L'oreal v. Chenxiansheng

Case No. D2009-0242

1. The Parties

The Complainant is L'OREAL of Paris, France and is represented by Cabinet Dreyfus & associés of Paris, France

The Respondent is Chenxiansheng of Guangzhou, Guangdong, People's Republic of China.

2. The Domain Name and Registrar

The disputed domain name <lorealfrance.com> (the "Domain Name") is registered with Bizen.com, Inc.

3. Procedural History

- 3.1 The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on February 23, 2009 electronically and in hardcopy on March 3, 2009. On February 24, 2009, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Name. On February 25, 2009, the Registrar transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details. The Center verified that the Complaint satisfied the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the "Policy"), the Rules for Uniform Domain Name Dispute Resolution Policy (the "Rules"), and the WIPO Supplemental Rules for Uniform Domain Name Dispute Resolution Policy (the "Supplemental Rules").
- 3.2 In accordance with the Rules, paragraphs 2(a) and 4(a), the Center formally notified the Respondent of the Complaint, and the proceedings commenced on March 6, 2009. In accordance with the Rules, paragraph 5(a), the due date for Response was March 26, 2009. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on March 27, 2009.
- 3.3 The Complaint has been submitted in English. The registration agreement for the Domain Name is made in Chinese. After notification by the Center on February 26, 2009, the Complainant replied to the Center on March 3, 2009 and requested that English be the language of the proceedings. The Respondent did not comment on the language of the proceedings by the due date. Amongst other arguments, the Complainant argued *inter alia* that it was unable to communicate in Chinese and that the proceeding would inevitably be delayed unduly. It also stated that the Complainant would have to incur substantial expenses for such translations. These arguments will be dealt with in detail later in this decision under the language sub-heading. The Center appointed a Panel familiar with both languages mentioned and left the issue of the language of the proceedings to be determined by this Panel.
- 3.4 The Center appointed Dr. Colin Yee Cheng Ong to act as sole panelist in this matter on April 6, 2009. The Panel finds that it was properly constituted. It has submitted the Statement

of Acceptance and Declaration of Impartiality and Independence, as required by the Center to ensure compliance with the Rules, paragraph 7.

4. Factual Background

- 4.1 The Complainant has stated that in 1909, L'oréal was created and is today a French industrial group specializing in the cosmetics and beauty industry. Evidence was provided in the form of weblinks and L'oréal is accordingly said to be the world's number one cosmetics group, employing more than 63,000 employees in 130 countries and generating 17 billion euros of consolidated sales in 2007. The Complainant owns 25 international brands such as L'ORÉAL PARIS, GARNIER, LANCÔME, MAYBELLINE, VICHY and KERASTASE and its products target all populations with a vast range of products including skin care, makeup, sun protection and hair care.
- L'ORÉAL is said to be well-known all over the world and especially in China where it is represented by its subsidiary L'oréal China based in Shanghai. The Complainant provided evidence in the form of a specific website dedicated to Chinese consumers "www.lorealchina.com" and provided further information to show that in July 2008, 14 of its world brands were available in China. L'oréal is said to have been operating in the Chinese market since 1997 and it achieved sales of €23 million in 2007.
- 4.2 The Complainant has annexed to its Complaint a long list of the trademarks, which include the following (all of which appear to be simple word marks):
- International Trademark L'OREAL n°184970, registered on May 5, 1955 (renewed), in classes 3 and 5;
- International Trademark L'OREAL n°230114, registered on March 28, 1960 (renewed), in classes 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, and 34;
- International Trademark L'OREAL n°328403, registered on November 28, 1966 (renewed), in classes 35, 36, 37, 38, 39, 40, 41, and 42;
- Chinese Trademark L'OREAL n°148647, registered on July 30, 2001 in class 3;
- Chinese Trademark L'OREAL n°1487385, registered on December 7, 2000 in class 42;
- Chinese Trademark L'OREAL n°16657449, registered on October 28, 2001 class 25;
- Chinese Trademark L'OREAL n°1152301, registered February 21, 2008 in class 3;
- Chinese Trademark L'OREAL n°1252128, registered on March 7, 1999 in class 3.

The Complainant has annexed to its Complaint a long list of domain names including L'OREAL trademark and they include the following:

- <loreal.com> registered on October 24, 1997;
- < loreal.fr> registered on October 14, 1997;

- <lorealparis.com> registered on June 5, 1998;
- <lorealparis.be> registered on August 18, 2000;
- <lorealparis.fr> registered on January 10, 2000;
- <lorealchina.com> registered on July 18, 2000; and
- <lorealprofessionnel.com> registered on January 9, 2001.

5. Parties' Contentions

A. Complainant

- 5.1 The Complainant contends that the Domain Name <lorealfrance.com> is identical or at least confusingly similar to the Complainant's trademarks. It complains that the Domain Name reproduces the Complainant's trademarks in its entirety.
- (i) The Complainant submits that the only other difference between the Domain Name and the Complainant's trademark is the addition of the geographic term "france" and that many UDRP decisions have stated that adding a geographic term to a well-known trademark does not sufficiently distinguish the Domain Name from the Complainant's trademarks.
- (ii) The Complainant cited a previous UDRP decision of *L'oreal v. Liao quanyong*, <u>WIPO Case No. D2007-1552</u>, which involved the Complainant in respect of the domain name <lorealchina.net> and in which the panel found that the addition of the word "china" to the word "loreal" does not serve to distinguish it from the Complainant's L'OREAL marks.
- (iii) The Complainant stated that the addition of a generic term is more likely to increase the likelihood of confusion than to minimize the same, especially since the term chosen is the country of origin of the Complainant.
- 5.2 The Complainant contends that the Respondent has no rights and legitimate interests in the Domain Name for the following reasons:
- (i) The Respondent has no prior right or legitimate interest in the Domain Name and is not affiliated with the Complainant in any way. The Complainant did not authorise the Respondent to use or register its L'OREAL trademark or to seek any domain name incorporating said mark.
- (ii) The registration of the numerous L'OREAL trademarks preceded the registration of the Domain Name.
- (iii) The Respondent has never used the term "l'oreal" in any way before or after the Complainant registered its trademarks and that the Respondent was never known under this name or any similar term.
- (iv) That it could be inferred that the Respondent has no legitimate interest in the Domain Name.

- (v) That the Respondent has never even claimed to have a legitimate interest in the Domain Name as the Respondent has never replied to the Complainant's numerous messages including a cease-and-desist letter to the Respondent on September 30, 2008, by registered letter and four reminders thereafter.
- 5.3 The Complainant, lastly, contends that the Domain Name was registered and is being used in bad faith for the following reasons:
- (i) The Complainant been using its L'OREAL trademark long before the Domain Name was registered.
- (ii) The L'OREAL trademark is well-known worldwide and especially in China, where the Respondent is domiciled and that the Complainant had been in China long before the Domain Name was registered.
- (iii) That the Respondent never denied knowledge of the Complainant's trademark even after receiving the cease-and-desist letter and the reminders of the Complainant.
- (iv) That, the address provided by the Respondent at the time he registered was insufficient which is an indication of the Respondent's bad faith.
- (v) That the Respondent's choice to add "france" to the term "l'oreal" is an indication of the Respondent's knowledge of the Complainant's trademark when he registered the Domain Name as France is the location of the Complainant head office.
- (vi) That the Respondent's registration of the Domain Name was made in the perspective to direct the Domain Name to a website that seems to be a L'oreal website including a reference to a company with a name including the mark L'OREAL and a logo including said trademark.

The Complainant requests a decision that the Domain Name <lorealfrance.com> be transferred to L'oreal.

B. Respondent

5.4 The Respondent did not reply to the Complainant's contentions.

6. Discussion and Findings

A. Language

6.1 The Complaint was filed in the English language. On February 26, 2009, the Center sent a notification to the parties concerning the language of proceeding. Pursuant to the Rules, paragraph 11, in the absence of an agreement between the parties, or specified otherwise in the registration agreement, the language of the administrative proceeding shall be the language of the registration agreement. The Center has been informed by the registrar concerned that the language of the registration agreement for the disputed domain name is Chinese. Pursuant to paragraph 11(a) of the Rules, the default language of the proceeding would typically be Chinese, as this is the language of the Domain Name Registration and Service Agreement and also in consideration of the fact that there is no express agreement to the contrary by the parties.

While the Complaint was submitted to the Respondent in the English language, there was neither a response nor any objection made by the Respondent. Although the Chinese language is the language of the registration agreement for the Domain Name, the Complainant asserts that English should be the language of the proceeding.

According to paragraph 11 of the Rules, the language of the administrative proceeding shall be the language of the registration agreement unless the Panel decides otherwise. The spirit of paragraph 11 is to ensure fairness in the selection of language by giving full consideration to the parties' level of comfort with each language, the expenses to be incurred and the possibility of delay in the proceeding in the event translations are required and other relevant factors.

In the present case, the Respondent has not objected to English as the language of this proceeding. Although the inability of the Complainant to communicate efficiently in the Chinese language is not and cannot be a proper legal basis for determing the language of proceedings, the Panel views that it is very significant that there has not been any objection made by the Respondent at all on the issue of language. The Panel considered this issue carefully bearing in mind its broad powers given it by paragraph 11 (a) of the Rules. Therefore, in consideration of all the above circumstances, the Panel hereby decides, under paragraph 11 of the Rules, that English shall be the language of administrative proceeding in this case. Additionally, based on the Panel's discretion, along with the English language documents all Chinese language documents that have been submitted have also been reviewed by the Panel.

The Panel finds that the proceedings have been conducted in accordance with the Rules and the Policy. The procedural history of this case raises the question as to whether the Respondent has received notice of this proceeding. However, having gone through the series of communications as set out above under the section on procedural history, the Panel concludes that the Center has notified the Respondent of this proceeding and has discharged its responsibility under paragraph 2(a) of the Rules.

- 6.2 The Panel has reviewed the Complaint together with its annexes and, in the light of this material, the Panel finds as set out below.
- 6.3 This Panel does not find any exceptional circumstances pursuant to paragraph 5(e) of the Rules so as to prevent this Panel from determining the dispute based upon the Complaint, notwithstanding the failure of the Respondent to lodge a Response.
- 6.4 Notwithstanding the default of the respondent, it remains incumbent on the complainant to make out its case in all respects as set out in paragraph 4(a) of the Policy (see, for example, *PRL USA Holdings, Inc. v. Yan Shif*, <u>WIPO Case No. D2006-0700</u>). Namely, the complainant must prove that:
- "(i) the domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; and
- (ii) the respondent has no rights or legitimate interests in respect of the domain name; and
- (iii) the domain name has been registered and is being used in bad faith."

6.5 Under paragraph 14(b) of the Rules, where a party does not comply with any provision of the Rules, the panel "shall draw such inferences therefrom as it considers appropriate". Therefore, in a case where a respondent fails to put in a response, a panel may draw negative inferences from the respondent's default (see paragraph 4.6 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions).

Where the respondent chooses not to present any such evidence to dispute the claims of the complainant, an inference may be made that such evidence would not have been favorable to the respondent, or that he accepts the factual claims of the complainant, or even that he does not wish to respond or defend his perceived interest in the disputed domain name. (See, *Caterpillar Inc. v. Spiral Matrix/ Kentech, Inc., / Titan Net/ NOLDC, Inc*, WIPO Case No. D2006-0808).

B. Identical or Confusingly Similar

- 6.6 Pursuant to paragraph 4(a)(i) of the Policy, a complainant must prove that the domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights.
- 6.7 In line with such provision, the Complainant must prove two limbs, *i.e.*, that it holds the trademark or service mark right; and that the Domain Name is identical with or confusingly similar to its trademark or service mark. The test of identity or confusing similarity under the Policy is confined to a comparison of the disputed domain name and the trademark alone, independent of the Domain Name's use or other marketing factors, usually considered in trademark infringement (see, for example, *Ebay Inc. v. Wangming*, <u>WIPO Case No. D2006-1107</u>).
- 6.8 The Complainant has appended to the Complaint a long list of registered trademarks and registered domain names that incorporate the word "l'oreal". It is quite clear that the Complainant is the owner of a large number of trademarks as well as registered domain names in various jurisdictions that comprise the word "l'oreal". A number of these have already been listed in this decision. Given this, the Panel has little difficulty in concluding that the Domain Name which fully incorporates the Complainant's trademark and the term "france" is confusing similar to a number of trademarks in which the Complainant has rights.
- 6.9 In the circumstances, the Complainant has satisfied the requirements of paragraph 4(a)(i) of the Policy.

C. Rights or Legitimate Interests

6.10 The Panel is satisfied that the Complainant has provided evidence showing that the trademarks for L'OREAL are widely known throughout the world, registered and is present in many countries, including China, where the Respondent is located.

At the heart of the Complaint is the Complainant's contention that the Respondent has taken the name of the Complainant with a view to attracting Internet users to its website, where it offers the same or similar services as those offered by the Complainant. The Panel accepts that such activity does not provide the Respondent with a right or legitimate interest in the Domain Name.

6.11 According to paragraph 4(a)(ii) of the Policy, the Complainant has to demonstrate that the Respondent has no rights or legitimate interests in the Domain Name.

Paragraph 4(a)(ii) of the Policy requires the complainant to prove that the Respondent has no rights or legitimate interests in the disputed domain name. However, it is the prevailing view among panelists that where a complainant makes a *prima facie* case that the respondent has no rights or legitimate interests, and the respondent fails to show, *inter alia*, one of the three circumstances under paragraph 4(c) of the Policy, then the respondent may lack a right or legitimate interest in the domain name.

- 6.12 The Panel takes strong note of the fact that the Respondent has never used the term "l'oreal" in any way before or after the Complainant registered its trademarks. The Respondent also knew of the registration of the many L'OREAL trademarks as well as registered domain names including the L'OREAL trademark which had preceded the registration of the Domain Name. As previously held by other UDRP panels, "rights or legitimate interests cannot be created where the user of the domain name at issue would not choose such a name unless he was seeking to create an impression of association with the Complainant". (See *eBay Inc. v. Akram Mehmood*, WIPO Case No. DAE2007-0001).
- 6.13 As another panel had held in the case of *Consitex S.A.*, *Lanificio Ermenegildo Zegna & Figli S.p.A.*, *Ermenegildo Zegna Corporation v. Varentinuo inc. reg by sopao.com*, <u>WIPO</u>

 <u>Case No. D2008-0186</u>, if a respondent wants to argue that it has a right or legitimate interest in a domain name in such circumstances as the present, it is then for the respondent to positively advance that case and to bring forward evidence in support (see paragraph 6.16 of that decision).
- 6.14 The Respondent has not provided evidence of circumstances of the type specified in paragraph 4(c) of the Policy, or any other circumstances giving rise to a right or legitimate interest in the domain name. There is no evidence on the record of this proceeding to suggest that the Respondent has been commonly known by the Domain Name, or that the Respondent has made noncommercial or fair use of the name. The Respondent has also not used the Domain Name in connection with a *bona fide* offering of goods or services. The Panel thus finds that the Complainant has made a an unrebutted *prima facie* case showing that the Respondent has no rights or legitimate interests in the Domain Name which is confusingly similar to the Complainant's mark.
- 6.15 Under these circumstances, the Panel takes the view that the Respondent has no rights or legitimate interests in the Domain Name and that the requirement of paragraph 4(a)(ii) of the Policy is also satisfied.

D. Registered and Used in Bad Faith

- 6.16 The Panel accepts the Complainant's contention that the Respondent registered the Domain Name in the knowledge of the Complainant's business and its use of the L'OREAL trademark. This is inherently probable given the fact that the Complainant has demonstrated its widespread worldwide usage of the L'OREAL trademark all over the world, including China where the Respondent is based.
- 6.17 Given this finding, the Panel also infers and accepts the Complainant's undisputed contention that the Respondent registered the Domain Name with a view to intentionally

create a likelihood of confusion with the Complainant's trademark, corporate name and domain name as to the source, sponsorship, affiliation and/or endorsement on its website, in all likelihood, for its own commercial gain.

- 6.18 Paragraph 4(b) of the Policy provides a list of examples of evidence of bad faith registration and use. Paragraph 4(b)(iv) refers to use of a domain name to intentionally attempt to attract for commercial gain Internet users to a website by creating a likelihood of confusion with the Complainant to the source of a website.
- 6.19 Given that the Respondent has failed to show (for the reasons set out under the heading 6.B. Rights and Legitimate Interests above) that it was using the Domain Name genuinely for its own goods or services and that it has also failed to disclose on the site the true relationship between it and the Complainant, the Panel concludes that the Respondent in this case did intentionally attract for commercial gain Internet users to its website by creating a likelihood of confusion with the Complainant's mark. The Panel has no doubt that the Respondent is intentionally attempting for a commercial purpose to attract Internet users to the Respondent's website. Furthermore, the fact that the address provided by the Respondent at the time he registered was insufficient is also an indication of the Respondent's bad faith. The activities of the Respondent, therefore, fall within the scope of paragraph 4(b)(iv) of the Policy.
- 6.20. The Panel comes to the conclusion that the Respondent most likely registered the Domain Name in order to prevent the Complainant from adopting the trademark in a corresponding domain name. This has been done in bad faith as the Respondent knew or would have been well aware of the fact that the Respondent's choice to add "france" to the term "l'oreal" indicates the Respondent's knowledge of the Complainant's trademark when he registered the disputed domain name as he likely knew that France is the location of the Complainant head office.
- 6.21 In the circumstances, the Complainant has made out the requirements of paragraph 4(a)(iii) of the Policy. This is sufficient to dispose of this matter in favour of the Complainant. However, the Panel would also add one further point before drawing this decision to a close.
- 6.22. In coming to its decision the Panel has not given any weight to the Complainant's contention that the failure on the part of the Respondent to respond to its "cease and desist letter" and reminder letters in English is also evidence of bad faith. The Panel accepts that the decision of the panel in *America Online Inc. v. Viper*, WIPO Case No. D2000-1198 suggests that this was one of a number of factors that was taken into account on the issue of bad faith registration and use in that case. Nevertheless, this is something that a panel should only do with great care. There may, indeed, be occasions where a failure to respond to a factual allegation in such a letter may tell against a respondent. However, that will depend upon the exact nature of the allegation and all the circumstances of the case. Also at all times it must be remembered that a respondent is under no obligation to respond to such a letter. It is always open to a respondent to sit back and make a complainant prove its case. (See

Compagnie Gervais Danone v. yunengdonglishangmao(beijing)youxiangongsi, WIPO Case No. D2007-1918). Nevertheless, the Panel has been able to conclude that the Respondent registered and used the Domain Name in bad faith for the other reasons given above without any reliance on the "cease and desist letter".

7. Decision

For all the foregoing reasons, in accordance with paragraphs 4(i) of the Policy and 15 of the Rules, the Panel orders that the domain name <lorealfrance.com> be transferred to the Complainant.

Dr. Colin Yee Cheng Ong Sole Panelist

Dated: April 22, 2009