Panel Decision for dispute CAC-ADREU-006595

Case number	CAC-ADREU-006595
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Domain names	grindeks.eu

Case administrator

Lada Válková (Case admin)

Complainant

Organization

Respondent

Name	Dzintars Leja

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 Panel is not aware of any other legal proceeding regarding the disputed domain name.

FACTUAL BACKGROUND

The Complainant in this ADR proceeding is GRINDEKS, akciju sabiedriba - a joint stock company under the Latvian law. The company was registered with reg. No.40003034935 in the Register of enterprises of the Republic of Latvia on 11 October 1991.

The Complainant carries out research of medicinal drugs and manufactures pharmaceutical products. It started operating as a state owned entity in the 1950s, and has used the name Grindeks as its company name since 1991.

The Complainant is the owner of the following registered trademarks (the “GRINDEKS Trademarks”):

1. the word trademark registered in Latvia with reg. No. M 37366, for the term GRINDEKS, filed on 23 February 1995, registered on 20 June 1997 in respect of goods and services in International Classes 1, 5, 16, 25, 26, 31, 35 and 42;

2. the word trademark registered in Latvia with reg. No. M 32180, for the term GRINDEX, filed on April 2, 1993, registered on April 20, 1996 in respect of goods and services in International Classes 1, 5, 31 and 42;

3. the word trademark registered in Latvia with reg. No. M 37367, for the term ГРИНДЕКС (GRINDEKS with Cyrillic letters), filed on February 23, 1995, registered on June 20, 1997 in respect of goods and services in International Classes 1, 5, 16, 25, 26, 31, 35 and 42; and

4. the word trademark with reg. No. IR 859 322, registered as an International trademark for the term GRINDEKS on March 21, 2005 for many jurisdictions, including the European Community and the United States of America, in respect of goods in International Classes 1 and 5.

Complainant is also the registrant of the domain name <grindeks.lv>.

The Respondent is a physical person residing in Latvia.

The Domain Name in dispute <grindeks.eu> (the “Domain Name”) was registered with Go Daddy Software, Inc. (the “Registrar”) on April 11, 2006.

On 5 December 2013, the Respondent filed a challenge to the appointment of Assen Zahariev Alexiev as Panelist in this case. On 10 December, 2013 the Czech Arbitration Court decided that the challenge was groundless and Assen Alexiev was confirmed as Panelist in the case.

A. COMPLAINANT

The Complainant asserts that its trade name and the GRINDEKS Trademarks are known to consumers in Latvia, because the Complainant has actively used and promoted them in the last 22 years.

The Complainant further submits that the Respondent, being a person domiciled in Latvia, must be aware of the Complainant´s existence.

The Complainant submits that the Respondent has registered the Domain Name in bad faith and for the speculative purposes. With a letter dated October 8, 2013, the Respondent has offered the Complainant to rent or buy the Domain Name against payment.

The Complainant requests the transfer of the Domain Name to itself.

B. RESPONDENT

The Respondent alleges that he had checked all trademarks when registering the Domain Name, and had not found any trademarks owned by the Complainant at that date.

The Respondent further alleges that the trade name of the Complainant is Grindex and not Grindeks.

The Respondent also points out that he had already registered the Domain Name when the Complainant registered its trademark GRINDEKS with reg. No. 3159048 in the United States of America. The same trademark was cancelled on September 27, 2013, which according to the Respondent means that the Complainant does not have any trademarks at the moment.

DISCUSSION AND FINDINGS

According to Paragraph B11(d)(1) of the ADR Rules, the Panel shall issue a decision granting the remedy requested by the Complainant if the latter proves in the ADR proceeding that:

(i) the domain name is identical or confusingly similar to a name in respect of which a right is recognized or established by national and/or Community law and; either

(ii) the domain name has been registered by the Respondent without rights or legitimate interest in the name; or

(iii) the domain name has been registered or is being used in bad faith.

In this ADR proceeding, the Complainant has pleaded the cumulative existence of the circumstances under (i) and (iii) above. The ADR Rules list the issues under (ii) and (iii) in the alternative, so it is not necessary for the Panel to analyze the eventual existence or lack of rights or legitimate interests of the Respondent in the Domain Name. Therefore, the Panel will examine the two issues under (i) and (iii) above in order to reach its decision in the present ADR proceeding.

Is the Domain Name identical or confusingly similar to a name in respect of which a right is recognized or established by national and/or Community law?

The Panel finds that Complainant is the owner of the GRINDEKS Trademarks, details of which are given above, and for which the Complainant has provided evidence which was not disputed by the Respondent. These trademark registrations give rise to rights of Complainant in the name GRINDEKS and its variations GRINDEX and ГРИНДЕКС within the meaning of Paragraph 10(1) of the Commission Regulation (EC) 874/2004, i.e., rights established by the Latvian and/or Community law. The Panel is not persuaded by the allegation of the Respondent as regards the lack of trademark rights of the Complainant. The Complainant has not grounded its claims in the present ADR proceeding in respect of the cancelled trademark registration cited by the Respondent, and its cancellation in no way affects the validity of the four other trademarks cited by the Complainant.

The GRINDEKS Trademarks contain the distinctive word GRINDEKS or its variations GRINDEX and ГРИНДЕКС.

It is widely accepted that elements such as the suffix ".eu" are not relevant for the purposes of the test for identity or confusing similarity

under art.21(1) of Commission Regulation (EC) No 874/2004 (see Section III.1 of the Overview of CAC panel views on several questions of the alternative dispute resolution for .eu domain name disputes, published by the Czech Arbitration Court (the "CAC Overview"). Therefore, the dominant element of the Domain Name, which has to be analysed for the purpose of this test is the element “grindeks”. This element is identical to two of the GRINDEKS Trademarks (the ones that contain the same element “GRINDEKS”), and is confusingly similar to other two of the GRINDEKS Trademarks. The only insignificant difference between the Domain Name and the GRINDEX trademark is the letter “X” in the latter, which does not create a phonetic difference and is commonly written as or regarded as an alternative to “KS” in many languages. As to the ГРИНДЕКС trademark, the only difference between it and the Domain Name is that this trademark is written in the Cyrillic script, which is well known and understood in Latvia and its neighboring countries. The Panel accepts that these differences between the Domain Name and these two trademarks are insignificant and do not create a different impression in consumers, who are more likely to regard them exactly as different representations of the distinctive trademark GRINDEKS of the Complainant, signifying the same origin of the goods or services marked with these trademarks, and to relate them to the Complainant.

For these reasons, the Panel finds that the Domain Name is identical or confusingly similar to the GRINDEKS Trademarks, in respect of which a right of the Complainant is recognised or established by the Latvian and/or Community law. Therefore, the condition set forth under Paragraph B11(d)(1)(i) of the ADR Rules is fulfilled.

Has the Domain Name been registered or used in bad faith?

Under Paragraph B11(f)(i) of the ADR Rules, the existence of circumstances indicating that the domain name was registered or acquired primarily for the purpose of selling, renting, or otherwise transferring the domain name to the holder of a name, in respect of which a right is recognized or established by national and/or Community law, if found by the Panel to be present, may be evidence of the registration or use of a domain name in bad faith.

As discussed above, the Complainant has submitted evidence of its rights in the company name GRINDEKS since 1991, as well as evidence for the registration of its GRINDEKS Trademarks, some of which date back to the 1990s. Thus, the Complainant has proven that it has rights recognized or established under the Latvian and/or Community law.

The Complainant has also submitted a copy of the letter it received from the Respondent on October 8, 2013. This letter contains an offer by the Respondent to rent or sell the Domain Name to the Complainant.

The Respondent was given a fair opportunity to respond to the Complaint and to present its case. The Respondent has not challenged the evidence submitted by the Complainant. The only argument raised by the Respondent in its defence is that the Complainant allegedly did not have trademark rights or company name rights in the name GRINDEKS at the time when the Domain Name was registered by the Respondent in 2006, and that the trade name of the Complainant was GRINDEX, and not GRINDEKS.

If the Respondent had any explanation for registering and using the Domain Name, it could have given it to the Panel. The Respondent has failed to contend that any of the circumstances described in Paragraph B11(e) of the ADR Rules - or indeed any other circumstance - is present in its favour. The Respondent has not provided evidence or arguments to rebut any of the contentions of the Complainant.

As confirmed by the Respondent himself, he made a check whether the Complainant has trademark rights in the name GRINDEKS when he registered the Domain Name. The Respondent alleges that it did not find any trademarks registered by the Complainant at that time. However, as discussed above, the Complainant has registered four GRINDEKS Trademarks well before the Respondent registered the Domain Name in 2006. Three of these trademarks were actually registered nine or ten years earlier. Carrying out a trademark search in 2006, the Respondent would have found these trademark registrations, especially as three of them were registered in Latvia – the common jurisdiction of the Complainant and the Respondent and thus the jurisdiction one would normally check for trademark registrations in the first place. The Panel is therefore not convinced by the allegation of the Respondent that it did not have knowledge of the existence of any trademarks of the Complainant when he registered the Domain Name.

The Respondent has not provided any explanation why he has chosen the name GRINDEKS for the Domain Name. As admitted in the Response, the fact that the Respondent has searched whether the Complainant has trademark rights when the Respondent registered the Domain Name shows that the Respondent had knowledge of the Complainant and of its goodwill at that time. The same conclusion is also supported by the uncontroverted evidence and arguments submitted by the Complainant, which shows that it has continuously used and promoted its trade name GRINDEKS in Latvia since 1991.

The Domain Name is identical or confusingly similar to the Complainant’s distinctive GRINDEKS Trademarks and company name, so consumers may easily regard it as an official domain name of the Complainant. For this reason, it could well be expected that the Complainant would be interested in acquiring or renting the Domain Name for its own business if it was registered by another person.

The above circumstances make it more likely than not that the Respondent chose the Domain Name with the Complainant's name and trademarks in mind and with speculative purposes - in view of the attractiveness of the Domain Name for the Complainant and with the expectation to extract profit out of this attractiveness.

Taking all the above into account, and in the lack of any rebuttal by Respondent or evidence to the contrary, the Panel is prepared to accept that the registration of the Domain Name was deliberately carried out by the Respondent primarily with the purpose of selling, renting, or otherwise transferring the Domain Name to the Complainant, which has rights in the name and trademark GRINDEKS that are recognized or established by the Latvian and/or Community law, which supports a finding of bad faith registration under Paragraph B11(d)(1)(iii) of the ADR Rules.

As discussed in Section V.1 of the CAC Overview, the Complainant is not required to prove both registration and use in bad faith in order to succeed in the ADR proceeding; it is sufficient if the
evidence illustrates one of these two elements.

Therefore, the Panel finds that the Domain Name was registered in bad faith, and that the condition under Paragraph B11(d)(1)(iii) of the ADR Rules is satisfied.

The remedy sought by the Complainant is the transfer of the Domain Name to the Complainant. As the Complainant has a registered office in Latvia - within the Community, it satisfies the general eligibility criteria for registration of the Domain Name set out in Paragraph 4(2)(b) of Regulation (EC) No.733/2002. Therefore, the Complainant is entitled to request the transfer of the Domain Name.
For the above reasons, the Panel finds that Complainant has established the prerequisites under Paragraph B11(d)(1) of the ADR Rules for the transfer of the Domain Name.

DECISION

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

PANELISTS

Name	**Assen Zahariev Alexiev**

DATE OF PANEL DECISION 2013-12-26

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

I. Disputed domain name: grindeks.eu

II. Country of the Complainant: Latvia, country of the Respondent: Latvia

III. Date of registration of the domain name: April 11, 2006

IV. Rights relied on by the Complainant (Art. 21 (1) Regulation (EC) No 874/2004) on which the Panel based its decision:

1. the word trademark registered in Latvia with reg. No. M 37366, for the term GRINDEKS, filed on 23 February 1995, registered on 20 June 1997 in respect of goods and services in International Classes 1, 5, 16, 25, 26, 31, 35 and 42;

2. the word trademark registered in Latvia with reg. No. M 32180, for the term GRINDEX, filed on April 2, 1993, registered on April 20, 1996 in respect of goods and services in International Classes 1, 5, 31 and 42;

3. the word trademark registered in Latvia with reg. No. M 37367, for the term ГРИНДЕКС (GRINDEKS with Cyrillic letters), filed on February 23, 1995, registered on June 20, 1997 in respect of goods and services in International Classes 1, 5, 16, 25, 26, 31, 35 and 42;

4. the word trademark with reg. No. IR 859 322, registered as an International trademark for the term GRINDEKS on March 21, 2005 for the territories of many countries, including the European Community and the United States of America, in respect of goods in International Classes 1 and 5;

5. company name:

The company name of the Complainant is GRINDEKS, akciju sabiedriba. The company was registered with reg. No. 40003034935 in the Register of enterprises of the Republic of Latvia on 11 October 1991.

V. Response submitted: Yes

VI. Domain name is identical or confusingly similar to the protected rights of the Complainant.

VII. Rights or legitimate interests of the Respondent (Art. 21 (2) Regulation (EC) No 874/2004):

1. This issue was not examined.

2. Why: The Respondent has not claimed any rights or legitimate interests in the Domain Name, and the Complainant has not claimed that the Respondent does not have rights and legitimate interests in it.

VIII. Bad faith of the Respondent (Art. 21 (3) Regulation (EC) No 874/2004):

1. Yes

2. Why: The Respondent is found to have registered the Domain Name primarily with the purpose of selling, renting, or otherwise transferring the Domain Name to the Complainant, which has rights in the name and trademark GRINDEKS that are recognized or established by Latvian and Community law.

IX. Other substantial facts the Panel considers relevant:

The correspondence between the parties attached to the Complaint shows that the Respondent offered the Complainant the Domain Name for sale or rent. This circumstance shows that the disputed domain name was registered for the purpose of selling or otherwise transferring it to the Complainant.

X. Dispute Result: Transfer of the disputed domain name.

XI. Procedural factors the Panel considers relevant: None.

XII. [If transfer to Complainant] Is Complainant eligible? Yes

The Complainant is an undertaking having its registered office in Latvia, thus within the European Union. It therefore satisfies the eligibility criteria set out in Article 4(2)(b) of the Regulation.