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INDRP ARBITRATION
THE NATIONAL INTERNET EXCHANGE OF INDIA [NIXI]

ADMINISTRATIVE PANEL DECISION
SOLE ARBITRATOR: RODNEY D. RYDER

L'OREAL v. ZENG WEI

ARBITRATION AWARD

Disputed Domain Name: www.loreal-paris.in

The Parties

The Complainant in this arbitration proceeding is L'Oreal, a French company incorporated under French law as "societe anonyme a conseil d'administration", having its registered office at 14, Rue Royale, 75008, Paris, France represented by Ms Nathalie Dreyfus, Dreyfus & Associes.

The Respondent in this arbitration proceeding is Shri Zeng Wei, Shanghai Weihai road 1888, Shanghai 200001, China as per the details given by the Whois database maintained by the National Internet Exchange of India [NIXI].

The Domain Name and Registrar

The disputed domain name is www.loreal-paris.in. The Registrar with which the disputed domain name is registered is Transecute Solutions Pvt. Ltd., 72 Aditya Estate, Malad Link Road, Mind Space, Mumbai 400064, India.

Procedural History [Arbitration Proceedings]

This arbitration proceeding is in accordance with the .IN Domain Name Dispute Resolution Policy [INDRP], adopted by the National Internet Exchange of India ["NIXI"]. The INDRP Rules of Procedure [the Rules] were approved by NIXI on 28th June, 2005 in accordance with the Indian Arbitration and Conciliation Act, 1996. By registering the disputed domain name with the NIXI accredited Registrar, the Respondent agreed to the resolution of the disputes pursuant to the IN Dispute Resolution Policy and Rules framed thereunder.

According to the information provided by the National Internet Exchange of India ["NIXI"], the history of this proceeding is as follows:

In accordance with the Rules, 2(a) and 4(a), NIXI formally notified the Respondent of the Complaint, and appointed Rodney D. Ryder as the Sole Arbitrator for adjudicating upon the dispute in accordance with the Arbitration and Conciliation Act, 1996, and the Rules framed thereunder, .IN Domain Name Dispute Resolution Policy and the Rules framed thereunder. The Arbitrator submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by NIXI.

The request for submission with a complete set of documents was dispatched to the Respondent by the National Internet Exchange of India [NIXI]. A reminder was sent on March 28, 2012 by the Arbitrator. The Respondent did not reply.

Grounds for the administrative proceedings

1. The disputed domain name is identical or confusingly similar to a trademark in which the Complainant has statutory/common law rights.
2. The Respondent has no rights or legitimate interests in respect of the disputed domain name.



3. The disputed domain name has been registered or is/are being used in bad faith.

Parties Contentions

Complainant

The Complainant in his complaint, inter alia, contended as follows:

The Respondent's domain name is identical and confusingly similar to a name, trademark or service in which the Complainant has rights.

The Complainant, based on various Indian and international trademark registrations across various classes owns the trademark "L'OREAL". Based on the use of the said trademark in India and other countries including China submitted that it is the sole proprietor of and has sole and exclusive rights to use the said trademark "L'OREAL".

The Complainant is the registered proprietor of the mark "L'OREAL" in India and several countries across the world including China. The Complainant submits that as the disputed domain name is 'www.loreal-paris.in', it is clearly identical/confusingly similar to the Complainant's trademark – "L'OREAL" in which the Complainant has exclusive rights and legitimate interest.

Background of the Complainant and its statutory and common law rights Adoption:

The Complainant was founded in 1906 by a French chemist of the same name. It must be stated that the complainant recently celebrated its centenary. The Complainant is one of the largest groups in the cosmetics business. Present in over 130 countries, L'Oreal creates and distributes products in all sectors of the beauty industry, such as hair color, styling aids, cosmetics, cleansers and fragrances. L'Oreal markets professional products, consumer products, luxury products and active cosmetics. It owns 23 international brands among which GARNIER, KERASTASE, MAYBELLINE, LANCOME and SHU UEMURA are very well known. The complainant has recorded very significant growth in terms of sales in China, where it has a local subsidiary. In china, its sales have doubled from 2005-2009. L'Oreal has become the number one skin care brand in China and has recorded a growth by 10% of its sales in 2009.

The Complainant contends that the trademark "L'OREAL" and other related formative marks have acquired global reputation and goodwill and are well known marks.



Statutory rights:

The Complainant is the owner of numerous trademarks relating to the brand "L'Oreal" and other formative marks in numerous countries including India and China.

Respondent

The Respondent failed to reply to the notice regarding the complaint.

Discussion and Findings

The Respondent does not have any relationship with the business of the Complainant or any legitimate interest in the mark/brand "L'OREAL". Moreover, the Complainant has neither given any license nor authorized the Respondent to use the Complainant's mark.

It is a well established principle that that once a complainant makes a prima facie case showing that a respondent lacks rights to the domain name at issue, the respondent must come forward with the proof that it has some legitimate interest in the domain name to rebut this presumption.

The Respondent's Default

The INDRP Rules of Procedure require under Rule 8(b) that the arbitrator must ensure that each party is given a fair opportunity to present its case. Rule 8(b) reads as follows

"In all cases, the Arbitrator shall ensure that the Parties are treated with equality and that each Party is given a fair opportunity to present its case."

Rule 11(a) empowers the arbitrator to proceed with an ex parte decision in case any party does not comply with the time limits or fails to reply against the complaint. Rule 11(a) reads as follows:

" In the event that a Party, in the absence of exceptional circumstances as determined by the Arbitrator in its sole discretion, does not comply with any of the time periods established by these Rules of Procedure or the Arbitrator, the Arbitrator shall proceed to decide the Complaint in accordance with law."

The Respondent was given notice of this administrative proceeding in accordance with the Rules. The .IN Registry discharged its responsibility under Rules paragraph 2(a) to employ reasonably available means calculated to achieve actual notice to the Respondent of the Complaint.

As previously indicated; the Respondent failed to file any reply to the Complaint and has not sought to answer the Complainant's assertions, evidence or contentions in any manner. The Arbitrator finds that the Respondent has been given a fair opportunity to present his case.

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The 'Rules' paragraph 12(a) provides that the Arbitrator shall decide the Complaint on the basis of the statements and documents submitted in accordance with the INDRP and any law that the Arbitrator deems fit to be applicable. In accordance with Rules paragraph 12, the Arbitrator may draw such inferences as are appropriate from the Respondent's failure to reply to the Complainant's assertions and evidence or to otherwise contest the Complaint. In the circumstances, the Arbitrator's decision is based upon the Complainant's assertions and evidence and inferences drawn from the Respondent's failure to reply.

The issues involved in the dispute

The Complainant in its complaint has invoked paragraph 4 of the INDRP, which reads:

"Types of Disputes -

Any Person who considers that a registered domain name conflicts with his legitimate rights or interests may file a Complaint to the .IN Registry on the following premises:

(i) the Respondent's domain name is identical or confusingly similar to a name, trademark or service mark in which the Complainant has rights;
(ii) the Respondent has no rights or legitimate interests in respect of the domain name; and

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

The Respondent is required to submit to a mandatory Arbitration proceeding in the event that a Complainant files a complaint to the .IN Registry, in compliance with this Policy and Rules thereunder."

According to paragraph 4 of the INDRP, there are 3 essential elements of a domain name dispute, which are being discussed hereunder in the light of the facts and circumstances of this case.

The Respondent's domain name is identical and confusingly similar to a name, trademark or service in which the Complainant has rights.

It has been proved by the Complainant that it has intellectual property, particularly trademark rights, and other rights in the mark "L'Oreal" by submitting substantial documents. The mark has been highly publicized and advertised by the Complainant in both the electronic and print media; both in India and globally and the disputed domain name is similar to that of the complainant's mark, services and domain names.

The disputed domain name contains the entirety of the Complainant's trademark. Previous panels have found that when a domain name contains a

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trademark in its entirety, the domain name is identical or at least confusingly similar to the trademark. [Relevant Decisions: *Tenneco Inc. v. Toni U*, Case No. INDRP/130, March 5, 2010; *ITC limited v. Travel India*, Case No. INDRP/065, April 15, 2008]

Further more it has been previously decided that additions such as the geographical term "paris" as a suffix and the ccTLD ".in" are mere minor additions that are insufficient to avoid any likelihood of confusion between Complainant's trademark and the disputed domain name. It has been well established in domain name cases that the suffix to indicate the top level of the domain name has to be disregarded for the purpose of determining whether the domain name is identical or confusingly similar to Complainant's trademark. [Relevant Decisions: *PepsiCo, Inc v. Bijon Chatterji*, Case No. INDRP/014, June 24, 2006; *Mothercare UK Limited, United Kingdom v. Mr. Rajkumar Jalan, New Delhi*, Case No. INDRP/061, April 27, 2008; *Bombay Stock Exchange Limited v. Jigar Vikamsey*, Case No. INDRP/063, August 17, 2008]

It is further established that several UDRP decisions have recognized that Complainant's trademark L'OREAL is a famous trademark [Relevant Decisions: WIPO Case No. D2008-1748, *Lancome Parfums et Beaute et Compagnie, Laboratoire Garnier et Compagnie, L'Oreal SA, L'Oreal USA Creative v. Therese Kerr*; WIPO Case No. D2006-0869, *L'Oreal, Helena Rubinstein, Lancome Parfums et Beaute & Cie v. Spiral Matrix*; WIPO Case No. D2007-1552, *L'Oreal v Liao Quanyong*; WIPO case No. D2011-0524, *L'Oreal and Lancome Parfums et Beaute et Compagnie v. Deco Trends & Art, K.Plooyer*]

According to the INDRP paragraph 3 it is the responsibility of the Respondent to find out before registration that the domain name he is going to register does not violate the rights of any proprietor/brand owner.

Paragraph 3 of the INDRP is reproduced below:

"The Respondent's Representations -

By applying to register a domain name, or by asking a Registrar to maintain or renew a domain name registration, the Respondent represents and warrants that:

- the statements that the Respondent made in the Respondent's Application Form for Registration of Domain Name are complete and accurate;***
- to the Respondent's knowledge, the registration of the domain name will not infringe upon or otherwise violate the rights of any third party;***
- the Respondent is not registering the domain name for an unlawful purpose; and***
- the Respondent will not knowingly use the domain name in violation of any applicable laws or regulations.***

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It is the Respondent's responsibility to determine whether the Respondent's domain name registration infringes or violates someone else's rights."

The Respondent has failed in his responsibility discussed above and in the light of the pleadings and documents filed by the Complainant; The Panel comes to the conclusion that the disputed domain name is identical with or deceptively similar to the Complainant's marks and its business. Accordingly, the Panel concludes that the Complainant has satisfied the first element required by Paragraph 4 of the INDRP.

The Respondent has no rights or legitimate interests in respect of the disputed domain name

The second element that the Complainant needs to prove and as is required by paragraph 4(ii) of the INDRP is that the Respondent has no legitimate right or interests in the disputed domain name.

Once the Complainant makes a prima facie case showing that the Respondent does not have any rights or legitimate interest in the domain name, the evidentiary burden shifts to the Respondent to rebut the contention by providing evidence of its rights or interests in the domain name.

The Respondent has not rebutted the contentions of the Complainant and has not produced any documents or submissions to show his interest in protecting his own right and interest in the domain name.

The Complainant's rights in the trademark "L'Oreal" predates Respondent's registration of the disputed domain name incorporating that trademark, therefore the Respondent does not have rights or legitimate interests in the disputed domain name [Relevant Decisions: Case No: INDRP/096, June 27, 2009, *Compagnie Gervais Danone v. Digitech Software Solutions*]

Respondent is in no way affiliated with the Complainant. The Complainant has not authorized or licensed Respondent to use and register the L'Oreal trademark, nor sought registration of any domain name incorporating this trademark.

Further, the Respondent has not been using the disputed domain name for non-commercial purposes. On the contrary it has been using the disputed domain name for a commercial purpose by directing internet users to a page of sponsored links which includes links reproducing Complainant's trademark, links in the field of cosmetics, links directing to products offered by Complainant's competitors. It has been established in a previous INDRP decision that such links cannot constitute a bona fide use offering of goods and services. [Relevant Decision: *Ste des Produits Nestle v. Nescafe Limited* INDRP/100 May 4, 2009]

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It has been further established that the Respondent has been engaged in a practise of registering domain names reproducing well-known trademarks, which further deprives the Respondent from having any right or legitimate interest in the disputed domain name.

For these reasons, the Arbitrator finds that the Respondent has no rights or legitimate interests in the disputed domain name.

The disputed domain name has been registered or is being used in bad faith.

It has been contended by the Complainant that the Respondent has registered and has used the disputed domain name in bad faith. The language of the INDRP paragraph 4(iii) is clear enough, and requires that either bad faith registration or bad faith use be proved.

Paragraph 6 of the INDRP provides that the following circumstances are deemed to be evidence that a Respondent has registered and used a domain name in bad faith:

"Circumstances indicating that the Respondent has registered or has acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of the complainant, for valuable consideration in excess of its documented out-of-pocket costs directly related to the domain name; or

the Respondent has registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that the Respondent has engaged in a pattern of such conduct; or

by using the domain name, the Respondent has intentionally attempted to attract, for commercial gain, Internet users to its Website or other on-line location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation or endorsement of its Website or location or of a product or service on its Website or location."

From the circumstances of the case and from the evidences put before the Panel by the Complainant, the Panel is of the opinion that the Respondent had no previous connection with the disputed domain name and any use of the disputed domain name by the Respondent, would result in confusion and deception of the trade, consumers and public, who would assume a connection or association between the Complainant and the Respondent.

From an examination of the website on the disputed domain name, it appears that the Respondent has been using the disputed domain name to

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direct Internet users to a page of sponsored links which includes links reproducing Complainant's trademark, links in the field of cosmetics, links directing to products offered by Complainant's competitors. In the view of the Panel, such activity is evident of the fact that the Respondent is using the disputed domain name <www.loreal-paris.in> in bad faith.

The Panel is prepared to accept that the Complainant's "L'Oreal" trademark and corresponding business is well-known and has developed a significant global reputation. With regard to Famous Names, a couple of INDRP panels have found bad faith registration because Complainant's name was well-known at the time of registration. [Relevant Decisions: Case No. INDRP/051, November 5, 2007, *NBA Properties, Inc. v. Rickson Rodricks*; Case No. INDRP/018, October 6, 2006, *Bacarrat SA v. Doreen Jungnickel/Darius Herman Domcreate*.;]

The panel is prepared to accept that that disputed domain name was being used in bad faith because it resolves to a parking website displaying pay per click links reproducing Complainant's trademark as well as its competitors. The use of a disputed domain name to divert Internet users and directing them to a website providing click through revenues to the Respondent evidences bad faith. The panel is of the conclusion that the Respondent is taking undue advantage of Complainant's trademark to generate profits. The use of a famous trademark to attract Internet users to a website for commercial gains constitutes use in bad faith. [Relevant Decision: Case No. INDRP/125, February 14, 2010 *Lego Juris A/S v. Robert Martin*]

Consequently it is established that the disputed domain name was registered in bad faith as well as used in bad faith

Decision

The following circumstances are material to the issue in the present case:

- (i) the Complainants' trademark has a strong reputation and is widely known on a global basis;
- (ii) the Respondent has provided no evidence whatsoever of any actual or contemplated good faith use of the disputed Domain Name;
- (iii) taking into account the nature of the disputed domain name and in particular the .in extension alongside the Complainant's mark, which would inevitably associate the disputed domain name closely with the Complainant's group of domains in the minds of consumers, all plausible actual or contemplated active use of the disputed Domain Name by the Respondent is and would be illegitimate. Use by the Respondent as such would amount to passing off, an infringement of consumer protection legislation, or an infringement of the Complainant's rights under trademark law.

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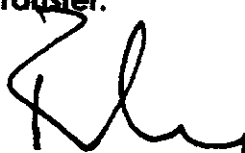
The Respondent failed to comply with Para 3 of the INDRP, which requires that it is the responsibility of the Respondent to ensure before the registration of the impugned domain name by him that the domain name registration does not infringe or violate someone else's rights. The Respondent should have exercised reasonable efforts to ensure there was no encroachment on any third party rights. [Relevant Decisions: *Salmi Oy v. PACWEBS* WIPO Case No. D2009-0040; *Graco Children's Products Inc. v. Oakwood Services Inc.* WIPO Case No. D2009-0813; *Artemides Holdings Pty Ltd v. Gregory Ricks* WIPO Case No. D2008-1254; *Ville de Paris v. Jeff Walter* WIPO Case No. D2009-1278].

The Complainant has given sufficient evidence to prove extensive global trademark rights on the disputed domain name. Further, the Respondent's adoption and registration of the disputed domain name is dishonest and malafide.

While the overall burden of proof rests with the Complainant, panels have recognized that this could result in the often impossible task of proving a negative, requiring information that is often primarily within the knowledge of the Respondent. Therefore a complainant is required to make out a *prima facie* case that the Respondent lacks rights or legitimate interests. Once such *prima facie* case is made, Respondent carries the burden of demonstrating rights or legitimate interests in the domain name. Thus it is clear that the Respondent is using the disputed domain name in bad faith and has registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name.

[Relevant decisions: *Lego Juris AS v. Robert Martin* INDRP/125; *Societe Air France v. DNS Admin* INDRP/075; *Kelemata SPA v. Mr Bassarab Dungaciu* WIPO D2003-0849; *Croatia Airlines d.d. v. Modern Empire Internet Ltd.* WIPO D2003-0455; *Uniroyal Engineered Products, Inc. v. Nauga Network Services* WIPO D2000-0503; *Microsoft Corporation v. Chun Man Kam* INDRP/119]

The Respondent's registration and use of the domain name [www.loreal-paris.in] is abusive and in bad faith. The Respondent has no rights or legitimate interests in respect of the domain name. In accordance with Policy and Rules, the Panel directs that the disputed domain name [www.loreal-paris.in] be transferred from the Respondent to the Complainant; with a request to NIXI to monitor the transfer.



Rodney D. Ryder
Sole Arbitrator

Date: May 3, 2012