Panel Decision for dispute CAC-ADREU-005014

Case number	**CAC-ADREU-005014**
Time of filing	**2008-05-29 09:52:50**
Domain names	**xenical.eu**

Case administrator

Name	**Tereza Bartošková**

Complainant

Organization / Name	**Roche Pharma AG**

Respondent

Organization / Name	**Coursers UK, Domain Admin**

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

To the knowledge of the Panel, there are no other legal proceedings pending or decided that relate to the disputed domain name xenical.eu.

FACTUAL BACKGROUND

The domain name in question, xenical.eu, was registered by the Respondent on October 3, 2006 (EURid statement, dated 6 June 2008). The Respondent was the holder of the domain at the time of lodging of the complaint, and still is the holder of the same domain.

Printout from the webpage http://www.xenical.eu (Annex 8 of the Complaint) shows that the domain in question is for sale. Namely, the website contains statements according to which "This domain is for sale" and "Click here to Buy This Domain Now € 500.00".

The Complainant filed its complaint against the Respondent on May 13, 2008. ADR proceedings were initiated on the basis of the complaint on June 11, 2008. The Complainant argues that the registration of the domain by the Respondent is speculative and abusive as the domain is identical with the Complainant's trade mark and the Respondent has no rights or legitimate interests in respect of the domain name. As a remedy, the Complainant requests that the domain be transferred to the Complainant pursuant to ADR Rules, Paragraph B1(b)(11).

The Respondent was notified of the ADR proceedings but failed to file a Response to the Complaint.

A. COMPLAINANT

The Complainant states that the domain is identical to a trade mark or service mark in which the Complainant has rights. The Complainant's mark XENICAL is protected as a trade mark in a multitude of countries worldwide (reference is made to International Registrations no. 612908 and 699154, registration certifications attached as annex 4 of the Complaint). Pursuant to trade mark registrations, the priority date for trade mark XENICAL is August 5, 1993. Complainant uses the trade mark in question as a licensee.

Trade mark XENICAL designates an oral prescription weight loss medication used to help obese people lose weight. Complainant holds registrations for this trade mark in over hundred countries on a world-wide basis.

Based on this, the domain name in question is identical to the Complainant's trade marks XENICAL. The Complainant's use and registration of the trade mark XENICAL predate the registration of the domain xenical.eu by the Respondent.

The Complainant maintains that in violation of Article 21(2)(a) of Commission Regulation (EC) No 874/2004 of 28 April 2004, the Respondent is not using the domain name in connection with an offering of goods or services. Instead, it only diverts Internet users to a

search engine with sponsored links. In Complainant's opinion, the sole diversion of Internet traffic by Respondent to other, unrelated websites, does not represent a use of the domain name in connection with a bona fide offering of goods and services. Rather, the conduct of Respondent serves the purpose of generating revenues, e.g. from advertised pay-per-click products.

The Complainant also claims that the Respondent's only reason in registering and using the contested domain is to benefit from the reputation of the trademark XENICAL and illegitimately trade on its fame for commercial gain and profit, in violation of Article 21(2)(c) of Commission Regulation No 874/2004. There is no reason why the Respondent should have any right or interest in such domain name.

The Complainant also argues that the domain name was registered and is being used by the Respondent in bad faith. At the time of the registration of the domain (i.e. on 3rd October 2006), the Respondent had, no doubt, knowledge of the Complainant's product/mark XENICAL. In Complainant's opinion, it is hard to believe that the Respondent could have selected this domain name without knowing of the Complainant's product 'Xenical' since the word has no independent meaning in any language. At best, the Respondent must have suspected that the Complainant would have registered trademark rights in the name.

The bad faith use of the domain is evidenced by the content of the Respondent's website: the Respondent intentionally attempts (for commercial purpose) to attract Internet users to the Respondent's website, by creating a likelihood of confusion with the Complainant's well-known mark as to the source, affiliation and endorsement of Respondent's website or of the products or services posted on or linked to Respondent's website. The domain name leads Internet users to advertising links to websites promoting and/or offering products and services of third parties, especially in the pharmaceutical field being the business of the Complainant. Such exploitation of the reputation of trademarks to obtain click-through commissions from the diversion of Internet users demonstrates use in bad faith.

The Complainant argues that the first of the circumstances set out in Article 21(3)(a) of Commission Regulation No 874/2004 as indicative of bad faith is also clearly present, namely "circumstances indicate 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 or to a public body". On the website, there is an information, including a link, mentioning that the domain is for sale.

Based on this the Complainant contends that the fact that the corresponding website has no content of its own but rather contains only a series of links to other sites is also an indication that the sole reason for the Respondent's registering the domain name was in fact to offer it for sale.

By using the disputed domain name, the Respondent is intentionally misleading the consumers and confusing them so as to attract them to other websites making them believe that the websites behind those links are associated or recommended by Complainant. As a result, Respondent may generate unjustified revenues, especially for each click-through by on-line consumers of the sponsored links. Respondent is therefore illegitimately capitalizing on the XENICAL trademark fame.

In accordance with ADR Rules, Paragarph B1(b)(11), the Complainant requests that the domain name be transferred from the Respondent to the Complainant.

B. RESPONDENT

The Respondent has been duly notified of the ADR proceedings but has failed to submit a Response to the Complaint.

DISCUSSION AND FINDINGS

1. Article 22(10) of the Commission Regulation (EC) No. 874/2004 states that failure of any of the parties involved in an ADR procedure to respond within the given deadlines or appear to a panel hearing may be considered as grounds to accept the claims of the counterparty. The same principle is affirmed in ADR Rules Paragraph B10(a) prescribing that in the event a Party does not comply with any of the time periods established by these ADR Rules or the Panel, the Panel shall proceed to a decision on the Complaint and may consider this failure to comply as grounds to accept the claims of the other Party. Nevertheless, the ADR Rules also prescribe that a Complaint should be decided on the basis of the statements and documents submitted whereas the requested remedies may be granted only if certain preconditions are satisfied (see Paragraphs B11(a) and B11(d) of the ADR Rules).

In light of the above as well as in accordance with the principle of fair and equal treatment, the Panel does not deem the Respondent's failure to submit a Response to be an automatic acceptance of the claims set out in the Complaint. The Panel will assess the relevant facts of the case, claims of the Complaint as well as all evidence submitted before reaching a decision.

2. Pursuant to Paragraph 11(d)(1) of the ADR Rules, the Panel shall grant the remedies sought if the Complainant proves that:

(i) the domain name in question is identical or confusingly similar to a name in respect of which a right is recognised or established by the national law of a Member State 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.

The burden of proof in proving the existence of the above elements lies with the Complainant.

3. In the Panel's opinion the Complainant has proven that F.Hoffman-La Roche AG, a company affiliated with the Complainant, is indeed the proprietor of trade mark XENICAL (several international registrations). As evidenced by Annex 4 of the Complaint, the trade mark is protected in a multitude of states world-wide, including in numerous EU Member States. Thus the trade mark XENICAL should be deemed as a name in respect of which a right is recognised or established by national and/or Community law in the meaning of Article 21(1) of the Commission Regulation No. 874/2004. Annex 4 also shows that the registration and use of this trade mark predates the registration of the disputed domain name (priority dates August 5, 1993 and April 21, 1998 versus registration of domain on October 3, 2006).

The Complainant has also proven that it is a licensee of trade mark XENICAL (Annex 5 of the Complaint) and is thus entitled to enforce the exclusive rights of the proprietor in the same trade mark against third parties, including take all legal steps before courts and authorities.

In the light of the above, the first requirement for the Complaint to be satisfied has been met.

4. The Complainant has asserted that the Respondent does not have rights or legitimate interest in the domain name. As stated above, the burden of proof to prove the same is on the Complainant. However, proving a negative (i.e. lack of existence of rights or legitimate interest) is impossible. To shift the burden of proof, the Complainant has to put forward a prima facie case that the Respondent does not have rights or legitimate interest (see also ADR decisions no. 02888, no. 982 and no. 1250).

Since the Respondent has failed to submit the Response, it has consequently failed to demonstrate the existence of any rights or legitimate interest in the domain name. The Complainant, on the other hand, has put forward a prima facie case that was not rebutted by the Respondent. The Panel itself has not found any evidence with respect to any rights or legitimate interests of Respondent in the disputed domain name. Based on this and in light of Paragraph B10 ADR Rules, the Panel must conclude that the domain name xenical.eu was registered without rights or legitimate interest by the Respondent.

5. The Complainant also contends that in addition to lack of rights or legitimate interests in the domain name by the Respondent, the latter has registered and uses the domain name in bad faith. Bearing in mind Paragraph B11(f)(1) of the ADR Rules, the Panel agrees with the Compainant in that Respondent's bad faith is evidenced by the fact that disputed domain name is for sale (statements "This domain is for sale" and "Click here to BuyThis Domain Now € 500.00" on the website). The Panel also concurs that the content of the Respondent's website only diverts Internet users to a search engine with sponsored links. This does not represent a use of the domain name in connection with a bona fide offering of goods and services and suggests instead that the Respondent’s reason in registering and using the contested domain name is to benefit from the reputation of the trademark XENICAL and illegitimately trade on its fame for commercial gain and profit, in violation of Article 21(2)(c) of Commission Regulation No. 874/2004.

6. Based on the above, the Panel finds that the Complainant has sufficiently proved all elements under Paragraph 11(d)(1) of the ADR Rules that are required for granting the remedies sought. As the Complainant is an undertaking with registered office within the Community according to Article 4.2 (b) (i) of Commission Regulation (EC) 733/2002, the Complainant is entitled to request transfer of the domain name xenical.eu.

DECISION

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

PANELISTS

Name	**Triin Toomemets**

DATE OF PANEL DECISION 2008-09-20

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The Panel has considered the statements and evidence as presented by Complainant with respect to the registration of the domain name by Respondent. The Panel find the domain name xenical.eu to be identical and confusingly similar to the international trade marks of the the Complainant.

Since the Respondent failed to submit the Response, it has consequently failed to demonstrate the existence of any rights or legitimate interest in the domain name. The Complainant, on the other hand, has put forward a prima facie case that was not rebutted by the Respondent. The Panel itself has not found any evidence with respect to any rights or legitimate interests of Respondent in the disputed domain name. Thus the domain name has been registered by Respondent without legitimate interest in the name

Furthermore, the domain was registered and is being used by the Respondent in bad faith. This is evidenced by the offer to sell the domain as seen on the corresponding website. The site itself does not have any content regarding true offering of goods or services but rather diverts Internet users to a search engine with sponsored links.

In light of the foregoing, the Panel deems the registration of the domain name in question by the Respondent to be speculative and abusive. Therefore, the Panel decides that the domain name xenical.eu of shall be transferred to the Complainant.