Decision for dispute CAC-UDRP-103545

Case number	CAC-UDRP-103545
Time of filing	2021-03-02 09:28:12
Domain names	jsksb.net

Case administrator

Organization	Denisa Bilík (CAC) (Case admin)

Complainant

Organization	KSB SE & Co. KGaA

Complainant representative

Organization	Convey srl

Respondent

Name	Cong Quan Zhu

OTHER LEGAL PROCEEDINGS

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

IDENTIFICATION OF RIGHTS

The Complainant is the owner of the KSB trademark since 1980, including but not limited to the followings:

• INT. TM n° 452821, Cl. 35, 37, 42 designating also China;
• INT. TM n° 662585, Cl. 06, 07, 09, 11, 37, 41, 42 designating also China;
• INT. TM n° 809284, Cl. 06, 07, 09, 11, 37, 41, 42;
• INT. TM n° 407021, Cl. 06, 07, 11, 17 designating also China;
• INT. TM n° 1466266, Cl. 37, 38, 41, 42 designating also China;
• INT. TM n° 1463039, Cl. 37, 38, 41, 42 designating also China;
• INT. TM n° 679050, Cl. 06, 07, 09, 11, 37, 41, 42 designating also China.

Furthermore, the Complainant is also the owner of various domain names including <ksb.com>, <ksb.cn> and <ksb.com.cn>.

FACTUAL BACKGROUND

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

The Complainant is a German company founded in 1971 by the three founders namely Johannes Klein, Friedrich Schanzlin and Jakob Becker, and KSB is the acronym of the founders' surnames. It is a leading supplier of pumps, valves and related systems for building services, industry and water transport, waste-water treatment and power plant processes.

The Complainant is the owner of the KSB trademark since 1980.

The Complainant has a presence on all continents with its own sales and marketing organizations, manufacturing facilities and service operations. With sales revenue running over 2 billion euros in 2019, the Complainant is one of the leading suppliers of pumps, valves and related service worldwide. Nowadays the Complainant employs more than 15,000 people with 190 service centers and around 3,500 service specialists. Its main manufacturing facilities are located in Germany and France, Europe is the main market. The second-largest market is the Region Asia / Pacific, followed by the Region Americas and the Region Middle East / Africa. Outside Europe, the Complainant’s biggest production sites are in Brazil, China, India and the USA.

The Complainant also highlights that it has become one of the most important suppliers of technically advanced pumps, valves and services in China where, since 1994, and has set up seven company branches, employed about 900 professional staff and established more than thirty service centres.

The Registration Date of the disputed domain name is December 6, 2019.

PARTIES CONTENTIONS

PARTIES' CONTENTIONS:

COMPLAINANT:

The Complainant is the owner of the KSB trademark since 1980 and has global operation including China.

A. The disputed domain name is identical or confusingly similar to a trademark or service mark in which the Complainant has rights;

The combination of the trademark KSB with the term “js” (the acronym of the Jiangsu province in China) in the disputed domain name improperly suggests to consumers that the disputed domain name and corresponding website might be operated by the Complainant or with the Complainant’s authorization in China and specifically in Jiangsu.

B. The Respondent has no rights or legitimate interests in respect of the disputed domain name;

The Respondent is not a licensee or authorized dealer of the Complainant nor has been authorized by the Complainant to use the trademark KSB in the disputed domain name or in any other manner. The use of the disputed domain name suggests that the Respondent intends to trade upon the Complainant’s trademarks by intentionally attempting to attract to its website users looking for the Complainant and its products, by misleading them as to the source or affiliation of its website.

The Respondent has not provided the Complainant with any evidence of its use of, or demonstrable preparations to use, the disputed domain name in connection with a bona fide offering of goods or services before any notice of the dispute.

It is apparent that the Respondent's use can be considered neither a bona fide offering of goods or services nor a legitimate non-commercial or fair use of the disputed domain name.

The Respondent is exploiting the fame and the notoriety of the Complainant, using the trademark KSB both in the disputed domain name and on the header of the corresponding website, before his business name, with an aim to create an ambiguous link between his business and the Complainant in the eyes of customers resolving on the website at issue.

Moreover, Respondent’s conduct does not encounter the requirements that determine a bona fide offering of goods, as highlighted in the Oki Data Decision,

C. The disputed domain name was registered and is being used in bad faith.

In light of the intensive use of the trademark KSB since many years in the sector of pumps, valves and related service worldwide, including in China, where the Respondent appears to be based, the Respondent could not have possibly ignored the existence of the Complainant’s trademark, confusingly similar to the disputed domain name.

The Complainant has been using the trademark KSB in China since 1994 when KSB Shanghai Pump Co., Ltd. was established as a joint venture between Shanghai Electric Group and KSB Group. Nowadays, the Complainant has 7 branches and 6 commercial offices.

Considering the trademark’s distinctiveness and well-known character, due to the use of the trademark also in China, it is not conceivable that the Respondent would not have had actual notice of the Complainant’s trademark rights at the time of the registration of the disputed domain name in 2019. Therefore, it is hard to credit that the Respondent had no knowledge of the Complainant's trademark in its own name and no intention of diverting Internet users interested in the well-known Complainant's products.

With reference to the use in bad faith, the disputed domain name is redirected to a website where Respondent’s products in competition with the Complainant are offered for sale. Such use of the disputed domain name demonstrates that the sole purpose of the Respondent has always been disrupting the Complainant's normal business in China and creating confusion with the Complainant’s name or mark so as to mislead the public.

The Respondent has registered the disputed domain name and allowed it to be used for the purpose of operating a website selling goods in a way which disrupts the business of the Complainant. By using the disputed domain name in the manner described above, the Respondent intentionally attempted to attract, for commercial gain, Internet users to go to the website to which the disputed domain name resolves, by creating a likelihood of confusion with the Complainant’s mark as to the source, sponsorship, affiliation, or endorsement of the website or products on the website.

As an additional circumstance demonstrating the bad faith, the Complainant points out that, as anticipated, the Respondent has not answered to the cease and desist letter sent by the Legal Representative and also this circumstance amounts to bad faith registration and use of the disputed domain name.

RESPONDENT:

The Respondent provided a 2-paragraph response in Chinese which could be translated to the below:

The disputed domain name is the acronym of the company name, jsksb (Jiangsu KaiShiBi) which is not related to the Complainant. The main business of the company are explosion-proof pneumatic ball valve, explosion-proof pneumatic butterfly valve, explosion-proof electric ball valve and explosion-proof electric butterfly valve

The Complainant is KSB SE&Co. KGaA which is a leading supplier of construction service, industrial and water transportation, wastewater treatment and power plant processes. All these are not related to our products and there is no conflict of interest.

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).

First, the Complainant claims rights in the KSB mark through its trademark registrations. By virtue of its trademark registrations, Complainant has proved that it has rights in the mark under paragraph 4(a) of the Policy. See Avast Software s.

r. o. v Milen Radumilo, 102384, (CAC 2019-03-12).

Second, the Complainant claims that the combination of the trademark KSB and “js”, the acronym of the geographical term Jiangsu (a province in China), in the disputed domain name improperly suggests to consumers that the disputed domain name and corresponding website might be operated by the Complainant or with the Complainant’s authorization in China and specifically in Jiangsu.

The Panel accepts that the prominent part of the disputed domain name is confusingly similar to Complainant's trademark KSB, and the geographical term "js" does not reduce the similarity. In addition, the “.net” generic top-level domain (“gTLD”) is irrelevant when establishing whether or not a mark is identical or confusingly similar for the purposes of paragraph 4(a)(i) of the Policy.

For the foregoing reasons, the Panel finds the Complainant has satisfied 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). More specifically, the Complainant must first make a prima facie case that the Respondent lacks rights and legitimate interests in the disputed domain name, and the burden of prove then shifts to the Respondent to show it does have rights or legitimate interests. See PepsiCo, Inc. v Smith power production, 102378, (CAC 2019-03-08) ("The Panel finds that the Complainant has made out a prima facie case that arises from the considerations above. All of these matters go to make out the prima facie case against the Respondent. As the Respondent has not filed a Response or attempted by any other means to rebut the prima facie case against it, the Panel finds that the Respondent has no rights or legitimate interests in the disputed domain name.").

First, the Complainant claims that the Respondent is not a licensee or authorized dealer of the Complainant nor has been authorized by the Complainant to use the trademark KSB in the disputed domain name or in any other manner. The use of the disputed domain name suggests that the Respondent intends to trade upon the Complainant’s trademarks by intentionally attempting to attract to its website users looking for the Complainant and its products, by misleading them as to the source or affiliation of its website.

Moreover, the Respondent’s conduct does not encounter the requirements that determine a bona fide offering of goods via "Oki Data test'.

In light of the Oki Data test, the Complainant must successfully prove that the Respondent fails to meet any of the following conditions:

(i) the respondent must actually be offering the goods or services at issue;
(ii) the respondent must use the site to sell only the trademarked goods or services;
(iii) the site must accurately and prominently disclose the registrant’s relationship with the trademark holder; and
(iv) the respondent must not try to “corner the market” in domain names that reflect the trademark.

In this case, it appears that the Respondent is not offering Complainant's KSB trademarked. Instead, the Respondent's website is selling the goods that compete with the Complainant. On this basis, the Panel is of the view that the Oki Data test does not apply to the present case. However, the Respondent offers and attempts to sell the products of Complainant’s competitors, which directly compete with Complainant’s own offerings. Past Panels have consistently held that selling competing goods, coupled with the unauthorized use of a complainant’s trademarks in a confusingly similar domain name, does not qualify as a bona fide offering of goods or services under paragraph 4(c)(iii) of the Policy, see ANDREY TERNOVSKIY v. Alexander Ochkin, 101477 (CAC 2017-05-16).

The Panel finds that the Complainant has established a prima facie case that the Respondent has no rights or legitimate interests in the disputed domain name. The burden of proof has been shifted to the Respondent to prove that it has right or legitimate interests to the disputed domain name.

The Respondent rebuts that its business and products are different from the Complainant, so there is no conflict of interests. Having reviewed the products shown on the websites of the both parties, the Panel finds that Respondent is selling valves and related systems and parts which compete directly with the Complainant. Using Complainant's mark to attract users to a competing site would not support a claim to rights or legitimate interests, see paragraph 2.5.3. of the WIPO Overview 3.0 ("Notably in this regard, commercial gain may include the respondent gaining or seeking reputational and/or bargaining advantage, even where such advantage may not be readily quantified...Similarly, a respondent's use of a complainant's mark to redirect users (e.g., to a competing site) would not support a claim to rights or legitimate interests.").

For the foregoing reasons, the Panel finds the Complainant has satisfied 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).

The Complainant reiterates that the trademark KSB has been used intesively for many years in the sector of pumps, valves and related service worldwide, including in China, where the Respondent appears to be based, the Respondent could not have possibly ignored the existence of the Complainant's trademark, confusingly similar to the disputed domain name. In China, the Complainant has been using the trademark KSB since 1994 and currently has 7 branches and 6 commercial offices. Considering the trademark's distinctiveness and well-known character, due to the use of the trademark also in China, it is not conceivable that the Respondent would not have had actual notice of the Complainant's trademark rights at the time of the registration of the disputed domain name in 2019. Having considered Complainant's prior use of the KSB trademark in China where the Respondent domiciles and the potential competition in the same industry, the Panel agrees that the disputed domain name has been registered in bad faith.

The Complainant further contends that the Respondent sells its products via the website resolved by the disputed domain name and the products competes directly with the Complainant. Such use of the disputed domain name demonstrates that the sole purpose of the Respondent has always been disrupting the Complainant's normal business in China and creating confusion with the Complainant's name or mark so as to mislead the public.

Pursuant to paragraph 4(b)(iv) of the Policy which provides that "by 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." Despite the Respondent argues that its business and products are different from the Complainant's, it is obvious to the Panel that both parties are certainly competing each other and the look-alike disputed domain name further evinces the use of the domain name is in bad faith, see ARCELORMITTAL (SA) v. acero, 102399 (CAC 2019-04-22). On this basis, the Panel is satisfied the use of the disputed domain name is in bad faith.

For the foregoing reasons, the Panel finds the Complainant has satisfied 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.

PRELIMINARY FINDINGS - LANGUAGE OF PROCEEDING:

The Panel notes that the language of the Registration Agreement is Chinese as confirmed by the Registrar, Cloud Yuqu LLC. The Complaint was submitted in English. The Response was submitted in Chinese but the Respondent has not submitted any request or comment on the language of proceeding. Pursuant to paragraph 11 of the Rules, unless otherwise agreed by the Parties, or specified otherwise in the Registration Agreement, the language of the administrative proceeding shall be the

language of the Registration Agreement, subject to the authority of the Panel to determine otherwise, having regard to the circumstances of the administrative proceeding.

The Complainant requests to use English as the language of proceeding, with the arguments that the following arguments:

i. some parts of the website corresponding to the disputed domain name jsksb.net are in English.
ii. the Respondent's company name indicated in the website of the disputed domain name jsksb.net is translated in English for the English speaker internet users: "KAISHIBI Valve (Jiangsu) Co., Ltd.".
iii. the disputed domain name contains Latin characters, including the abbreviation of Jiangsu i.e. "js" and the ".net" Generic Top Level Domain;
iv. the Respondent, active in the sector of import and export of industrial automation products and control components, could not ignore English that actually is the primary language for international relations and business;
v. the translation of the Complaint into Chinese would also cause additional expense and delay, making unfair to proceed in Chinese.

The Panel is bilingual and is well equipped to deal with the proceeding in both Chinese and English.

Having considered that English is not the official language of both the Complainant and Respondent who are domiciled in Germany and China respectively, Panel believes that it would be fair to both parties to use English as the language of proceeding and it can also uphold the principle of UDRP being a swift dispute resolution process. On this basis, the Panel determines that the language requirement has been satisfied and decides that the language of proceeding to be English.

PRINCIPAL REASONS FOR THE DECISION

Having established all three elements required under the UDRP Policy, the Panel concludes that relief shall be granted.

FOR ALL THE REASONS STATED ABOVE, THE COMPLAINT IS

Accepted

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

1. **JSKSB.NET**: Transferred

PANELLISTS

Name	**Mr Paddy TAM**

DATE OF PANEL DECISION 2021-03-18

Publish the Decision