

ASIAN DOMAIN NAME DISPUTE RESOLUTION CENTRE
(Beijing Office)
ADMINISTRATIVE PANEL DECISION
Case No. CN 1000359

Complainant: Wella Aktiengesellschaft

Respondent: golden city

Domain Name: wella555.com

Registrar: WEB COMMERCE COMMUNICATIONS LIMITED DBA WEBNIC.CC

1. Procedural History

On June 18, 2010, the Complainant submitted a Complaint in English version to the Beijing Office of the Asian Domain Name Dispute Resolution Center (the "ADNDRC Beijing Office") in accordance with the Uniform Domain Name Dispute Resolution Policy (the "Policy") adopted by the Internet Corporation for Assigned Names and Numbers ("ICANN"), the Rules for Uniform Domain Name Dispute Resolution Policy (the "Rules") approved by ICANN, and Asian Domain Name Dispute Resolution Center Supplemental Rules for Uniform Domain Name Dispute Resolution Policy (the "ADNDRC Supplemental Rules").

On June 21, 2010, the ADNDRC Beijing Office confirmed the receipt of the Complaint and transmitted by email to ICANN and WEB COMMERCE COMMUNICATIONS LIMITED DBA WEBNIC.CC (the Registrar of the domain name) a request for registrar verification in connection with the domain name in dispute. On June 22, 2010, WEB COMMERCE COMMUNICATIONS LIMITED DBA WEBNIC.CC transmitted by email to the ADNDRC Beijing Office its verification response confirming that the domain name in dispute was registered under its domain registrar and the Respondent is listed as the registrant.

On June 29, 2010, the ADNDRC Beijing Office sent by email the Transmittal of Claims attached by the Complaint to the Respondent.

On July 15, 2010, the ADNDRC Beijing Office notified the Complainant that the Complaint had been confirmed and forwarded and the proceedings would commence on July 15, 2010. On the same day the Notifications of Commencement of Proceedings were notified to the Respondent, ICANN and the Registrar, the confirmed Complaint and all of its annexes were transmitted to the Respondent by email.

On August 2, 2010, the ADNDRC Beijing Office received the Response submitted by the Respondent, and on August 3, 2010, it forwarded the Response to Complainant and notified the Complainant and the Respondent for selection of Panelist.

On August 3, 2010, the ADNDRC Beijing Office received from Respondent the rankings of panelists. On August 4, 2010, the ADNDRC Beijing Office received from Complainant the rankings of Panelists.

On August 6, 2010, the ADNDRC Beijing Office notified the Proposed Panelist Mr. LIAN Yunze, to see whether he is available to act as the panelist in this case and if so, whether he is in a position to act independently and impartially between the parties. Having received a Declaration of Impartiality and Independence and a Statement of Acceptance from Mr. LIAN Yunze, on August 9, 2010, the ADNDRC Beijing Office informed the Complainant and the Respondent of the appointment of the Panelist, transferred the case file to the Panel and asked the panel to submit a decision on or before August 23, 2010.

The language of the proceedings is English, as being the language of the Domain Name Registration and Service Agreement, pursuant to Paragraph 11(a) of the Rules and there being no agreement by the disputing parties to the contrary.

2. Factual Background

For the Complainant

The Complainant is Wella Aktiengesellschaft, represented in this case by its authorized agent Jason Xu, with the address at Room 309, Beihuan Center, No 18, Yumin Road, Beijing, China.

For the Respondent

The Respondent is golden city with the address at Beijing. The Respondent registered the disputed domain name by the registrar WEB COMMERCE COMMUNICATIONS LIMITED DBA WEBNIC.CC on September 5, 2005.

3. Parties' Contentions

The Complainant

The Complainant contends that:

(1)“WELLA” is a registered trademark which has been used by the Complainant, Wella Aktiengesellschaft (hereinafter referred to as “Wella”), for many years. The complainant’s “WELLA” series of marks enjoys a strong reputation in the hairdressing industry worldwide. The effective part of the disputed domain name, “wella555”, is confusingly similar to the “WELLA” mark for which the Complainant owns prior rights.

(a)The Complainant enjoys prior trademark rights for “WELLA”, the primary verbal and most distinctive element of the disputed domain name.

The Wella Professionals story began in 1880 with Franz Ströher, a young German hairdresser with an entrepreneurial spirit and a deep love of hairdressing. Franz’s quest for knowledge took him around European centers of fashion, where he was inspired to develop the very first products for the fashion-conscious of the time. This is where the foundations of Wella were laid. In the 1920’s, the Ströher family applied for a license to develop products to give hair permanent waves. This inspired the company name – Wella, derived from the German word for wave. So far, for over 130 years, Wella has become one of the world’s leading and must-have brands of hairdressing products. In 2003, Wella was acquired by Procter & Gamble (P&G), and the respective hair and fragrance businesses were combined. With its salon business under P&G Professional Care, Wella is now part of the biggest hair company in the world.

Wella entered the Chinese market in the 1980’s. With more than 30 years of development, Wella and its Wella branded products have obtained a very high level of fame in the Chinese market. Searches against the “Wella” keyword on Google and Baidu (both well known and commonly used search engines in China) revealed more than 4,050,000 and 704,000 links respectively, most of which relate to explanatory features/stories/news articles about Wella, or promotion/sales information for Wella products. The website under the disputed domain name was also revealed as the 3rd search result on Baidu, and the website makes the false claim that it is a “Wella Franchised Website”.

In China, Wella has a wholly-owned subsidiary and operates many hairdressing training centers in Beijing, Shanghai, Nanjing, Guangzhou, Chengdu, Shenyang, Tianjin and Fuzhou. Every year, more than 100,000 hair dressers are trained in Wella’s training centers. Wella’s beauty business is booming and has brought hairdressing innovation to every corner of the country.

The “WELLA” mark was first approved for registration by the PRC Trademark Office of the State Administration for Industry and Commerce (“Trademark Office”) on April 15, 1978 for “cosmetics for hair use” in Class 3. The trademark has been renewed and is within the period of validity.

Apart from the Complainant’s exclusive rights in the “WELLA” trademark, the Complainant has registered and carried on business under the name “Wella Aktiengesellschaft” since the 1920’s. “Aktiengesellschaft” is the equivalent of “joint-stock company” in the German language. As such, “Wella” has always been the Complainant’s business name and the Complainant therefore enjoys rights over “WELLA” as a trade name.

Moreover, the Complainant has as early as 6 January 1996, registered the domain name “wella.com” and set up its official website under the domain name. The domain name was then transferred to P&G, the parent company of the Complainant.

(b)The primary verbal and most distinctive element of the disputed domain name “wella555” is identical to the “WELLA” mark and trade name, for which the Complainant holds prior rights.

According to the Standards for Trademark Examinations and Hearings issued by the Trademark Office and PRC Trademark Review and Adjudication Board, “a mark that entirely embodies another party’s prior word mark that has enjoyed certain reputation in the market or with strong distinctiveness, and use of the said mark may mislead the relevant consumers and cause consumers to be confused into thinking that said mark and the prior mark are a series of marks, the said mark shall be considered similar to the prior mark”.

The effective part of the disputed domain name, namely “wella555” is comprised of the primary verbal element “wella”, which is identical to the Complainant’s “WELLA” trademark and trade name, and the number “555”. Compared to the numbers “555”, which are meaningless in and of themselves, the “wella” verbal element is obviously the most distinctive part of the disputed domain name, and the element that is most recognizable to consumers.

As mentioned above, “WELLA” is the house mark of the Complainant that has been used for more than 90 years. Moreover, “WELLA” is the Complainant’s corporate name that has also been used for more than 90 years all over the world. Through the commercial activities of Wella and its affiliate companies in China, Chinese consumers have become very

familiar with the Complainant's "WELLA" mark and trade name. Long-term use and the wide-scale promotion of the "WELLA" name and mark have established an immediate and singular connection between the "WELLA" mark/name and the Complainant in the minds of Chinese consumers. Because of this, based on the reputation of the Complainant's "WELLA" mark/name, consumers will be easily misled into believing that the disputed domain name as owned by or at least related to the Complainant, particularly in light of the fact that the website under the disputed domain name falsely claims to be a "Wella Franchised Website".

Given the above, the registration and use of the disputed domain name will inevitably cause consumers confusion and misidentification. The effective part of the disputed domain name, "wella555", is confusingly similar to the "WELLA" trademark and trade name, for which the Complainant owns prior rights.

(2) The Respondent has no rights or legitimate interests in the disputed domain name.

The Complainant first achieved registration of the trademark "WELLA" in China as early as in 1978, and has used the "WELLA" trademark and trade name in China for more than 30 years. According to the Complainant's search on the PRC Trademark Office's official website and trademark registry search engine, the Respondent has NO civil rights or legitimate interests to "WELLA" or "Wella555".

Moreover, the Complainant has never authorized the Respondent to use the "WELLA" trademark or trade name, or any related trademark or name. Although the Respondent has been using the disputed domain for several years, its use of "WELLA" in the disputed domain name was definitely unauthorized and as such, any interests obtained by the Respondent from its illegal use of "WELLA" mark shall not be deemed to be legitimate interests in the "WELLA" trademark or domain.

In short, the Respondent has no civil rights or legitimate interests in respect of "WELLA", "wella555" or the entire domain name.

(3) The domain name was registered and is being used in bad faith.

As revealed on the target website www.wella555.com, its operator is a company called "Beijing Golden City Technology Development Co., Ltd." (hereinafter referred to as "Golden City"). The Complainant has arranged for an on-site investigation against this company. The investigation results

revealed that “Golden City” is primarily engaged in the online sales of famous third-party cosmetics products branded with the WELLA, LOREAL, SCHWARZKOPF and other trademarks. In addition to www.wella555.com, Golden City operates at least three other online stores selling the same or similar products.

The above documents clearly demonstrate that Golden City, as a seller of Wella products, is very familiar with Wella, the “WELLA” trademarks and the cosmetic products supplied by Wella. Therefore, before and by registering the disputed domain, the Respondent is presumed to have actual knowledge that “WELLA” is the registered trademark and trade name of the Complainant, and the Respondent’s registration of the disputed “wella555.com” domain name was made with clear and actual knowledge of the Complainant’s prior rights in the “WELLA” trademark and trade name (and the Wella series of products). The Respondent has acted in bad faith in registering a domain name with “WELLA” as the primary verbal and most distinctive element, and linked the domain name to a website that is selling Wella products (as well as the hairdressing products of other third parties) with actual or presumed knowledge that the “WELLA” is the registered trademark and trade name owned by the Complainant. Moreover, the Respondent’s claim that the subject website is a “Wella Franchised Website”, as well as its registration of the Internet Keywords for “威娜” (the Chinese counterpart of WELLA) and “威娜专卖” (Wella Franchise), clearly demonstrate a bad faith attempt to confuse and mislead consumers.

In view of the above, it is clear that the Respondent registered and is using the disputed domain in bad faith and with the clear intention to appropriate the fame of the Complainant’s “WELLA” trademark and trade name, and to attract and mislead consumers into believing that it is an authorized distributor of Wella products in China. The Complainant has never granted any authorization to the Respondent to use the “WELLA” trademarks or trade name, and has clearly not authorized use of the trademark/name to register a domain name. The Respondent’s claim to be an authorized distributor for Wella in China is absolutely false.

Although the WELLA products promoted and sold by “Golden City” are genuine products, its acts of using the WELLA mark to register a domain name, set up a website, call it a “Wella Franchised Website” and sell products via the said website without the authorization of the Complainant should be regarded as evidence of bad faith as prescribed in 4(b) (iv) of the Policy, which provides “by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to

your web site 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 your web site or location or of a product or service on your web site or location”.

Upon becoming aware of the above facts, the Complainant's parent company P&G forwarded a Warning Letter to the Respondent and demanded that it stop all acts of trademark infringement, unfair competition and copyright infringement. The Respondent replied they would consider assigning the disputed domain to the Complainant at a price of RMB2 million (about USD293, 686). Moreover, the Respondent also prepared a statement listing all reasons for them to make such a quotation. In the said statement, the Respondent clearly stated that their websites were considered as websites of general authorized distributor of Wella in China by many clients and salon owners.

In light of the above, the Respondent's registration and use of the disputed domain name is obviously made in bad faith as prescribed in 4(b)(i) of the Policy, which provides “you have registered or you have 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 that Complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name.”

In summary, “WELLA” is a registered trademark of the Complainant and also the Complainant's trade name, and the Complainant and its affiliate company including P&G enjoy prior rights in “WELLA”. The effective part of the disputed domain name, “wella555”, is confusingly similar to the “WELLA” mark for which the Complainant owns prior rights. The Respondent has no civil rights or legitimate interests in respect of “WELLA”, “wella555” or the entire domain name. The disputed domain name was registered and is being used in bad faith.

According to the Policy and in light of the above reasons, the Complainant requests the Panel to rule: the disputed domain name in this case shall be transferred to the Complainant.

The Respondent

The Respondent responds that:

(1)The domain name registered by the Respondent and the complainant's trademark are neither identical nor similar.

(a) The Complainant's trademarks are the combinations of Chinese characters and letters, or combinations of patterns and the domain name registered by the Respondent is the combination of letters and numbers. The domain name is quite distinct from the Complainant's trademarks.

(b) The Respondent's use of the domain name could not cause any confusion.

First, the website under the domain name has been clearly indicating the Respondent's company name and the record information. The consumers can be clearly aware of the owner and operator of the website.

Second, the guests of the website are terminal consumers. The consumers can clearly know that the Respondent is only a retailer of Wella products.

Third, the use of the trademarks in retailing is inevitable, reasonable and lawful, which would not cause consumers' misunderstanding or confusion. When the Wella products have been sold out first, the value of the trademark has been achieved, and the trademark rights have been exhausted. The Complainant can not hinder anybody from using of "Wella" for the second sales especially the retail. The "exhaustion-of-rights doctrine" is the international rule.

Therefore, the complaint does not conform to the 4a (i) of the Policy.

(2) The Respondent has legal rights and interests on the domain name.

(a) The Respondent has been holding and using the domain name for more than 5 years since the domain name was registered on September 5, 2005.

(b) The Respondent has invested a great deal of manpower, material and financial resources to promote the website under the domain name. Now the website is well-known and reputable.

The promotion of the website under the domain name by the Respondent including but not limited to the following fact:

(i) Register the keyword to promote the website;

(ii) Promote the website on the "有道 youdao" website and "搜狗 Sogou" website;

(iii) Arrange many special persons to provide 24-hour online service, consultations and messages services online.

With the good management of the Respondent, the website under the domain name has been well known and reputable.

Rank the third on Baidu by searching “wella”;
Rank the fifth on Baidu by searching “威娜”;
Rank the third on GOOGLE by searching “威娜”;
Rank the second on Baidu by searching “威娜专卖”;
Rank the first on GOOGLE by searching “威娜专卖”;
Rank the first on Sogou by searching “威娜专卖”.

(c) The Respondent has not harmed any interests of the Complainant.

The website under the domain name has been only selling Wella products which are authentic and got through formal, legal channels. The website has never sold the third party's products.

The retail price of Wella products on the website under the domain name is not lower than the price which is recommended by the Complainant's agent. That can be known from the price comparison of the website with “the Wella products guide” provided by the Complainant's agent.

In summary, the Respondent has the legal rights and interests on the domain name. The complaint is incompatible with the terms 4(a) (ii) of the Policy.

(3) The registration and use of the domain name by the Respondent is legal and in good faith.

(a) The registration and use of the domain name by the Respondent could not cause any confusion.

The Respondent registered the domain name in order to retail Wella products online, and has been holding the domain name for more than 5 years. The consumers clearly know that the website under the domain name is a shop-online retailing Wella product.

The website has been only selling Wella products, and never sold the third party's products. The use of the trademarks in retailing is inevitable, reasonable and lawful, which would not cause consumers' misunderstanding or confusion. The popularity and reputation of the

website under the domain name is the result of the Respondent's efforts and hard management.

In summary, this case does not conform to the 4 (b) (iv) of the Policy.

(b) The Respondent has never intended selling or transferring the domain name.

The Respondent registered the domain name in order to retail Wella products online, and has never intended selling or transferring the domain name. The Respondent has never authorized anybody to sell or transfer the domain name.

The Respondent has never done the thing described by the terms 4 (b) (i) of the Policy.

The complaint is not in accordance with the fact and the Policy.

For these grounds above, the Respondent requests the Panel reject the complaint.

4. Findings

Under paragraph 4(a) of the Policy, Complainant must prove the following:

- (i) Respondent's domain name is identical or confusingly similar to a trademark or service mark in which Complainant has rights; and
- (ii) Respondent has no rights or legitimate interests in respect of the domain name; and
- (iii) Respondent's domain name has been registered and is being used in bad faith.

Identity or Confusing Similarity

Under paragraph 4(a)(i) of the Policy the Complainant must show that the disputed domain name is "identical or confusingly similar to a trademark or service mark in which the Complainant has rights".

The Complainant has provided evidence of owning several registered trademarks in China, including the trademarks of "WELLA and design", "WELLA 威娜 and design" and "Wella". The trademark "Wella" (No. 775647) was first registered in China on January 14 of 1995, which is in

its valid term after renewal. The registration date of the afore-mentioned trademark is much earlier than the registration date of the disputed domain name, i.e. September 5 of 2005. The panel holds that the Complainant has registered rights in the trademark “Wella”.

Since the “.com” suffixes are not taken into account in the comparison, the panel finds that the main part of the disputed domain name “wella555” is different from the Complainant’s trademark by adding a part of “555”. Because “555” is meaningless and bears no distinctiveness, the panel therefore concludes that the disputed domain name is confusingly similar to the Complainant’s trademark.

For the foregoing reasons, the Panel finds that paragraph 4(a)(i) of the Policy has been satisfied.

Rights or Legitimate Interests of the Respondent

The consensus view of WIPO UDRP panels on the onus of proof under paragraph 4(a)(ii) of the Policy, is summarized at paragraph 2.1 of the Center’s online document “WIPO Overview of WIPO Panel Views on Selected UDRP Questions”, as follows:

“...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. If the Respondent fails to do so, a complainant is deemed to have satisfied paragraph 4(a)(ii) of the UDRP”.

The Complainant provided evidences that it holds rights on several registered trademarks including “WELLA and design”, “WELLA 威娜 and design” and “Wella”, and has never authorized the Respondent to use its mark “WELLA”. The Complainant submitted search results from the website of the China Trademark Office, which indicates that the Respondent registered no trademarks of “WELLA” or “wella555”. The panel considers that those circumstances sufficiently establish a prima facie case, and the evidentiary onus shifts to the Respondent to show that it has some right or legitimate interest in respect of the domain name.

Paragraph 4(c) of the Policy enumerates several ways in which the Respondent may demonstrate rights or legitimate interests:

“Any of the following circumstances, in particular but without limitation, if

found by the Panel to be proved based on its evaluation of all evidence presented, shall demonstrate your rights or legitimate interests to the domain name for purposes of Paragraph 4(a)(ii):

- (i) before any notice to you of the dispute, your use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a bona fide offering of goods or services; or
- (ii) you (as an individual, business, or other organization) have been commonly known by the domain name, even if you have acquired no trademark or service mark rights; or
- (iii) you are making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.”

The panel holds that registering and using a domain name itself can not prove the registrant enjoying legal rights and benefits.

As for whether the Respondent’s use of the domain name in connection with a bona fide offering of goods or services, considering that the Respondent has been selling Wella products in the website with the domain name, the panel holds that the Respondent knew or should know that “Wella” was the trademark of the Complainant before registering and when using the disputed domain name. Since the Complainant never authorized the Respondent to use its trademark “Wella” to register a domain name, the panel therefore, holds that the conducts of the Respondent is not in conformity with Paragraph 4(c) (i) of the Policy.

The panel finds that the evidence submitted by the Respondent, such as, the website is ranked the third on Baidu by searching “wella”, does not show that the Respondent is commonly known by the domain name, but shows that the website with the disputed domain name is closely connected with the trademark of the Complainant, “wella” or “威娜”. Therefore, such evidence is not enough to prove that the conducts of the Respondent is in conformity with Paragraph 4(c) (ii) of the Policy.

In brief, the Panel finds that the Respondent does not hold legal rights and interests on the disputed domain name, and that paragraph 4(a)(ii) of the Policy has been satisfied.

Bad Faith

Paragraph 4(b) of the Policy lists a number of circumstances which,

without limitation, are deemed to be evidence of the registration and use of a domain name in bad faith. Those circumstances are:

“(i) circumstances indicating that you have registered or you have 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 that complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name; or
(ii) you have 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 you have engaged in a pattern of such conduct; or
(iii) you have registered the domain name primarily for the purpose of disrupting the business of a competitor; or
(iv) by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your web site 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 your web site or location or of a product or service on your web site or location.”

The Complainant contended that its trademark "WELLA" and its WELLA branded products have obtained a very high level of fame in the Chinese market, that an immediate and singular connection between the "WELLA" mark/name and the Complaint has been established in the minds of Chinese consumers and that the Respondent has actual knowledge of the trademark "WELLA" of the Complainant before registering the disputed domain.

The Respondent acknowledged its awareness of the Complainant's trademark, contended that the Respondent is a only retailer of Wella products , that in its website, being "Wella Franchised" (in Chinese "威娜专卖"), should be interpreted as "sold Wella products only" and it actually only sells Wella products which are authentic and got from formal, legal channels in its website and that the Respondent has not harmed any interest of the Complainant.

Considering the fame popularity of the Complainant's trademark "WELLA" in Chinese market and the Respondent's knowledge of the trademark before registering the domain name in dispute, the Respondent was under the obligation to avoid using the mark identical or confusingly similar to the Complainant's trademark when it registered a domain name. As a retailer of "WELLA" products, the Respondent has the right to sell the

Complainant's "WELLA" products without direct authorization from the Complainant but it has no right to register a domain name which is identical or confusingly similar to the Complainant's trademark without authorization from the Complainant. Although the Chinese expression “威娜专卖” in the website under the disputed domain name can be literally understood as “selling Wella products only”, and the Respondent do only sell WELLA products in the website, the internet users mostly probably will think the website is “Wella Franchised” when seeing it in the website with the disputed domain name and then connect the website or the Respondent with the Complainant or its trademark "WELLA". Therefore, the panel holds that the Respondent has shown bad faith in registering and using of the Domain Name that clearly falls within the example given in Paragraph 4(b) (iv) of the Policy.

Considering the foregoing, the panel concludes that Respondent registered and is using the domain name in bad faith and that the requirement of paragraph 4(a)(iii) of the Policy has been satisfied.

5. Decision

Based on all the findings and comments, in accordance with paragraphs 4(i) of the Policy and 15 of the Rules, the Panel orders that the domain name “wella555.com” be transferred to the Complainant, Wella Aktiengesellschaft.

Sole Panelist:



Dated: 23, August, 2010