

Ecolab Inc. v. Zohar Dalia Agricultural Cooperative Society Ltd. et al

IL-DRP Panel Decision

1. The Parties

The Complainant is Ecolab Inc., of Minnesota, USA, represented by Naschitz, Brandes & Co., Advocates, Israel.

The Respondent 1 is Zohar Dalia Agricultural Cooperative Society Ltd., of Kibbutz Dalia, Israel.

The Respondents 2 is ZoharLab L.P. of Kibbutz Dalia, Israel.

The Respondents 3 is Itzik Elnkaveh of Kibbutz Dalia, Israel.

2. The Domain Name and Registrar

The disputed domain name <Ecolab.co.il> is registered with Domain The Net Technologies Ltd.

3. Procedural History

The Complaint was filed with ISOC-IL on January 13, 2011. The Complaint was transmitted to the Israeli Dispute Resolution Panel of ISOC-IL ("**IL-DRP**") under the IL-DRP Rules ("**Rules**").

On January 18, 2011 the IL-DRP appointed Jonathan Agmon as the sole panelist.

In accordance with the Rules, on January 20, 2011, the Panel transmitted by e-mail to the Respondents a copy of the Complaint and attached materials, providing the Respondents 15 days to respond to the Complaint. The Respondents did not submit a Response to the Complaint.

4. Factual Background

The disputed domain name was registered by Itzik Elnkaveh ("**Respondent 3**") on March 22, 2004.

The Complainant, Ecolab Inc., is a American company, specializing in cleaning, sanitizing, food safety and infection control products and services.

The Complainant supplies its products and services worldwide and employs approximately 26,000 employees worldwide.

The Complainant is the owner of numerous trademark registrations for the mark ECOLAB worldwide. For example: International trademark registration No. 1005780, with the registration date of April 6, 2009 designated to the European Union; United States trademark registration No. 73640857 –ECOLAB, with the registration date of July 26, 1988, and United States trademark registration No. 73629637 – ECOLAB, with the registration date of February 21, 1989.

The Complainant is also the owner of Israeli trademark registration No. 64883 – ECOLAB, with the Registration date of May 31, 1991, Israeli trademark registration No. 64884 – ECOLAB, with the Registration date of May 5, 1991, Israeli trademark registration No. 64885 – ECOLAB, with the Registration date of March 21, 1991, and Israeli trademark registration No. 64886 – ECOLAB, with the Registration date of March 21, 1991.

In addition, the Complainant owns a number of domain names bearing the mark ECOLAB. For example: <ecolab.com> and <ecolab.co.uk >.

The Respondent 1, Zohar Dalia Agricultural Cooperative Society Ltd. ("**Respondent 1**"), of Kibbutz Dalia, Israel, is a company which business consists of manufacturing, supplying, and developing detergent intermediates and cleaning products.

The Respondent 2, ZoharLab L.P. is an Israeli limited partnership formed by the Complainant and the Respondent 1, for the purpose of marketing the Complainant's products in Israel.

The Respondent 3, Itzik Elnekaveh, a member of Kibbutz Dalia, registered the disputed domain name and is currently the registered owner of the disputed domain name.

On February 2010 the Complainant and the Respondent 1 signed an agreement ("**Purchase Agreement**"), according to which the Complainant's interest in the Respondent 2 will be sold to the Respondent 1.

Following the Purchase Agreement, the disputed domain name resolved to a webpage that redirected users to the Respondent 1's website.

The Complainant's attorneys requested that the Respondent 1 will transfer the disputed domain name to the Complainant.

Following e-mail correspondence between the representatives of the Complainant and the Respondent 1, the Respondent 1's representative issued a letter, dated November 14, 2010, claiming that in accordance with the Purchase Agreement, the Respondent 1 is obliged to cease all use of the brand name "Ecolab" in its activities, but it is not obligated to transfer the disputed domain name and that the reference to the Respondent 1's website in the disputed domain name will be removed.

On December 13, 2010 the Respondent 1's representative issued another letter, informing the Complainant that the reference to the Respondent 1's website in the disputed domain name has been removed.

On November 30, 2010, the Complainant issued a letter to the Respondent 3, demanding that he will transfer the disputed domain name to Complainant.

On December 12, 2010 the Respondent 3 replied, claiming that he is no longer the owner of the disputed domain name, and the rights in the disputed domain name have been transferred to the Respondent 2 on April 1, 2008.

Currently, the disputed domain name <ecolab.co.il> resolves to an error page, which displays the following announcement: "Internet Explorer cannot display the webpage".

5. Parties' Contentions

A. Complainant

The Complainant argues that the disputed domain name infringes its trademark rights.

The Complainant further argues that each of the Respondents is manipulatively claiming that it is not the one who is responsible for the disputed domain name.

The Complainant further argues that the Respondents, by retaining the ownership of the Domain Name, acted and continue to act in bad faith, including among other things by (1) unlawfully exploiting the goodwill associated with the Complainant's trademark by using the domain name for their own commercial gain, (2) denying the Complainant the use of the domain name to which it is entitled for its commercial purposes, (3) retaining ownership in the domain name, to cause damage to the Complainant or to unlawfully extort funds from the Complainant for the transfer of the domain name, (4) seeking to interfere with the Complainant's business, and (5) until recently, redirecting the disputed domain name to the Respondent 1's website and thus misleading the public.

The Complainant further argues that the Respondents' actions constitute a violation of different laws.

For all of the above reasons, the Complainant requests the transfer of the disputed domain name.

B. Respondents

The Respondents did not reply to the Complaint.

6. Discussion and Findings

The IL-DRP is an alternative dispute resolution procedure intended to provide expedited resolution to disputes regarding the allocation of domain names under the .IL ccTLD in accordance with the Rules. The Respondent submitted to this process and Rules when he applied for and registered the disputed domain name. The InterSpace domain name registration agreement provides that the applicant for the domain name accepts the ISOC-IL registration rules (see section B(1) on http://www.internic.co.il/domain_agreement.htm, which also provides a link to the ISOC-IL registration rules). The ISOC-IL registration rules provide that "the [domain name] holder agrees to the jurisdiction of the IL-DRP." (See section 24.4). The Respondent, therefore, by applying for and registering the disputed domain name agreed to the IL-DRP and the Rules.

It is also noted that the Rules now adopted by ISOC-IL follow closely those of the Uniform Dispute Resolution Policy (UDRP) and therefore the WIPO Arbitration and Mediation Center case law (and others interpreting the UDRP) can be used as examples of how previous panels have adopted and interpreted provisions similar to the Rules and UDRP.

The Rules provide that disputes regarding the allocation of a domain name by a Holder may be brought by a Complainant on the following grounds:

- 3.1. the disputed domain name is the same or confusingly similar to a trademark, trade name, registered company name or legal entity registration ("**Name**") of the Complainant; and
- 3.2. the Complainant has rights in the Name; and
- 3.3. the holder has no rights in the Name; and
- 3.4. the application for allocation of the disputed domain name was made or the disputed domain name was used in bad faith.

A. Same or Confusingly Similar

It is up to the Complainant to show that the disputed domain name is the same or confusingly similar to a trademark, trade name, registered company name or legal entity registration of the complainant.

The disputed domain name comprises of the word Ecolab and the suffix .co.il. The suffix .co.il is ignored for the purpose of determination the similarity between the disputed domain name and the word Ecolab since it is a common suffix showing that the domain name is part of the .il domain and associated with commercial activities (.co suffix). The relevant part of the disputed domain name is the word Ecolab.

The Complainant is the owner of numerous trademark registrations for the mark ECOLAB worldwide. For example: International trademark registration No. 1005780, with the registration date of April 6, 2009 designated to the European Union; United States trademark registration No. 73640857 –ECOLAB, with the registration date of July 26, 1988, and United States trademark registration No. 73629637 – ECOLAB, with the registration date of February 21, 1989.

The Complainant is also the owner of Israeli trademark registration No. 64883 – ECOLAB, with the Registration date of May 31, 1991, Israeli trademark registration No. 64884 – ECOLAB, with the Registration date of May 5, 1991, Israeli trademark registration No. 64885 – ECOLAB, with the Registration date of March 21, 1991, Israeli trademark registration No. 64886 – ECOLAB, with the Registration date of March 21, 1991.

It is therefore the finding of the Panel that the disputed domain name is identical to a trademark owned by the Complainant.

B. Rights in the Name

Next, it is up to the Complainant to show that the Complainant has rights in the ECOLAB trademark; and that the Respondent has no rights in the ECOLAB trademark.

As noted above the Complainant showed sufficient evidence showing it has rights in the ECOLAB trademark.

It is also up to the Complainant to show that the Respondent has no rights in the Name.

Complainant has provided that it has not approved for the Respondent to use its trademark or name pursuant to the signing of the Purchase Agreement.

While the Complainant bears the "general burden of proof" under Rule 3.3, this burden shifts to the Respondent once Complainant makes a prima facie showing that the Respondent lacks rights or legitimate interests. (See: Neusiedler Aktiengesellschaft v. Kulkarni, WIPO Case No. D2000-1769; see also Dow Jones & Company and Dow Jones LP v. The Hephzibah Intro-Net Project Limited, WIPO Case No. D2000-0704.)

In this case the Panel finds that the Complainant has made a prima facie showing that the Respondents do not have rights or legitimate interests in the disputed domain name within the meaning of Rule 3.3. This finding is based on the following, non-disputed facts brought forward by the Complainant:

- a. The Complainant did not attach the Purchase Agreement, dated February 17, 2010. However, as evidenced by the letter sent by the Respondent 1's attorneys, dated November 14, 2010, section 5.3 of the Purchase Agreement, determines that the Respondent 1 shall within seven months as from the Closing of the Purchase Agreement cease all use of the name "Ecolab" and Ecolab brand names in its activities. Complainant has provided that it has not approved for the Respondent to use its trademark or Name;
- b. The Complainant is the owner of multiple worldwide trademark registrations, including numerous Israeli trademark registrations. Some of those trademark registrations were registered well before the Respondent 3 registered the disputed domain name;
- c. Pursuant to the Purchase Agreement, the disputed domain name directed users to the Respondent 1's website. Such use was decided by WIPO Panels not to constitute a bona fide use (See: eDreams, Inc. v. Choi Polo, WIPO Case No. D2009-1509); and
- d. There is no indication that the Respondents are known under the disputed domain name.

It is therefore the finding of the Panel that the Complainant has rights in the ECOLAB trademark and that the Respondents have no rights in the ECOLAB trademark.

C. Application and Use in Bad Faith

Finally, it is up to the Complainant to show that the Respondent applied for allocation of the disputed domain name or the disputed domain name was used in bad faith.

WIPO panels, relying on Rule 4.1 of the UDRP Rules, ruled that the bad faith clause provides a non-exclusive list of circumstances which can be helpful in showing that the Respondent acted in bad faith when he or she applied for or used the disputed domain name:

"For the purposes of [Paragraph 3.4 above], the following circumstances, in particular but without limitation, if found to be present, shall be evidence of the allocation or use of a domain name in bad faith:

- a. the Holder continues to hold the domain name during or after termination of employment or work for hire contract where the domain name allegedly should have been allocated to the employing/contracting party; or
- b. the Holder has requested allocation of the domain name primarily for the purpose of disrupting the business of a competitor; or circumstances indicating that the Holder has requested allocation or holds the Domain Name primarily for the purpose of selling, renting, or otherwise transferring the Domain Name allocation 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 documented out-of-pocket costs directly related to the domain name; or
- c. the Holder has requested allocation of 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 there is evidence of having engaged in a pattern of such conduct; or
- d. by using the domain name, the Holder has intentionally attempted to attract, for commercial gain, Internet users to its web site or other on-line location, by creating a likelihood of confusion with the Complainant's Name as to the source, sponsorship, affiliation, or endorsement of its web site or location or of a product or service on its web site or location".

It is suggestive of the Respondent's bad faith when the trademark of the Complainant was registered before the allocation of the disputed domain name (See: Sanofi-Aventis v. Abigail Wallace, WIPO Case No. D2009-0735). The Complainant's ECOLAB trademark is registered since 1988. The Respondent 3 registered the disputed domain long after the Complainant registered its ECOLAB trademark.

The Respondents refused to transfer the disputed domain name to Complainant, pursuant to the signing of the Purchase Agreement. Even though, initially, the disputed domain name was registered with the knowledge and consent of the Complainant, the domain name was registered for the purpose of the marketing of the Complainant's products and services while the Complainant and the Respondent 1 were partners. It is suggestive of the Respondents' bad faith that pursuant to the signing of the purchase agreement, the domain name diverted users to the Respondent 1's website. Additionally, section 5.3 of the purchase agreement dated February 17, 2010 determines that the Respondent 1 shall within seven months as from the closing of the Purchase Agreement cease all use of the name "Ecolab" and Ecolab brand names in its activities.

The Panel cites the following with approval:

"In this particular case, the Panel finds that even if the initial registration was condoned by the Complainant, it was done so subject to two conditions, namely the registration was limited to the duration of the Respondent's status as Complainant's retailer, and required the subsequent transfer of the Domain names to the Complainant... The Respondent, in failing to submit a Response, also failed to provide any information as to any circumstances that may justify retaining ownership of the name." (Exel Oyj v. KH Trading, Inc., WIPO Case No. D2004-0433)

Given these circumstances the Panel finds that that there are circumstances showing that the Respondents acted in bad faith as provided in Rule 4.1. Thus, it is the finding of the Panel that the Complainant met the burden of showing that the Respondents used the disputed domain name in bad faith in accordance with Rule 3.4.

7. Decision

For all the foregoing reasons, in accordance with the Rules, the Panel orders that the domain name, <ecolab.co.il> be transferred to the Complainant.



Jonathan Agmon
Sole Panelist

Date: February 18, 2011.