

Decision for dispute CAC-UDRP-104450

Case number	CAC-UDRP-104450
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Time of filing	2022-03-31 09:40:28
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Domain names	shop-huawei.com
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Case administrator

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

Organization	HUAWEI TECHNOLOGIES CO, LTD
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Complainant representative

Organization	cv SNB-REACT ua
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Respondent

Name	Sergei V Petrov
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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

In this proceeding the Complainant relies on the following trademarks:

- The international registration "HUAWEI" (word) No.0748648, registered on December 4, 2000;
- The EU trademark registration "HUAWEI" (word) No.008696775, registered on February 17, 2012;
- The EU trademark registration "HUAWEI" (figurative: word and device) No.009967531, registered on December 16, 2011;
- The EU trademark registration "HUAWEI" (figurative: word and device) No.009213992, registered on December 13, 2010;
- The EU trademark registration (figurative) No.013225065, registered on February 26, 2015;
- The EU trademark registration "HUAWEI MATE" (word) No. 013652375, registered on July 1, 2015.

The Complainant also refers to its official website www.huawei.com.

FACTUAL BACKGROUND

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

THE DISPUTED DOMAIN NAME IS IDENTICAL OR CONFUSINGLY SIMILAR TO A TRADEMARK OR SERVICE MARK IN WHICH THE COMPLAINANT HAS RIGHTS

The Complainant was founded in 1987 and is a leading global provider of information and communications technology (ICT) infrastructure and smart devices. The Complainant's companies have approximately 197,000 employees and operate in over 170 countries and regions, serving more than three billion people around the world. The Complainant alleges that its HUAWEI trademarks are well-known worldwide. The disputed domain name was registered on September 29th, 2020. The disputed domain name incorporates the Complainant's trademark in its entirety with the addition of the word "shop" descriptive of Complainant's business and the .com gTLD.

The Complainant claims that such additions do not prevent to find a confusing similarity, as the Complainant's trademarks are clearly recognizable within the disputed domain name.

The .com gTLD should be disregarded and the prefix "shop" may lead consumers to believe that it is affiliated with the Complainant.

According to the Complainant, the disputed domain name is identical to the Complainant's trademarks.

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

The Complainant contends that the Respondent is not the owner or licensee of the trademarks. There is no evidence that the Respondent is known by such a name during trade and the Respondent did not receive any authorization from the Complainant to use its trademarks in the disputed domain name.

The Complainant alleges that there is no evidence of rights or legitimate interests of the Respondent in this dispute.

The content of the website by the disputed domain name shows that the trademarks of the Complainant were displayed on that website together with the colours and aesthetics, font type and feel of the Complainant's own official website.

The Complainant alleges that the Respondent has incorporated the Complainant's trademark as an integral part of the disputed domain name with the clear intention of taking advantage of the distinctiveness, reputation, and notoriety of this distinctive sign.

The Complainant refers to the "Oki data" test requirements noting that the website by the disputed domain name fails to accurately and prominently disclose the registrant's relationship with the trademark holder. Internet users may be confused and think that they are visiting a website which is related or affiliated with the Complainant and its products.

The Complainant states that several take down notices were sent to the Respondent, the Registrar and Internet Services Provider but there was no reaction.

The Complainant thus claims that the Respondent does not have rights or legitimate interests in the disputed domain name.

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

The Complainant's submissions on the third UDRP element can be summarized as follows.

The Complainant alleges that the Respondent's intent in registering the disputed domain name was to obtain a profit or to exploit the Complainant's Trademarks. The nature of the domain name and the distinctiveness of trademarks are relevant factors in this dispute, in the opinion of the Complainant.

According to the Complainant, the Respondent's bad faith is demonstrated by its actual knowledge of Complainant's rights in the prior HUAWEI's trademarks to register the disputed domain name and respondent's actual knowledge of Complainant's trademark rights demonstrates bad faith. Considering use of the disputed domain name the Respondent could not reasonably have been unaware of the Complainant's trademarks at the time of registration.

The Respondent was using without permission the Complainant's well-known trademarks in order to get Internet users to its website to obtain commercial gain from the false impression created of a potential affiliation or connection with the Complainant, its trademarks or its products and services.

The Complainant's trademark has a strong reputation and is widely known, as evidenced by its substantial use in multiple countries and 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.

The Complainant therefore claims that the Respondent is using the disputed domain name to intentionally attract, for commercial gain, Internet users to the website, by creating a likelihood of confusion with the Complainant's trademarks, products and services, and this conduct additionally confirms that the Respondent has used 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.

There were two procedural factors in this proceeding for the Panel to consider.

The first issue is the notice of the Respondent.

The Complainant initially indicated a wrong e-mail address of the Respondent in its Complaint and the Registrar, Beget LLC, failed to correct it in its verification when confirming Respondent's data. The Complainant initially indicated e-mail address of its own attorneys in Russia who helped obtain Respondent's data and that error went unnoticed.

This resulted in delay as the Panel and the Provider had to correct the error in notification and the Provider gave extra time to the Respondent to provide his response.

The Panel highlights the importance of using correct contact details for the sake of proper notification about UDRP disputes and principles of fairness and it is Registrar's obligation to both provide correct information about registrants and notice and correct any incorrect data.

In future both the Complainant and the Registrar shall avoid such mistakes.

The second issue is the language of the proceeding.

According to the Registrar's verification, the language of the registration agreement is Russian.

The Complainant requests the language of the proceeding shall be English based on the following:

- It is more likely than not that the Registration Agreement is in the English language, as the disputed domain name is .com TLD and the Registrar has its own .com website also available in English. The Registrar is commonly known to state that the Registration Agreement is in Russian, but it provided no explanation in previous cases.
- The disputed domain name is in the Latin script, and not one of the special zones such as the.RU and. PΦ zones, for instance.
- The Complainant also refers to the English text of the registration agreement and its references to ICANN policies.

The Panel first notes that paragraph 10 of the UDRP Rules vests a panel with authority to conduct the proceeding in a manner it considers appropriate while also ensuring that the parties are treated with equality, and that each party is given a fair opportunity to present its case and it is Panel's obligation to ensure that the administrative proceeding takes place with due expedition.

Under par. 11 (a) of the UDRP 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 Panel needs to provide the balance of interests of both parties to the proceeding and provide them with a fair opportunity to present their case and explain their positions, on the one hand and to ensure that the administrative proceeding takes place with due expedition, on the other hand.

Both fairness and equal rights of the parties and speed and efficiency of the proceeding need to be maintained.

Second, the Panel notes that the website by the disputed domain name on the date of this decision is entirely in Russian.

There is no direct evidence indicating that the Respondent is able to communicate in English or that the website was targeted to English speakers: there is no English language content on the website by the disputed domain name and there was no direct communication in English between the Parties. The website by the disputed domain name seems to be targeting the Russian speaking audience.

The Registrar has both Russian and English language versions of the registration agreement and in relation to the disputed domain name the Registrar states that the language is Russian.

Third, the Respondent failed to respond.

CAC sent a new notification to the Respondent about commencement of this proceeding upon clarifying Respondent's e-mail address in both English and Russian.

The Panel understands both English and Russian and is able to conduct the proceeding in both languages.

Exercising its rights under par. 10 (a) of the UDRP Rules the Panel issued a procedural order in both Russian and English and invited the Respondent to submit his response and arguments in either Russian or English.

Based on the above the Panel finds that it provided fair opportunities to both parties.

In particular, the Respondent was given an opportunity to explain his position in Russian, but failed to do so.

The Panel was ready to accept the response in Russian. The Respondent also could have objected against the complaint and annexes in English and could have requested the proceeding to be conducted in Russian. The Respondent failed to respond.

As stated by one of the UDRP panels: "The spirit of Paragraph 11 is to ensure fairness in the selection of language by giving full consideration to the parties' level of comfort with each language, the expenses to be incurred and the possibility of delay in the proceeding in the event translations are required and other relevant factors" (see *Groupe Industriel Marcel Dassault, Dassault Aviation v. Mr. Minwoo Park*, WIPO Case No. D2003-0989).

Previous UDRP decisions confirmed that a complaint may be filed in one language and a response can be submitted in the same or another language when the Panel is familiar with both languages: "to accept the Complaint in the language as filed, to accept a Response in either language, and to put the matter through for determination by a Panel familiar (wherever possible) with both languages" (see e.g. *Zappos.com, Inc. v. Zufu aka Huahaotrade*, WIPO Case No. D2008-1191 and *Laverana GmbH & Co. KG v. Silkewang, Jiangsu Yun Lin Culture Communication Co., Ltd. / xia men yi ming wang luo you xian gong si*, WIPO Case No. D2016-0721 and CAC Case No. 101646).

Taking into account speed and efficiency of the proceeding, the spirit of paragraphs 10 and 11 of the UDRP Rules and circumstances of this dispute described above, including the fact that the Respondent was given an opportunity to provide his response in Russian and Panel's knowledge of both languages, the Panel decides to proceed in English.

PRINCIPAL REASONS FOR THE DECISION

A. Identical or confusingly similar with Complainant's trademark

The Complainant owns "HUAWEI" trademark registrations effective in various jurisdictions, including the EU.

As confirmed by WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), see paragraph 1.2.1: "Where the complainant holds a nationally or regionally registered trademark or service mark, this *prima facie* satisfies the threshold requirement of having trademark rights for purposes of standing to file a UDRP case".

While the Complainant did not claim any trademark rights in the country of the Respondent (Russia), this is not material to the first element of UDRP.

The disputed domain name fully incorporates the Complainant's "HUAWEI" word trademark/ "HUAWEI" word element of the figurative marks with the addition of the "shop" element that can be seen as descriptive of Complainant's business.

The Panel notes that the Complainant relied on one purely device mark (the EU trademark No. No.013225065) and that device mark shall be disregarded for the first element analysis as it does not contain a word element.

As stated in WIPO Overview 3.0 "where the relevant trademark is recognizable within the disputed domain name, the addition of other terms (whether descriptive, geographical, pejorative, meaningless, or otherwise) would not prevent a finding of confusing similarity under the first element" (see par. 1.8).

In the present case, the Complainant's word trademark (word element) is included in the disputed domain name in its entirety with a descriptive element added before the mark.

The "shop" element does not eliminate confusion and may even be seen as increasing confusion referring to a place where Complainant's products can be purchased.

The Panel does not agree with the Complainant's view that the disputed domain name is identical with the Complainant's trademarks. Identity shall be found when the textual elements of the disputed domain name are the same as the trademark and this is not the case in the present dispute since there is also a word element "shop" present in the disputed domain name.

However, the Panel finds the disputed domain name confusingly similar since the mark is clearly recognizable within the disputed domain name.

The gTLD suffix ".com" is to be disregarded under the confusing similarity test.

Therefore, the Panel finds that the first requirement of the Policy has been satisfied.

B. Rights or Legitimate Interests

The general rule is the following:

- (i) a complainant is required to make out a prima facie case that the respondent lacks rights or legitimate interests; and
- (ii) once such prima facie case is made, the burden shifts to the respondent who has to demonstrate his rights or legitimate interests in respect of the domain name under paragraph 4 (c) of the Policy.

If the respondent fails to do so, the second element of the Policy is satisfied, see *Julian Barnes v. Old Barn Studios*, WIPO Case No. D2001-0121; *Belupo d.d. v. WACHEM d.o.o.*, WIPO Case No. D2004-0110 and CAC Case No. 101284.

The disputed domain name was registered on September 27, 2020 and is used for a website offering Complainant's products for sale. In the contacts the section of the website there is contact information (address, e-mail address) and a notice claiming that "this is an official franchise of Huawei".

The website is in the Russian language.

The Respondent did not respond.

While failure to respond does not per se demonstrate that the Respondent does not have rights or legitimate interests, it allows all reasonable inferences of fact in the allegations of the complaint to be deemed true (see paragraph 14(b) of the Rules).

The Complaint claims that it never authorized the Respondent to use its trademarks, the Respondent is not a licensee of the Complainant and has no other rights or legitimate interests in respect of the disputed domain name.

Based on the evidence available in this case the Respondent appears to be an unauthorized reseller of Complainant's products.

Resellers, even unauthorized ones, can, under certain circumstances, have legitimate rights and interests under UDRP.

As stated in WIPO Overview 3.0: "Panels have recognized that resellers, distributors, or service providers using a domain name containing the complainant's trademark to undertake sales or repairs related to the complainant's goods or services may be making a bona fide offering of goods and services and thus have a legitimate interest in such domain name" (see par. 2.8.1 of

The requirements are outlined in the “Oki data” test (Oki Data Americas, Inc. v. ASD, Inc., WIPO Case No. D2001-0903):

- (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; it may not, for example, falsely suggest that it is the trademark owner, or that the website is the official site, if, in fact, it is only one of many sales agents and
- (iv) the respondent must not try to “corner the market” in domain names that reflect the trademark.

Even though in this case the Respondent has not been authorized by the Complainant, the “Oki data” test applies to unauthorized resellers as well (see e.g. ITT Manufacturing Enterprises, Inc., ITT Corporation v. Douglas Nicoll, Differential Pressure Instruments, Inc., WIPO Case No. D2008-0936).

Therefore, the Panel needs to consider the application of the “Oki data” criteria to the present case.

Based on the available record, the Panel finds that the Respondent satisfies criteria (i), (ii) and (iv) listed above.

The Respondent seems to actually offer the Complainant’s goods to customers, there is no information that the Respondent offered any other goods except “Huawei” goods and in the present case there is no evidence of Respondent’s attempt “to corner the market”.

However, the Complainant is correct in noting that the Respondent fails to accurately and prominently disclose his relationship with the Complainant.

When it comes to the “Oki data” test and disclosure of relationship between the parties the views of the UDRP Panels somewhat differ.

In CAC Case No. 102244 it was found that the Respondent “does not satisfy criterion, owing to the lack of any explanation of the Respondent’s status (or indeed contact details or business activities), and the prominent use of the Complainant’s logo on the Respondent’s website” and the Panel came to a similar conclusion in CAC Case No. 102058 (“the Respondent has not properly explained its relationship to the Complainant, in particular, there is no reference made to unofficial distributor status of the Respondent or origin of the products”).

Some panels were more lenient and found that even in the absence of an express disclaimer on the website, this criterion can be met by, for instance, the very disputed domain name or by some other information on the website, see e.g. CAC Case No. 102168, the disputed domain name was <ROCHASSHOP.COM>: “As to disclaimers and representations, the Panel notes the disputed domain name includes the word ‘shop.’ The main page on the site says Rochas Paris. It does not say that it is Rochas or that it is not. The use of the generic word ‘shop’ arguably operates as a kind of disclaimer...”.

There is a notice in Russian in the bottom of the website: “Internet shop of Huawei smart phones”. This notice in itself is not a disclaimer.

The Panel views the wording “accurately and prominently” shall mean clear and obvious disclosure and statements so that the website visitors can easily, without spending much time and efforts, see the nature of the relationship and unofficial character of the website. In other words, the nature of relationship must be obvious and clear. This means a clear disclaimer or otherwise clear statements referring to the relationship between the parties.

However, in this dispute not only any disclaimer is absent, but also the Respondent makes an express claim that its website is “an official franchise of Huawei”, thus “falsely suggesting” that the website by the disputed domain name is an official site when in fact it is not.

The false affiliation is exacerbated by use of Complainant’s logo and device mark throughout the website.

The Respondent thus fails the “Oki data” test.

Therefore, the Panel finds that the Complainant has satisfied the second element of the Policy.

C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy lists non-exhaustive circumstances indicating registration and use in bad faith.

These circumstances are non-exhaustive and other factors can also be considered in deciding about the bad faith element.

It is well established that bad faith under the UDRP is broadly understood to occur where a respondent takes unfair advantage of or otherwise abuses a complainant’s mark (see par. 3.1 of WIPO Overview 3.0). Targeting by the respondent is important in establishing bad faith under UDRP.

The Complainant alleges that its trademarks are well-known worldwide and as confirmed by WIPO Overview 3.0 “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” (see par. 3.1.4).

However, the Complainant should have provided evidence of the well-known status and reputation of its trademarks. In UDRP proceedings mere allegations are not enough and any claims and statement should be supported by evidence.

One of the previous UDRP panels already noted this in respect of the same Complainant: “The Complainant submits that its HUAWEI trademark enjoys international reputation... However, no supporting evidence has been provided. In a UDRP proceeding, a Complainant is required to prove its allegations even if the Respondent fails to submit a response...” (see CAC Case No.103929, the disputed domain name was <HUAWEI-ES.COM>).

Therefore, if the Complainant claims its mark is well-known and has international reputation, it shall provide relevant evidence and not rely on common knowledge of panelists (as it is subjective and depends on panelist’s background and location) and hope that the awareness of the Complainant’s brand is so high that no proof is needed.

However, despite some shortcomings in the Complainant’s evidence, the Panel finds the following factors and evidence demonstrate Respondent’s bad faith in the present dispute:

- 1) Direct evidence of Respondent’s targeting of the Complainant confirmed by the use of the disputed domain name for an Internet shop offering for sale the Complainant’s goods and use of Complainant’s logo and marks on the website;
- 2) The disputed domain name was registered many years after the registration of Complainant’s trademarks;
- 3) False claims of “official franchise” made by the Respondent, indicating Respondent’s intent to take unfair advantage of the Complainant’s trademarks and making false statements about relationships between the Parties. The statement of the Respondent about “official franchise” and use of Complainant’s logo and device mark (including the device mark referred to by the Complainant) is an indication of intent to cause confusion as to source, sponsorship and affiliation;

- 4) The Respondent's failure to respond to cease and desist letter of the Complainant and failure to respond in this proceeding;
- 5) Totality of facts and circumstances of this dispute demonstrate Respondent's awareness of the Complainant's trademark and intent to take an unfair advantage of the trademarks of the Complainant and targeting of the Complainant.

The Panel finds that Respondent's registration and use of the disputed domain name fall within the bad faith scenario described in 4 b (iv) of UDRP: to attract, for commercial gain, Internet users to the website corresponding to the disputed domain name, by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of such web site or location or of a product or service on such web site or location.

The Panel holds that the third requirement of the Policy has been satisfied.

FOR ALL THE REASONS STATED ABOVE, THE COMPLAINT IS

Accepted

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

1. **SHOP-HUAWEI.COM**: Transferred

PANELLISTS

Name	Igor Motsnyi / Mocni Konsalting doo
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DATE OF PANEL DECISION	2022-06-06
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Publish the Decision
