Panel Decision for dispute CAC-ADREU-006341

Case number	**CAC-ADREU-006341**
Time of filing	**2013-05-05 01:58:53**
Domain names	**gskline.eu**

Case administrator

Lada Válková (Case admin)

Complainant

Organization	**SmithKline Beecham Limited**

Respondent

Name	**GSKline Limited**

INSERT INFORMATION ABOUT OTHER LEGAL PROCEEDINGS THE PANEL IS AWARE OF WHICH ARE PENDING OR DECIDED AND WHICH RELATE TO THE DISPUTED DOMAIN NAME

The Complainants issued High Court (of England & Wales) proceedings on 6 May 2010 against Lloyd Hamilton and the Respondent. The Complainants alleged trade mark infringement and passing off and sought inter alia invalidation of various UK trade marks comprising the text “GSKLINE” registered in the name of the Respondent and an order requiring that the domain names incorporating the text “gskline” (i.e. gskline.com, gskline.org.uk, gskline.org, gskline.info, gskline.biz, gskline.net and gskline.mobi) be transferred to the Second Complainant, Glaxo Group Limited.

In those legal proceedings, the Complainants alleged that the sign “gskline” was similar to the First Complainant's trade marks (the 'GSK Trade Marks'), and that there would be a likelihood of confusion on the part of the public between the two and that the use of the sign “gskline” would take unfair advantage of the distinctive character or repute of the GSK Trade Marks and/or would be detrimental to the distinctive character or repute of the GSK Trade Marks.

The Complainants also made various other claims in the proceedings including that the activities of the Respondent and Mr Hamilton amounted to passing off and that the domain names were instruments of deception.

The Complainants obtained summary judgment against the Respondent and Mr Hamilton and in an order dated 28 January 2012 (the “Order”), the Respondent’s marks were declared invalid, and the Respondent and Mr Hamilton were injuncted from engaging in further acts of passing off or trade mark infringement. The Respondent and Mr Hamilton were also ordered to change the name of the Respondent and to transfer to the Complainants each of the domain names listed above and “any other domain names in [the Respondent or Mr Hamilton’s] power, possession, custody or control the use of which would breach any of [the injunctions provided for in the Order]”.

According to the Complainants, the Respondent and Mr Hamilton have not complied with the Order.

FACTUAL BACKGROUND

The First Complaint is SmithKline Beecham Limited. The Second Complainant is Glaxo Group Limited.

The Complainants are part of the GlaxoSmithKline group of companies ('GSK'). GSK was created in 2000 following the merger between GlaxoWellcome Plc and Smithkline Beecham Plc. GSK is one of the world's leading research based pharmaceutical and healthcare organizations. It develops, manufactures and markets pharmaceutical, vaccines, over-the-counter medicines and consumer healthcare products.

The First Complainant is the proprietor of various trade marks comprising of incorporating the terms “GSK” and “GlaxoSmitKline”. They

include:

(i) UK Registered trade mark 2219527B for “GSK” filed on 17 January 2000 in classes 3, 9 and 16, 21 and 29, 30, 32, 41, 42 and 44.

(ii) UK Registered trade mark 2235933 for “GSK GlaxoSmithKline” filed on 14 June 2000 in classes 1, 3, 5, 9, 10, 16, 21, 29, 30, 32, 35, 41, 42 and 44.

The Respondent is a company incorporated in November 2005 under the laws of England and Wales.
Starting from January 2003 Lloyd Hamilton and (presumably from November 2005) the Respondent registered a number of domain names incorporating the text “gskline”. These include the Domain Name, which was registered by Lloyd Hamilton in the name of the Respondent on January 28, 2010.

It would appear that the Domain Name has never been actively used for any website and the Respondent is recorded at the United Kingdom company register as dormant.

In May 2010 the Complainants brought legal proceedings against the Respondent and Mr Hamilton. Details of the claims made in those proceedings and the outcome of those proceedings are set out under the heading Legal Proceedings above.

A. COMPLAINANT

It is only necessary to set out the Complainants contentions in outline.

The Complainants refer to the various trade marks of the First Complainant and asserts that the Domain Name is confusingly similar to those trade marks.

Further, they contend that the Second Complainant carries on GSK’s business under and by reference to the marks and is said to be the owner of the goodwill in these names in the UK.

The Complainants contend that the Respondent has no right and legitimate interest in the Domain Name. They rely upon the dormant status of the Respondent and the fact that as a result of the litigation the Respondent’s marks have been declared invalid.

So far as bad faith is concerned, they contend that the Respondent “must have known” about the Complainants and the First Complainant’s registered trade marks at the time that the Domain Name was registered. It is claimed that the ”selection of the GSKline name undoubtedly provided the Respondent with a commercial advantage in the marketplace enabling that business to take a free ride on the reputation of the [First Complainant’s] marks had they [sic] wished to do so”.

B. RESPONDENT

The Respondent has taken no part in these proceedings and has filed no Response.

DISCUSSION AND FINDINGS

WHAT NEEDS TO BE SHOWN

In order to succeed in their Complaint, the Complainants must satisfy the requirements of Article 21(1) of the Commission Regulation (EC) No. 874/2004 (the “Regulation”). That paragraph reads as follows:

"A registered domain name shall be subject to revocation, using an appropriate extra-judicial or judicial procedure, where that name is identical or confusingly similar to a name in respect of which a right is recognised or established by national and/or Community law, such as the rights mentioned in Article 10(1), and where it:

(a) has been registered by its holder without rights or legitimate interest in the name; OR

(b) has been registered or is being used in bad faith”

Article 21(2) and (3) contain a list of non-exhaustive examples of circumstances which may demonstrate the existence of a legitimate interest within the meaning of Article 21(1)(a) and of bad faith within the meaning of Article 21(1)(b).

The burden of proof in establishing the requirements of Article 21(1) is on the Complainants who must establish those requirements on

the balance of probabilities (see Section I 18 of the “Overview of CAC panel views”). This is so even if the Respondent has not filed a Response, although an adverse inference may in some cases be drawn from a failure to do so (see Section I 20 of the Overview and paragraph B 10 (b) of the ADR Rules).

IDENTITY / CONFUSING SIMILARITY

The test of confusing similarity is a “threshold” or “standing” requirement (see, for example, Noonan Services Group v OEEO Networks Limited (ADR Case 05578)). Given this I have little difficulty in concluding that the Domain Name is confusingly similar to the First Complainant’s “GSK” and “GSK GlaxoSmithKline” marks. The Domain Name comprises the “GSK” mark in its entirety and the addition of the letters “line” does not so change the way in which the Domain Name would be read as to prevent confusing similarity with that mark. Further, the Domain Name can be read (and I suspect would mostly likely be read) as an abbreviation of the “GSK GlaxoSmithKline” mark.

In the circumstances, the Complainants have made out the first requirement of Article 21(1) of the Regulation.

RIGHTS OR LEGITIMATE INTEREST

Although at one time the Respondent was the owner of UK registered trade marks for the term “GSKLINE”, these marks have been declared invalid by the English courts in proceedings brought against the Respondent by the Complainants. Accordingly, those marks are recorded as “cancelled” on the online database of the UK Intellectual Property Office.

Further, the Complainants contend that the scope of the Order obtained by them in the English proceedings extends to the Domain Name and that pursuant to that Order the Respondent is obliged to transfer the Domain Name to the Second Complainant. On its face that allegation seems to be correct.

It is difficult to see how an owner of a domain name could ever contend that it has a right or legitimate interest in that domain name in proceedings under the .eu domain name procedure where a court of competent jurisdiction has ordered that the domain name should be transferred to a Complainant in those proceedings. In the present case the Respondent is a company registered and located in England and Wales and there is no suggestion that the English courts were not entitled to make, or should not have made, the order that it did.

Further, and in any event the activities of the Respondent do not appear to fall within any of the examples of legitimate interests set out in Article 21(2) of the Regulation.

In the circumstances, the Complainants have made out the requirements of Article 21(1)(a) of the Regulation. That is sufficient to decide the case in the Complainant’s favour and it is not necessary to go on to consider the issue of bad faith registration or use under the Regulation.

REMEDY

The Complainants, having satisfied the requirements of the first paragraph of Article 21(1) and of Article 21(1)(a), are entitled to obtain revocation of the Domain Name.

Under Article 22(11) of the Regulation (mirrored in paragraph B11(b) of the ADR Rules) a panel may only order the transfer of a disputed domain name to a successful complainant where that complainant can also show that it satisfies at least one of the criteria for eligibility for a .eu TLD set out in Article 4(2)(b) of regulation (EC) No. 733/2002.

The first of those criteria is that the registrant is an “undertaking having its registered office, central administration or principal place of business within the Community”. It is clear that both of the Complainants, being companies registered and based in the United Kingdom, satisfy this criterion.
There is a minor complication in this case in that it is the First Complainant that holds rights that were expressly relied upon in these proceedings but the Complainants have sought transfer to the Second Complainant.

Nevertheless, I am still prepared to order the transfer to the Second Complainant. There are a number of reasons for this.

First, the Second Complainant is said to use the marks in the United Kingdom. As such (although this is not expressly asserted) the Second Complainant appears to use those marks under licence. A licence in marks provides sufficient rights for the purposes of the Policy. There are a number of reasons for this but they include the fact that Article 21(1) refers to the rights identified in Article 10(1) and

these seem to encompass licences of those listed rights as recognised by Article 12(2) of the Regulation. (See also Section II 12 of the Overview).

Second, the Complainants' reference to goodwill in the First Complainant's marks residing in the Second Complainant, suggest that the Second Complainant has "unregistered rights" in those marks arising under the English law of passing off. Indeed, this appears to be the reason why the Second Complainant was a party to the English litigation. These are sufficient rights for the purposes of the Policy (see Section II 6 of the Overview).

Third, Article 21(1) does not expressly require a complainant to hold the relevant rights relied upon or the purposes of the Policy. In most cases panels have required the complainant to hold those rights (see Section I 23 of the Overview), but there appears to be sufficient flexibility in the wording of the Policy to permit transfer to a named complainant in proceedings, even if some other named complainant holds the relevant rights relied upon. Given that if the Domain Name were transferred to the First Complainant in this case, it could immediately transfer it to the Second Complainant, there is no good practical reason for not ordering that the Domain Name be transferred directly to the Second Complainant.

DECISION

For all the foregoing reasons, in accordance with Paragraphs B12 (b) and (c) of the Rules, the Panel orders that the domain name GSKLINE.EU be transferred to the Second Complainant.

PANELISTS

Name	**Matthew Stuart Harris**

DATE OF PANEL DECISION 2013-05-05

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The Complainants had prior to these domain name proceedings commenced trade mark and passing off proceedings against the Respondent (which is a company incorporated under English law) in the English courts. In those proceedings the Complainant obtained a court order that various marks of the Respondent (which corresponded to the Domain Name) were declared invalid and that various domain names should be transferred to the Second Complainant. The terms of that order were wide enough to require the transfer of the Domain Name, even though the Domain Name was not expressly identified. The court order was sufficient to establish that the Respondent had no right or legitimate interest in the Domain Name. As a result the Panel ordered the transfer of the Domain Name to the Second Complainant.