

Decision for dispute CAC-UDRP-104927

Case number CAC-UDRP-104927

Time of filing 2022-10-14 08:36:26

Domain names schneiderelectricus.org

Case administrator

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

Complainant

Organization SCHNEIDER ELECTRIC SE

Complainant representative

Organization NAMESHIELD S.A.S.

Respondent

Name Jiao Ma

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 says it has Rights in several countries and relies on the following registered trademarks:

1. The international Logo Mark for SCHNEIDER ELECTRIC, no. 715395 registered since 15 March 1999.
2. The international Logo Mark for SCHNEIDER S ELECTRIC no. 715396 registered since 15 March 1999.
3. The European trademark (EUTM) Logo Mark for SCHNEIDER ELECTRIC no. 1103803 registered since 12 March 1999.

The Complainant is also the owner of many domain names which include the trademark such as <schneiderelectric.com> registered and used since April 1996.

It also says it is a well-known or famous mark and relies on findings to that effect by other UDRP panels.

FACTUAL BACKGROUND

The Complainant was founded in 1871 and is a French industrial business trading internationally. It manufactures and offers

products for power management, automation, and related solutions. The Complainant's corporate website can be found at www.schneider-electric.com. The Complainant is featured on the NYSE Euronext and the French CAC 40 stock market index. In 2021, the Complainant revenues amounted to 28.9 billion euros.

The Respondent is an individual and a resident of Kowloon city in Hong Kong. He registered the disputed domain name <schneiderelectricus.org> on 30 September 2022.

That redirects to a website purporting to be an online store selling the Complainant's products at discounted prices.

PARTIES CONTENTIONS

The Complainant

The Complainant states that the disputed domain name <schneiderelectricus.org> is confusingly similar to its name and trademark.

It says the addition of the letters "US", which is the common short form of "United States", to the trademark is not sufficient to avoid the likelihood of confusion with the Complainant's trademark. The Complainant also contends that the addition of the gTLD suffix ".ORG" does not change the overall impression of the designation as being connected to the trademark and does not prevent the likelihood of confusion between the disputed domain name and the Complainant and its trademark.

It also says that the Respondent has no rights or legitimate interests in respect of the domain name and says it can make a prima facie case that the Respondent lacks rights or legitimate interests so that the Respondent carries the burden of demonstrating rights or legitimate interests in the domain name or the Complainant is deemed to have satisfied paragraph 4(a) (ii) of the UDRP. The Complainant asserts that the Respondent is not identified in the Whois database as the disputed domain name. The Complainant contends that the Respondent is not affiliated with nor authorized by it. Furthermore, the disputed domain name redirects to a website purporting to be an online store selling the Complainant's products at discounted prices and so the domain name is used to host the Website to impersonate Complainant and attempt to mislead consumers into thinking that the goods purportedly offered for sale on the Website originate from Complainant and this is neither a bona fide offering of goods nor a legitimate interest. It relies on the lack of any disclaimer on the page of the Website and says the Oki Data test is not met.

As to bad faith, it says all the Google results for the term "SCHNEIDER ELECTRIC US" refer to the Complainant's products and the Respondent uses the Complainant's semi-figurative trademark and products on the Website, so given the distinctiveness of the Complainant's trademarks and reputation, it is inconceivable that the Respondent could have registered the disputed domain names without actual knowledge of Complainant's rights in the trademark, which evidences bad faith. As the disputed domain name redirects to a website purporting to be an online store selling the Complainant's SCHNEIDER ELECTRIC products at discounted prices the Complainant asserts that Respondent registered and uses the domain name in bad faith to create confusion with Complainant's trademarks for commercial gain by using the confusingly similar domain name to resolve to website offering counterfeit or unauthorized versions of Complainant's products in direct competition with the Complainant's products.

The Respondent

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

There is no question that the Complainant has Rights, and this Panel finds it is a well-known mark. While the EUTM is a logo mark, it is in barely stylised form. The whole mark is used in the disputed domain name. Many panels find this is evidence of impersonation. The addition of the abbreviation "US" reinforces the impression of impersonation and makes it appear as though it is the official United States branch or store of the Complainant. The panel finds the Complainant has Rights in a name or mark and that the disputed domain name is confusingly similar. The choice of the .org instead of the .com does not change the similarity analysis at this limb of the Policy.

The main issue in this case is at the second limb. The question is whether the Respondent has rights or legitimate interests in the disputed domain name. The Complainant must make a prima facie case that there are no such rights or interests, and the Respondent must rebut this. Here, the Respondent has not come forward but on the face of the matter, the very obvious issue is whether the Respondent is a legitimate reseller, making fair and descriptive use in order to identify the goods it sells as those manufactured by or for the Complainant.

Resellers selling third party goods under their third-party manufacturers' marks are protected at law by the doctrine of exhaustion also known as the first sale policy (the relevant first sale likely being at wholesale) and the Policy therefore also protects them.

The WIPO Overview 3.0 says as follows: "2.8.1 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."

The Complainant says the WIPO test for fair and legitimate use in these reseller cases, the Oki Data principles, are not met. That test, while developed in a WIPO case, is often applied more widely under the UDRP. The Panel's view is that that test is too restrictive and does not fairly reflect trademark laws outside the United States, which protect resellers without many of the restrictions.

However, for completeness, the factors of it are as follows.

- "(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."

We can see here that the main issue would appear to be factor (iii). There is no disclosure of the lack of any connection between these parties.

Likewise, many of the cases under the test should be treated with serious caution or at least confined to their facts. This limb is highly fact sensitive so in the view of the Panel, authorities need to be treated with caution. Some panels think such sites cannot sell other products but that is overly broad in the view of this Panel.

In all, it appears to the Panel that the site could be that of a genuine reseller. No evidence of a test purchase was submitted, and we have a bare assertion that the website sells "counterfeit or unauthorized versions of Complainant's products in direct competition with the Complainant's products." Fake or counterfeit items are one thing, but unauthorised goods are quite another. A legitimate reseller does not need to be authorised or approved by a complainant. Those selling the genuine goods can be protected by the law and the Policy. We have no evidence here that the goods are not genuine and the Complaint has the initial burden of proof. In this case, the goods may well be genuine goods purchased legitimately at wholesale, in which the Complainant's rights may be exhausted. Without any evidence to the contrary, the Respondent appears from the website in question to be a reseller of the genuine product, the Complainant's branded electrical goods and circuits which appear to be being sold under the Complainant's own mark. The Panel will assume the goods are genuine.

The real question then is whether this Respondent, reseller, goes too far in leveraging the Complainant's branding to be making a fair and descriptive use and this turns on the manner of that use. In this case, while the .org is used and not the .com, everything else could indicate that the seller is the Complainant or operates with its consent. In particular, the logo mark is used on the site. The use of logo marks by resellers needs care in these circumstances in case it suggests affiliation. Ideally logo marks should be avoided by resellers. So should the .com, and thus here the .org was selected.

Ultimately, in this case, the lack of any disclaimer, the use of the logo mark, the addition of the "US," all suggest that the site is official or authorised and that takes it just over the line of what is acceptable. The case is very finely balanced, but the Panel finds the Respondent does not have a right or legitimate interest in this case.

Where there is no right or legitimate interest, there will usually be Bad Faith and so it is found.

The Complainant has discharged its burden in this case.

FOR ALL THE REASONS STATED ABOVE, THE COMPLAINT IS

Accepted

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

1. **schneiderelectricus.org**: Transferred

PANELLISTS

Name	Victoria McEvedy
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DATE OF PANEL DECISION **2022-11-16**

Publish the Decision
