which appear to be for phishing purposes. These include domains that purport to involve a prize promotion or adult content. Clearly, this is evidence that Respondent is not using the disputed domain name for a legitimate purpose, but rather, is deliberately using Complainant's trademark to attract visitors for its own commercial gain.

Respondent has been granted an opportunity to present some compelling arguments that it has rights in the disputed domain name but has failed to do so. Respondent has made no claims to neither having any relevant prior rights of its own, nor to having become commonly known by the disputed domain name.

Moreover, Complainant had never authorized Respondent to use its trademark in any form. In this regard, at the WIPO case No. D2016-0253 Aldi GmbH & Co. KG Aldi Store Limited v. Greg Saunderson, the Panel found out the following:

"While there is nothing per se illegitimate in using a domain name parking service, linking a domain name to such a service with a trademark owner's name in mind in the hope and expectation that Internet users searching for information about the business activities of the trademark owner will be directed to the parking page is a different matter. Such activity does not provide a legitimate interest in that domain name under the Policy."

iii) THE DOMAIN NAME WAS REGISTERED AND IS BEING USED IN BAD FAITH

THE DOMAIN NAME WAS REGISTERED IN BAD FAITH

Complainant's trademarks predate the registration of the disputed domain name and Respondent has never been authorized by Complainant to register the disputed domain name. It is inconceivable that the unique combination of the well known mark "NOVARTIS" in the domain name along with the term "sale" used in as the TLD is not a deliberate and calculated attempt to improperly benefit from Complainant's rights.

THE DOMAIN NAME IS BEING USED IN BAD FAITH

Complainant notes that the disputed domain name is listed as being for sale for USD $1999, as proved by one of the annexes attached to the Complaint. This conduct has been considered in previous cases as an additional evidence of bad faith due to Respondent's intention to unduly profit from Complainant´s rights. Please see WIPO Case No. D2016-0771 Facebook, Inc. vs. Domain Admin. Privacy Protection Service Inc. d/b/a Privacy Protection.org/ Ông Trần Huỳnh Lâm, where the Panel found that:

"It also submits that the Respondent's offer to transfer the disputed domain name in return for a payment of USD 100,000 is a "strong indication" of the Respondent's intention to unduly profit from the Complainant's rights and constitutes additional evidence of bad faith".

In the recent UDRP case number 101486, involving the disputed domain name <arla.site>, the Panel relevantly stated:

"the Panel entirely agrees with the submission of the Complainant that, as the Complainant tried to contact the Respondent on February 27, 2017 through a cease and desist letter and as the Respondent then asked for $800 to transfer the domain, this itself amounts to bad faith registration and use within the express provisions of paragraph 4(b) (i) of the Policy."

Complainant tried to contact Respondent on July 14, 2017, through a cease and desist letter. The letter was sent to the email address listed in the whois record and to the email address listed on the website associated with the disputed domain name. In the cease and desist letter, Complainant advised Respondent that the unauthorized use of its trademarks within the disputed domain name violated their trademark rights and Complainant requested a voluntary transfer of the disputed domain name. As no reply was received, email reminders were sent on June 21, 2017, and 25 July, 2017,. Respondent has disregarded such communications. It has been mentioned in earlier cases that the failure of a respondent to respond to a cease and desist letter, or a similar attempt at contact, has been considered relevant in a finding of bad faith, e.g., News Group Newspapers Limited and News Network Limited v. Momm Amed Ia, WIPO Case No. D2000-1623; Nike, Inc. v. Azumano Travel, WIPO Case No. D2000-1598; and America Online, Inc. v. Antonio R. Diaz, WIPO Case No. D2000-1460.

Since the efforts of trying to solve the matter amicably were unsuccessful, Complainant chose to file a complaint according to the UDRP process.

THE WEBSITE

As noted previously, the disputed domain name currently redirects to a rotating roster of suspicious websites which appear to be for the purpose of phishing.

In the current case it is clear that Respondent has registered the disputed domain name in bad faith by intentionally adopting Complainant's widely known mark in violation of Complainant's rights.

Here the active use of the disputed domain name in association with suspicous websites would lead to confusion as to the source, sponsorship of Respondent´s web site among the internet users who might believe that the landing pages resulting from the redirection from the disputed domain name are owned or in somehow associated with Complainant, and therefore legitimate rather than being a phishing scam.

Complainant has conducted a search to try to establish whether Respondent would have any rights in the name. This has been accomplished by a search on Google. Complainant cannot find that Respondent has any registered rights in the names

or has become known under the name.

Finally, Complainant's International registrations predate Respondent's domain name registration and the cease and desist letter remained unanswered. These cumulative factors clearly demonstrates that Respondent should be considered to have registered and to be using the domain name in bad faith as stated at the WIPO case No. D2016-0456 Amis Paris v. Amiparis, Amipa, where the Panel found out the following:

"Based on the evidence presented to the Panel, including the late registration of the disputed domain name which includes to the Complainant's marks, the confusing similarity between the Complainant's trademark and the disputed domain name, the Respondent's failure to reply to the cease-and-desist letter, the failure of the Respondent to respond to the Complaint and the Respondent's passive holding of the disputed domain name, the Panel draws the inference that on balance the disputed domain name has been registered and is being used in bad faith."

PATTERN OF CONDUCT

A pattern of conduct can involve multiple UDRP cases with similar fact situations or a single case where the respondent has registered multiple domain names which are similar to trademarks. Here, it has to be highlighted that the Respondent, using the oficial email address, has registered approx. 18,541 domain names including well-known brands such as <chevron.sale>, <coca-cola.sale>, <danone.sale> and <dunhill.club>. Such pattern of abusive conduct constitutes evidence of bad faith according to Paragraph (6) (ii) of the Policy and this behavior was declared as bad faith registration according to WIPO case No. D2015-1932 Bayer AG of Leverkusen v. huang cheng of Shanghai where the Panel stated that "The Respondent is engaged in registering domain names containing famous marks… This is evidence of a pattern in the misappropriation of well-known marks which cannot be regarded as registration and use in good faith". Further, in WIPO Case No DME2015-0010, Arla Foods amba v Ye Li involving the domain <arlafoods.me>, the Panel stated, "Further, the Panel considers it likely that the Respondent was aware of the Complainant's well-known and distinctive trademarks ARLA and ARLA FOODS at the time of registration of the disputed domain name. The Complainant's trademark ARLA is registered in China, which is the Respondent's place of residence, and the Complainant was conducting business in China under the trademarks when the Respondent registered the disputed domain name. The Panel therefore finds that the Respondent's registration of the disputed domain name was in bad faith".

Moreover, Respondent takes advantage of the NOVARTIS trademark by intentionally attempting to attract visitors to Respondent's website by creating a likelihood of confusion with Complainant's mark as to the source, sponsorship, affiliation, or endorsement of Respondent's website or location or a product or service on Respondent's website or location.

From Complainant's point of view, Respondent intentionally chose the domain name based on a registered and well-known trademark in order to only use it for non-legitimate purposes. The conduct of Respondent in registering domains incorporating other well-known trademarks demonstrates systematic bad faith behavior.

To summarize, the trademark NOVARTIS is a well-known mark worldwide, including in China where Respondent is located. Respondent bears no relationship to the trademarks and the disputed domain name has no other meaning except for referring to Complainant's business name and trademarks. There is no way in which the disputed domain name could be used legitimately by Respondent. Inference of bad faith registration and use of the domain name is also given by the fact that Respondent failed to reply to Complainant's cease and desist letter. Further, the domain name is being used to redirect to a rotating roster of suspicious websites. Finally, Respondent has shown a bad faith pattern of conduct through the registration of potentially dozens of domain names containing other well-known marks.
Consequently, Respondent should be considered to have registered and to be using the disputed domain name in bad faith.

PARTIES CONTENTIONS

NO ADMINISTRATIVELY COMPLIANT RESPONSE HAS BEEN FILED.

RIGHTS

The Complainant has, to the satisfaction of the Panel, shown 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.

On the basis of the Registrar's confirmation of August 17, 2017, that the language of the registration agreement for the disputed domain name "should be Chinese", the Panel has decided upon and has accepted Complainant's request that the language of proceeding be English. Complainant is a global company whose business language obviously is English. Respondent, in turn, owns a significant number of domain names with words in English which at least indicates that Respondent has command of the English language. Also, Respondent has been given a fair chance to object to Complainant's pre-procedural communication in English as well as to the Complaint filed in the English language on which Respondent, however, did not comment at all. Against this background, it would constitute an unfair disadvantage to Complainant would it be forced to translate the Complaint into Chinese and/or to find a need that this proceeding be led in total in the Chinese language.

PRINCIPAL REASONS FOR THE DECISION

The Panel finds that the disputed domain name <novartis.sale> is identical to Complainant's NOVARTIS trademark since the disputed domain name incorporates the latter in its entirety. The applicable new generic Top Level Domain .sale is a standard registration requirement and as such may be disregarded under the first element confusing similarity test.

Moreover, Complainant contends, and Respondent has not objected to these contentions, that Respondent so far has neither made use of, or demonstrable preparations to use, the disputed domain name in connection with a bona fide offering of goods or services, nor is Respondent making a legitimate noncommercial or fair use of the disputed domain name, nor is Respondent commonly known thereunder. Complainant has provided evidence that at some point before the filing of this Complaint the disputed domain name apparently redirected to a variety of third parties' commercial websites not specifically tailored to Complainant, but apparently not referring to any serious business of Respondent, either. The Panel, therefore, finds that Respondent's use of the disputed domain name is a pretext for commercial gain and is also misleading as to the source or sponsorship of Respondent's website. Accordingly, Respondent has no rights or legitimate interests in respect of the disputed domain name.

Finally, the Panel also concludes that the disputed domain name was registered and is being used in bad faith. Resolving the disputed domain name, which is identical to Complainant's "NOVARTIS" trademark, to third parties' commercial websites is a clear indication that the disputed domain name was registered and is used by Respondent intentionally to attract, for commercial gain, Internet users to said website, by creating a likelihood of confusion with Complainant's "NOVARTIS" trademark as to the source, sponsorship, affiliation or endorsement of Respondent's website. Such circumstances shall be evidence of registration and use of the disputed domain name in bad faith within the meaning of paragraph 4(b)(iv) of the Policy.

FOR ALL THE REASONS STATED ABOVE, THE COMPLAINT IS

Accepted

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

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

1. **NOVARTIS.SALE**: Transferred

PANELLISTS

Name	**Stephanie G. Hartung, LL.M.**

DATE OF PANEL DECISION 2017-09-12

Publish the Decision