Decision for dispute CAC-UDRP-102926

Case number	CAC-UDRP-102926
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Domain names	novartis.luxe

Case administrator

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

Complainant

Organization	Novartis AG

Complainant representative

Organization	BRANDIT GmbH

Respondent

Name	Jun Chen

OTHER LEGAL PROCEEDINGS

The Panel is not aware of any other legal proceedings pending or decided which relate to the disputed domain name.

IDENTIFICATION OF RIGHTS

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

The Complainant's products are sold in about 155 countries and they reached nearly 800 million people globally in 2018. About 125 000 people of 145 nationalities work at Novartis around the world.

The Complainant has a strong presence in China where the Respondent is located.

The 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. These trademark registrations predate the registration of the Disputed Domain Name.

Trademark registration in China

Trademark: NOVARTIS
Reg. no: 663765
First use in commerce: 1996

In the WIPO 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”.

The Complainant has registered a number of domain names containing the term “NOVARTIS”, for example, <novartis.com> (created on April 2, 1996) and <novartis.net> (created on April 25, 1998). The 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.

Due to extensive use, advertising and revenue associated with its trademarks worldwide, the Complainant enjoys a high degree of renown around the world, including in China, where the Respondent is located. The 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).

FACTUAL BACKGROUND

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

LEGAL GROUNDS:

A. THE DISPUTED DOMAIN NAME IS IDENTICAL OR CONFUSINGLY SIMILAR

The domain name <novartis.luxe> (hereinafter referred to as the “Disputed Domain Name”), which was registered on 22 November 2019 according to the Registrar Verification, incorporates the Complainant’s well-known, distinctive trademark NOVARTIS in its entirety, which is closely related to the Complainant and its business activities. The addition of the gTLD “.luxe” does not add any distinctiveness to the Disputed Domain Name. 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”.

The same reasoning should apply in the current case and the Disputed Domain Name should be considered as identical to the trademark NOVARTIS.

B. RESPONDENT HAS NO RIGHTS OR LEGITIMATE INTEREST IN RESPECT OF THE DISPUTED DOMAIN NAME

The Complainant has never granted the Respondent any right to use the NOVARTIS trademark within the Disputed Domain Name, nor is the Respondent affiliated to the Complainant in any form.

The Complainant has not found that the 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. When entering the term “Novartis” in the Google and Baidu (the leading search engine in China) search engines, the returned results all point to the Complainant and its business activities. The Respondent could have easily performed a similar search before registering the Disputed Domain Name and would have quickly learnt that the trademarks are owned by the Complainant and that the Complainant has been using its

trademarks in China. However, the Respondent still chose to register the Disputed Domain Name as such.

By the time the Complainant prepared this Complaint on 17 February 2020, the Disputed Domain Name did not resolve to any active website. The Respondent was not using the Disputed Domain Name to offer any goods or services.

The Complainant has tried to reach the Respondent by a cease-and-desist letter sent on 19 December 2019, and as the registrant was under privacy shield according to the WHOIS, sent the communication via online contact form www.west.cn and via the Registrar's e-mail westabuse@gmail.com requesting the latter to forward the message to the Respondent. The Registrar did as requested.

On 20 December 2020 the Complainant received a response from the Respondent's agent "William Shen" using the e-mail "thgirb <thgirbx@163.com>". In this response, the Respondent/Agent did not provide any valid reason as why they registered the Disptued Domain Name, but only offered to sell the Disputed Domain Name to the Complainant "at a low price (close to or lower than expense of UDRP process)":

"I understand that this is in conflict with your client company's trademark. …, and I respect all the rights that your client shall enjoy according to the trademark they own. I am sending this message to check with you team regarding the possibility of making a settlement for this domain instead of going to UDRP process. …

As far as I know, the domain owner of novartis.luxe might be willing to transfer this domain to you, at a low price (close to or lower than expense of UDRP process). Arrangement of direct settlement can save you both the expense of UDRP process and your great effort in preparing those long complaint files."

The Complainant replied on the same day offering compensation of "out-of-pocket expense". However, the Respondent/Agent replied also on the same day, rejecting the offer by proposing a fee which included:

"1. My client's original expense to register this domain;

2. Cooperation/commitment of my client, to transfer this domain to you, and leave novartis trademark alone permanently(can provide paperwork with signature);

3. My service charge as an English speaking middle man to facilitate this case. Actually at beginning the owner of domain was thinking to sell it at something 50K-100K, and I'm the one who let him understand more details about trademark violation and UDRP, I took time to bring their expectation from sky to the ground. Moreover, these domain squatters in China mostly doesn't speak English, if there weren't someone like me,…"

From the response, it is clear that the Respondent/Agent was aware of the Complainant's trademark NOVARTIS and its prior rights, and the primary purpose of registering the Disputed Domain Name was offering it for sale "at something 50K-100K" (EUR). Moreover, by offering a price "close to or lower than expense of UDRP process", the Respondent/Agent was also well aware of the UDRP and tried to sell the Disputed Domain Name assuming that the Complainant would choose the "less expensive" option. In fact, the Agent even called the Respondent "domain squatter", which clearly indicated that both the Agent and the Respondent were conscious about their conduct of cyber-squatting.

From the Complainant's point of view, the Respondent's only intention of use of the Disputed Domain Name was to sell it for commercial gain by benefiting from the renown of the Complainant's trademark NOVARTIS.

There is no evidence showing that the Respondent is using the Disputed Domain Name in connection with a bona fide offering of goods or services, neither is it making a legitimate, non-commercial or fair use of the Disputed Domain Name.

Taking into account of the above, the Respondent shall be considered as having no right nor legitimate interest in respect of the Disputed Domain Name.

C. THE DISPUTED DOMAIN NAME WAS REGISTERED AND IS BEING USED IN BAD FAITH

i. THE DISPUTED DOMAIN NAME WAS REGISTERED IN BAD FAITH

It should be highlighted that the registration of the Complainant's trademarks predates the registration of the Disputed Domain Name and the Respondent has never been authorized by the Complainant to register the Disputed Domain Name. It is inconceivable that the incorporation of the well-known, distinctive trademark NOVARTIS in the Disputed Domain Name is not a deliberate and calculated attempt to improperly benefit from the Complainant's rights.

Additionally, considering the fact that:

• The Respondent very likely knows about the Complainant and its trademark;
• The Complainant's trademark NOVARTIS is a distinctive, well-known trademark worldwide and in China where the Respondent resides; and
• The Respondent has failed in presenting a credible evidence-backed rationale for registering the Disputed Domain Name.

The Disputed Domain Name shall be deemed as registered in bad faith, which is supported by WIPO Overview 3.0, para. 3.1.1.:

"If on the other hand circumstances indicate that the respondent's intent in registering the disputed domain name was in fact to profit in some fashion from or otherwise exploit the complainant's trademark, panels will find bad faith on the part of the respondent. While panel assessment remains fact-specific, generally speaking such circumstances, alone or together, include: (i) the respondent's likely knowledge of the complainant's rights, (ii) the distinctiveness of the complainant's mark, … (vii) failure of a respondent to present a credible evidence-backed rationale for registering the domain name,…"

and para.3.1.4:

"Panels have consistently found that the mere registration of a domain name that is identical or confusingly similar (particularly domain names comprising typos or incorporating the mark plus a descriptive term) to a famous or widely-known trademark by an unaffiliated entity can by itself create a presumption of bad faith."

ii. THE DISPUTED DOMAIN NAME IS BEING USED IN BAD FAITH

Firstly, as provided in the previous paragraphs, the communication between the parties showed that the Respondent has registered or acquired the Disputed Domain Name "primarily for the purpose of selling, renting, or otherwise transferring the domain name to the complainant who is the owner of the trademark or service mark …, for valuable consideration in excess of the respondent's documented out-of-pocket costs directly related to the domain name", which is a clear indication of bad faith.

Secondly, also as noted in the previous paragraphs, the Disputed Domain Name did not resolve to any active website. The Respondent has been passively holding the Disputed Domain Name.

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 refers to the Complainant's trademark may constitute registration and use in bad faith.

The finding of bad faith is also supported by previous WIPO case n. D2017-0246 "Dr. Martens" International Trading GmbH and "Dr. Maertens" Marketing GmbH v. Godaddy.com, Inc., where the panel stated that:

"The Domain Name was not resolving to an active website at the time of filing. However, the consensus view amongst WIPO

panellists is that 'the apparent lack of so-called active use (e.g., to resolve to a website) of the domain name without any active attempt to sell or to contact the trade mark holder (passive holding), does not as such prevent a finding of bad faith. The panel must examine all the circumstances of the case to determine whether the respondent is acting in bad faith. Examples of what may be cumulative circumstances found to be indicative of bad faith include the complainant having a well-known trade mark, no response to the complaint having been filed, and the registrant's concealment of its identity'."

Thirdly, according to the Registrar Verification, the Respondent has provided its address as "" or "Zhong Hua Ren Min Gong He Guo" while its WHOIS was under privacy shield. However, this term only means "People's Republic of China" according to the Google translate tool, which is not a valid address. In this regard, the finding of bad faith was supported by WIPO Overview 3.0 sec. 3.6, para. 4:

"Panels additionally view the provision of false contact information (or an additional privacy or proxy service) underlying a privacy or proxy service as an indication of bad faith."

Considering that:

1. the Complainant's trademark is a well-known, distinctive mark worldwide, including in China where the Respondent is located. The Respondent very likely knew about the Complainant's prior rights when registered the Disputed Domain Name;
2. the Respondent was trying to sell the Disputed Domain Name to the Complainant for valuable consideration in excess of the Respondent's documented out-of-pocket costs directly related to the Disputed Domain Name;
3. the Respondent has been passively holding the Disputed Domain Name; and
4. the Respondent has been using privacy shield to conceal its identity and it has provided false contact information.

The Complainant therefore concludes that the Respondent has registered and has been using the Disputed Domain Name in bad faith.

SUMMARY

1) The trademark NOVARTIS is a well-known, distinctive mark worldwide, including in China where the Respondent is located. Its registration predates the registration of the Disputed Domain Name;
2) The Respondent bears no relationship to the trademarks or to the Complainant; it is not commonly known by the Disputed Domain Name nor that it has legitimate interest over the Disputed Domain Name or the major part of it;
3) The Respondent was trying to sell the Disputed Domain Name to the Complainant for valuable consideration in excess of the Respondent's documented out-of-pocket costs directly related to the Disputed Domain Name;
4) The Respondent has been passively holding the Disputed Domain Name; and
5) The Respondent is using privacy shield and has provided false contact information to conceal its identity.

In the light of the above reasons, it should be concluded that the Respondent has no legitimate interest in the Disputed Domain Name, and that the Disputed Domain Name has been registered and used 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).

It is well established that the specific top level of a domain name such as ".com", ".org" or in casu ".luxe" does not affect the domain name for the purpose of determining whether it is identical or confusingly similar. The Disputed Domain Name is therefore identical to the well-known NOVARTIS trademark of the Complainant.

NO RIGHTS OR LEGITIMATE INTERESTS

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).

The Complainant contends that the Respondent is not affiliated with him nor authorized by him in any way to use his trademarks in a domain name or on a website. The Complainant does not carry out any activity for, nor has any business with the Respondent.

The Respondent has not filed a response or in any other way proven or pointed to any possible legitimate interest in the Disputed Domain Name. Even more so the agent of the Respondent has himself described the Respondent as a “domain squatter”.

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).

Given the distinctiveness and well-known character of the NOVARTIS trademark, it is clear that the Respondent has registered the Disputed Domain Name with knowledge of the Complainant and its trademark. Given the circumstances of the case, including the provided information of the use and reputation of the Complainant’s trademark NOVARTIS and the distinctive nature of this mark, it is inconceivable to the Panel in the current circumstances that the Respondent registered the Disputed Domain Name without prior knowledge of the Complainant and the Complainant’s mark.

The Panel therefore finds that the Disputed Domain Name was registered in bad faith.

In addition, the Disputed Domain Name is not used for any bona fide offerings.

All the elements and evidence presented by the Complainant surrounding the actual nonuse of the Disputed Domain Name and the correspondence between the Complainant and the agent of the Respondent lead to the conclusion that the Respondent has registered the Disputed Domain Name in an intentional attempt to sell the Disputed Domain Name to the Complainant for valuable consideration in excess of the Respondent’s documented out-of-pocket costs directly related to the Disputed Domain Name.

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.

This Panel grants the Complainants requests that the language of the proceeding should be English based on the following facts which show that the Respondent obviously understands English so as to avoid any potential unfairness or unwarranted delay in ordering the Complainant to translate the Complaint.

The Respondent wrote to its Agent (hereafter “Agent”) in English: “Hi William, as discussed please follow up on this case on my behalf. Thanks.” Although the Agent repetitively mentioned that the Respondent was “not very good in English”, such phrase was correctly written and the language that it used was fluent and proficient.

The Agent should be able to speak Chinese as it mentioned in its e-mail that it is a “domain agent that locates in Shanghai, China”. Plus, the Complainant has found that the Agent communicates to internet users in both English and in Chinese by searching for its e-mail thgirbx@163.com. If as the Agent claimed, the Respondent was “not very good in English”, and as the Respondent is a Chinese individual, the Respondent would have communicated with the Agent in Chinese instead of in English.

The Respondent chose to register the Disputed Domain Name under the gTLD “.luxe” which is a dictionary word in English.

PRINCIPAL REASONS FOR THE DECISION

1.
The three essential issues under the paragraph 4(a) of the Policy are whether:

i. the domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; and

ii. the respondent has no rights or legitimate interests with respect to the domain name; and

iii. the domain name has been registered and is being used in bad faith.

2.
The Panel reviewed carefully all documents provided by the Complainant. The Respondent did not provide the Panel with any documents or statements. The Panel also visited all available websites and public information concerning the Disputed Domain Name, namely the WHOIS databases.

3.
The UDRP Rules clearly say in its Article 3 that any person or entity may initiate an administrative proceeding by submitting a complaint in accordance with the Policy and these Rules.

4.
The Panel therefore came to the following conclusions:

a) The Complainant states and proves that the Disputed Domain Name is confusingly similar to its trademarks and its domain names. Indeed, the trademark is fully incorporated in the Disputed Domain Name which is identical to the trademark.

The Disputed Domain Name is therefore deemed identical.

b) The Respondent is not generally known by the Disputed Domain Name and have not acquired any trademark or service mark rights in the name or mark, nor is there any authorization for the Respondent by the Complainant to use or register the Disputed Domain Name.

The Panel therefore finds that the Respondent does not have rights or legitimate interest with respect to the Disputed Domain Name.

c) It is clear that the Complainant's trademarks and website(s) were used by the Complainant long time before the Disputed Domain Name was registered and that the Disputed Domain Name was registered in bad faith. It is concluded that it is inconceivable that the Respondent will be able to make any good faith use of the Disputed Domain Name.

The Panel therefore finds that the Disputed Domain Name has been registered and is being used in bad faith.

For the reasons stated above, it is the decision of this Panel that the Complainant has satisfied all three elements of paragraph 4(a) of the Policy.

FOR ALL THE REASONS STATED ABOVE, THE COMPLAINT IS

Accepted

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

1. **NOVARTIS.LUXE**: Transferred

PANELLISTS

Name	**Lars Karnoe**

DATE OF PANEL DECISION 2020-04-01

Publish the Decision