Decision for dispute CAC-UDRP-101931

Case number	CAC-UDRP-101931
Time of filing	2018-03-26 15:10:57
Domain names	NUOHUA.INFO

Case administrator

Organization	Iveta Špiclová (Czech Arbitration Court) (Case admin)

Complainant

Organization	Novartis AG

Complainant representative

Organization	BrandIT GmbH

Respondent

Name	hui zhang

OTHER LEGAL PROCEEDINGS

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

IDENTIFICATION OF RIGHTS

Complainant is the owner of NOVARTIS well known trademark, registered at an international basis world-wide since decades, enjoying of the highest famousness both off-line and on-line as well, distinguishing the well-known global healthcare company.

In particular, Complainant is the owner of the following IP rights in China: TM: (Nuòhuá) Chinese reg. No. 1144779 Class: 05 Date of Registration: 21.01.1998, as well as the Local Website for NOVARTIS in the China: www.novartis.com.cn.

As per Google Translator pages provided by Complainant, "Nuòhuá" is the alphabetical version in pinyin - modern chinese language - of the characters, meaning "NOVARTIS".

Complainant successfully defended the NOVARTIS trademark in previous UDRP proceedings, before both WIPO: D2016-1688; D2016-0552; D2015-1989; D2015-1250 and Czech Arbitration Court: Cases CAC101727, CAC101653, CAC101652 and CAC101654.

FACTUAL BACKGROUND

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

i) LANGUAGE OF PROCEEDINGS

Complaint respectfully requests that the language of the proceeding should be English based on the following facts:

As described below in this complaint, the disputed domain name contains the trademark NOVARTIS in Pin Yin language, which is owned by the Complainant that is a global healthcare company based in Switzerland and whose company´s language is English. In fact, Complainant operates under the domain name <novartis.com> which content is displayed in English.

As it is shown in this Complaint, Respondent replied in Chinese to Complainant's cease and desist letter drafted in English and never mentioned that he did not understand the content of said letter. In fact, Respondent replied in Chinese to the Cease and Desist letter asking for an offer for the domain name which means that he perfectly understood the content of the letter written in English.

Respondent has chosen to register the domain name under the Top Level domain names ".info" which is a commercial TLD, and is applicable to a broader audience than merely China. 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.
Finally, the translating of the Complaint would cause unnecessary delay in this matter and the Complainant would be unfairly disadvantaged by being forced to translate as the translation would raise high costs basically because the Respondent understands the English language.

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 (please see, https://www.novartis.com). Novartis manufactures drugs such as clozapine (Clozaril), diclofenac (Voltaren), carbamazepine (Tegretol), valsartan (Diovan) and many others.

Complainant products are available in more than 180 countries and they reached nearly 1 billion people globally in 2015. About 123 000 people of 144 nationalities work at Novartis around the world.

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 (see the overview of the registered trademarks below). Complainant also owns the Chinese trademark registration for which are the Chinese characters of the term Nuòhuá (in pinyin) or NOVARTIS when translated into English.

Complainant has a strong presence in China where the Respondent is located. The below link connects customers to the official local sales and service locator and to the official websites of the Complainant:

- Global Website for NOVARTIS; https://www.novartis.com/

- Local Website for NOVARTIS in the China: see www.novartis.com.cn

For more information about the Complainant, please see the Complainant´s Annual report for 2016 available at:

https://www.novartis.com/

Overview of trademark registrations:
TM: (Nuòhuá)
Chinese reg. No. 1144779
Class: 05
Date of Registration: 21.01.1998

TM: NOVARTIS
Reg. No. International Registration (IR) IR666218
Classes: 41, 42
Date of Registration: 31.10.1996 (inc. China)

TM: NOVARTIS
Reg. No. IR663765
Classes: 01; 02; 03; 04; 05; 07; 08; 09; 10; 14; 16; 17; 20; 22; 28; 29; 30; 31; 32; 40; 42
Date of Registration: 01.07.1996 (inc. China)

TM: NOVARTIS
Reg. No. IR1155214
Classes: 41; 42
Date of Registration: 01.07.1996 (inc. China)

The marks NOVARTIS and are also registered in Hong Kong, inter alia, in classes 1, 5, 9, 29, 30, 31 & 32.

These 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 the Respondent offers its business. Complainant has previously successfully challenged several NOVARTIS domain names through UDRP processes see among others the following WIPO cases: D2016-1688; D2016-0552; D2015-1989; D2015-1250 and CAC Cases CAC101727, CAC101653, CAC101652 & CAC101654.

Please note that 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 the Respondent in June 2016, the trademark NOVARTIS was already well-known worldwide and directly connected to the 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 2, 1996), <novartis.net> (created on April 25, 1998), <novartis.com.cn> (created on August 20, 1999), <nuohuachina.com> and <nuohuachina.net>

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 IDENTICAL OR CONFUSINGLY SIMILAR

The domain name <nuohua.info> (hereinafter referred to as the “Domain Name”), which were registered on May 24, 2017, directly and entirely incorporates Complainant’s translation into Chinese characters of NOVARTIS.

As above explained, the translation of the Chinese characters (Nuòhuá in pinyin) means NOVARTIS in the English language. The addition of the generic Top-Level Domains (gTLD's) ".info" does not add any distinctiveness to the Domain Name. The Domain Name incorporates the trademark (Nuòhuá) or NOVARTIS coupled with the country name "China", which is closely connected to Novartis´ business in that country. 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 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".

In fact, Complainant uses at its Chinese website some references to the pinyin term Nuòhuá; in particular for sites that have content about the Novartis brand in the Chinese language; i.e. the domains and/or links which cannot be in Chinese characters refer to Nuòhuá.

In addition, evidence of use can be found at the bottom of the website https://urldefense.proofpoint.com/.

Confirmation of use of the Chinese character is attached with the Complaint.

In previous cases, it has been established that confusing similarity covers both phonetic similarities and similarities in meaning, please see for instance WIPO CASE No. D2014-0870 Happy Pancake AB v. Registration Private, Domains By Proxy, LLC / Fredrik Johansson as well as WIPO CASE No. D2016-0260 E. Remy Martin & C vs XiaLong Zhang regarding the domain name <luyishisan.com> where the Panel found out the following:

„The Domain Name (absent the ".com" generic TLD identifier, which may be ignored for this purpose) comprises the word "luyishisan" which is substantially identical phonetically to "", which in turn is a translation of "Louis XIII". The Panel is satisfied on the evidence before him that phonetically the Domain Name will identify the Complainant's Louis XIII brand of Cognac, which is widely sold in China and the Far East."

In the CAC case No. 101727 Novartis AG vs. Chun Lian Luo regarding the domain names <nuohuachina.com> and <nuohuachina.net> the Panel found out the following:

"First, the Complainant submits that the disputed domain names incorporate the translation of NOVARTIS into Chinese characteristics, , and that they are recognized in pinyin as Nuohua which means NOVARTIS in English. The Panel accepts that the domain names would be seen in that way by a significant proportion of internet users who are likely to have occasion to see the domain names and to consider what they mean. They would therefore conclude that they were looking at two domain names relate to NOVARTIS, in other words to the Complainant".

The following should apply in the current case and the Domain Name should be considered identical to the trademark (Nuòhuá) and/or NOVARTIS.

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

Complainant has not found that Respondent is commonly known by the Domain Name or that it has interest over the Domain Names or the major part of it. The WHOIS information for the Domain Name «Hui Zhang » is the only evidence in the WHOIS record, which relates Respondent to the Domain Name. When entering the Chinese characters (Nuòhuá in pinying) in the Google search engine, the returned results point to Complainant and its business activity. Likewise, when entering the Chinese characters (Nuòhuá in pinying) in Baidu (most common search Engine used in China), the results relate to Complainant. The Respondent could easily perform a similar search before registering the Domain Name and would have quickly learnt that the trademarks are owned by Complainant and that the 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 Domain Name shown that it 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 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 terms “” & “NOVARTIS” in China and worldwide and that the intention of the Domain Name is to take advantage of an association with the business of Complainant.

THE WEBSITE

At the time of preparing the Complaint, the Domain Name was not active. The Respondent has made no claims to either having any relevant prior rights of its own, or to having become commonly known by the Domain Name. Clearly, the Respondent is not known by the Domain Name, nor does the Respondent claim to have made legitimate, non-commercial use of the Domain Name. Moreover, Complainant had never authorized the Respondent to use its trademark in any form.

Relevantly in the WIPO case No. D2016-0253 Aldi GmbH & Co. KG Aldi Store Limited v. Greg Saunderson, the Panel found:

“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.”

It is important to mention that the Domain Name used to show an adult content website before the Cease and Desist letter was sent. In fact, after sending the Cease and Desist letter, the Respondent decided to delete the content and this is the main reason why the Domain Name does not show content anymore.

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

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

THE DOMAIN NAME WAS REGISTERED IN BAD FAITH

It has to be highlighted that Complainant’s trademarks predate the registration of the Domain Name, moreover, the active business presence of the Complainant in China market in the last years shows that it seems to be unlikely that the Respondent was not aware of the unlawful registration of the Domain Name.

THE DOMAIN NAME IS BEING USED IN BAD FAITH

In the recent case No. 2016-1747 Valentino S.p.A. v Qui Yufeng, Li Lianye involving 14 “Valentino” related Domains, the panel relevantly stated:

“The use by a respondent of a Domain name which includes a well-known trade mark to resolve to a website which offers and sells counterfeit products under that trade mark is evidence of bad faith registration and use (see Valentino S.p.A v hong chen, chen hong, WIPO Case No. 2014-2129).”

Complainant tried to contact Respondent on January 15, 2018 through a cease and desist letter. The letter was sent to the e-mail address listed on the who is record associated with the Domain Name. In the Cease and Desist letter, Complainant advised Respondent that the unauthorized use of its trademarks within the Domain Name violated their trademark rights and Complainant requested a voluntary transfer of the Domain Name. On the January 17, 2018, Respondent replied in Chinese as follows:

Using Google translator;

„I do not constitute infringement, please quote for transfer”

On the same day, Complainant replied to Respondent indicating that the use of adult content on the website is an additional bad faith element in terms of the current UDRP Case Law. Such use is very likely to result in tarnishing Complainant trademark NOVARTIS or NUOHUA.

On January 22, 2018 Complainant sent a reminder and on January 26, 2018 Complainant asked Respondent how much money was expecting for the transfer.

On February 5, 2018, Respondent replied in Chinese as follows:

“”

“Okay, you bid”

On the same day, Complainant replied Respondent that the domain name <nuohua.info> refers to Complainant well known rights NOVARTIS and, therefore, Complainant offered to cover the documented out-of-pocket expenses directly related to the registration of the domain; aprox. between 10 – 20USD depending on the Registrar’s invoice that Respondent would send for our review.

As a reply, on February 6, 2018 Respondent replied the following:

100

Using Google translator:

“I want to sell one million U.S. dollars”

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 Domain Name currently does not resolve to an active website. Some Panels have found that the concept of passive holding may apply even in the event of sporadic use, or of the mere “parking” by a third party of a domain name. See as an example WIPO Overview 3.0, paragraph 3.3.

In the WIPO Case No. D2000-0003 Telstra Corporation Limited v. Nuclear Marshmellows the Panel established that the registration and passive holding of a domain name which has no other legitimate use and clearly references Complainant's trademark may constitute registration and use in bad faith. In the current case it is clear that Respondent has registered the Domain Name in bad faith by intentionally adopting Complainant’s widely known mark in violation of Complainant’s rights.

Further, the inaction in relation to a domain name registration can also constitute a domain name being used in bad faith and any attempt to actively use the Domain Name would lead to confusion as to the source, sponsorship of the Respondent´s website among the internet users who might believe that the web site is owned or in somehow associated with the Complainant.

In addition, Complainant’s International and Chinese trademark registrations predate Respondent’s Domain Name

registration and the cease and desist letter was answered with an offer to get money from the domain. These cumulative factors clearly demonstrate 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."

As previously indicated, before the Cease and Desist Letter was sent the Domain Name used to show an adult content website. In the WIPO Overview 3.0, section 3.12, it is stated the following:

Noting that noncommercial fair use without intent to tarnish a complainant's mark is a defense under the second element, using a domain name to tarnish a complainant's mark (e.g. by posting false or defamatory content, including for commercial purposes) may constitute evidence of a respondent's bad faith.

In this regard, in the WIPO decision D2017-1901 The Guardian Life Insurance Company of America vs. Hochan Liu / Luther Fleming it was found that the use of adult-content website is very likely to result in tarnishing the trademark and the Complainant and therefore the domain name should have been registered and 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 official e-mail address, has registered approx. 1002 domain names including some domain names related to Chinese companies such as <saide.info>, <Yutong.info> and <niuli.info>. 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".

To summarize, the trademark is (Nuòhuá in pinyin) or NOVARTIS a well-known mark in China where the Respondent is located. Respondent bears no relationship to the trademarks and the Domain Name has no other meaning except for referring to Complainant's business name and trademarks. There is no way in which the Domain Name could be used legitimately by the Respondent. Inference of bad faith registration and use of the Domain Name is also given by the fact that the Respondent replied to the Complainant's cease and desist letter requesting a high price for the Domain Name. Finally the Respondent has registered domain names using brands of third parties and the Domain Name is being passively held, an additional element of bad faith in accordance with the applicable cases described at this Complaint.

Consequently, the Respondent should be considered to have registered and to be using the 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.

PRINCIPAL REASONS FOR THE DECISION

The present dispute falls within the clear-cut cases of Cybersquatting, gathering all the necessary conditions to establish that the disputed domain name have been chosen and detained or used: (i) beyond (without) any legitimate interest; and (ii) in bad faith.

NOVARTIS undisputably being a well know brand, Respondent registered a domain name corresponding to the pinyin trasliteration of the NOVARTIS word, NOUHUA, which formed the object of an earlier trademark registration filed by Complainant in the Chinese territory.

The Panel therefore agrees English being the language of the procedure, also on the basis of: (i) lack of response by Respondent; (ii) attempts made by Respondent to sell the domain name for one million dollar, in reply of repeated cease and desist letters sent in English by Complainant.

FOR ALL THE REASONS STATED ABOVE, THE COMPLAINT IS

Accepted

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

1. **NUOHUA.INFO**: Transferred

PANELLISTS

Name	**Roberto Manno**

DATE OF PANEL DECISION 2018-05-21

Publish the Decision