

Gilead Sciences Limited v. Alexander Beilin

IL-DRP Panel Decision

1. The Parties

The Complainant is Gilead Sciences Limited of Cork, Ireland, represented by Adv. Dr. Shlomo Cohen, Israel.

The Respondent is Alexander Beilin, of Bat Yam, Israel, represented by Adv. Maxim Michaeli, Israel.

2. The Domain Name and Registrar

The disputed domain name <sovaldi.co.il> is registered with Domain The Interspace Ltd.

3. Procedural History

The Complaint was filed with ISOC-IL on May 12, 2015. The Complaint was transmitted to the Israeli Dispute Resolution Panel of ISOC-IL ("**IL-DRP**") under the IL-DRP Rules ("**Rules**").

On May 12, 2015, the IL-DRP appointed Jonathan Agmon as the sole panelist.

In accordance with the Rules, on May 13, 2015, the Panel transmitted to the Respondent by e-mail a copy of the Complaint and attached materials, providing the Respondent 15 days to respond to the Complaint.

On May 28, 2015, the Respondent sent an email correspondence to the Complainant, indicating that the Respondent wishes to foreclose the proceeding. On June 7, 2015, the Complainant replied to the Respondent and asked the panel to transfer the disputed domain name to the Complainant and to order the respondent to pay the costs of the complainant and to order the Respondent to submit a guarantee in the sum of \$5,000 for paying the Complainant's costs.

4. Factual Background

The disputed domain name was created on June 2, 2014.

The Complainant is a leading Pharmaceutical company. The Complainant develops, produces and manufactures pharmaceutical drugs.

The Complainant is the developer and manufacturer of a drug for the treatment for Hepatitis C, which is sold under the mark SOVALDI.

The Complainant is the owner of numerous trademark registrations for the mark SOVALDI worldwide. For example: Israeli trademark registration No. 250615 – SOVALDI, with the registration date of August 22, 2012; International trademark registration No. 1133053 – SOVALDI, with the registration date of August 22, 2012; US registration No. 44648665 with the registration date of August 22, 2012, and many others.

The Complainant also developed its presence on the internet and is the owner of the domain name <sovaldi.com>.

The disputed domain name currently resolves to an inactive website, but was recently use in order to offer information about the SOVALDI drug for Russian speaking people.

5. Parties' Contentions

A. Complainant

The Complainant argues that the disputed domain name is identical to its registered SOVALDI trademark.

The Complainant further argues that the Complainant's SOVALDI mark had become a well-known mark throughout the world due to the Complainant's promotional investments.

The Complainant further argues that registered the domain name in a clear attempt to unlawfully profit by taking a ride on the Complainant's vast goodwill in the mark SOVALDI.

The Complainant further argues that the Respondent clearly wishes to mislead consumers to believe that there is a connection between the domain name and Complainant.

The Complainant further argues that the Complainant approached the Respondent and demanded him to transfer the domain name to the Complainant. The Respondent explained that the domain name is used to market SOVALDI to Russian speaking consumers. The Respondent offered to discuss this matter by telephone.

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

B. Respondent

The Respondent states in his Response that the main purpose in building the website under the disputed domain name was to promote and advertise the information about the drug to the Russian-speaking market.

The Respondent has further states that that website under the disputed domain name is the single information source in the Russian language regarding the SOVALDI medication.

The Respondent further argues that he approached the complainant with a proposal to help branding Sovaldi to the Russian-speaking market.

The Respondent further claims that it should be noted that there was no goal of profit at any stage and not a single medical Sovaldi drug had been sold through the site.

The Respondent further claims that the possibility of selling domain was never raised, also there was no attempt in getting bargaining power against the complainant and that the complainant does not deny this fact.

The Respondent further claim that he closed the site and all information published in the media, as soon as he received the letter from the Complainant.

The Respondent ask that the domain name will not be transferred to the Complainant

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 and agreed to this process and Rules when he applied for and registered the disputed domain name through Domain The Net Technologies Ltd. registration agreement that provides that the applicant for the domain name accepts the ISOC-IL registration rules (see http://www.domainthenet.com/he/domain_registration_agreement.aspx).

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 like organizations 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.

Preliminary Matter – Guarantee for Costs

On June 7, 2015, the Complainant sought an order that the Respondent submit a guarantee in the sum of \$5,000 for paying the Complainant's costs. The Rules for the Allocation of Domain Names Under the Israel Country Code Top Level Domain ("IL"), as revised provide that "[a]s a service to the public and the Internet Community, ISOC-IL has established the IL-DRP - an alternative expedited dispute resolution mechanism regarding the allocation of Domain Names. (Allocation Rules 24.3) The decision of the Panel under the Rules is not limited to any particular remedy. However, it is the nature of the IL-DRP to be an expedited dispute resolution mechanism to resolve disputes arising from the practice of cybersquatting.

The present and other like mechanisms and policies were provided to resolve the conflict between the first-come first-served nature of domain name registration systems and the trademark registrations systems. Similar policies, such as the Uniform Domain Name Dispute Resolution Policy (UDRP) would therefore only offer the remedies of transferring or cancelling the disputed domain name. Another mechanism recently adopted by ICANN titled the Uniform Rapid Suspension mechanism (URS) only provides for the suspension remedy. As such the discussion, handling and award of any preliminary remedies to either party will thwart the basic premise behind dispute resolution mechanism. This and more, any decision, or lack thereof, made by the Panel is subject to judicial review. The Complainant is free to obtain any damages or other costs award though initiating the relevant procedure before the courts of the land. The request for order of guarantee for costs is therefore denied.

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 SOVALDI 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 name SOVALDI 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 SOVALDI.

The Complainant is the owner of numerous trademark registrations for the mark SOVALDI worldwide. For example: Israeli trademark registration No. 250615 – SOVALDI, with the registration date of August 22, 2012; International trademark registration No. 1133053 – SOVALDI, with the registration date of August 22, 2012; US registration No. 44648665 with the registration date of August 22, 2012, and many others.

It is therefore the finding of the Panel that the disputed domain name is identical to the trademarks 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 SOVLADI trademark; and that the Respondent has no rights in the SOVALDI Name.

As noted above the Complainant showed sufficient evidence showing it has rights to the SOVALDI trademark. The registration of a trademark under a disputed domain name has been held by many WIPO panels as sufficient evidence to show that the Complainant has sufficient rights in the Name. (See *Consorzio del Formaggio Parmigiano Reggiano v. La Casa del Latte di Bibulic Adriano*, WIPO Case No. D2003-0661).

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 trademarks or Name.

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.

D2000-17699; 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 indeed made a prima facie showing that the Respondent does not have rights or legitimate interests in the disputed domain name within the meaning of Rule 3.3. The Complainant owns trademark registration in Israel for the SOVALDI mark; The Respondent admitted to know the Complainant's mark and admitted the right of the Complainant in the SOVALDI mark.

It is therefore the finding of the Panel that the Complainant has rights in the SOVALDI Name and that the Respondent has no rights in the SOVALDI Name.

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.

Previous panels, relying on Rule 4.1 of the ILDRP 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".

Rule 4.1(b) provides that this Panel can find that the Respondent acted in bad faith if there are circumstances showing that the Respondent requested allocation of the disputed domain name primarily for the purpose of disrupting the business of a competitor; or circumstances indicating that the Respondent requested allocation or holds the disputed domain name primarily for the purpose of selling, renting, or otherwise transferring the disputed domain name allocation to the Complainant, who is the owner of the trademark or the service mark, or to a competitor of the Complainant, for valuable consideration in excess of documented out-of-pocket costs directly related to the domain name.

The disputed domain name is confusingly similar to the Complainant's trademark. Previous UDRP panels have ruled that "a likelihood of confusion is presumed, and such confusion will inevitably result in the diversion of Internet traffic from the Complainant's site to the Respondent's site" (see *Edmunds.com, Inc. v. Triple E Holdings Limited*, WIPO Case No. D2006-1095). To this end, UDRP panels have established that attracting Internet traffic by using a domain name that is identical or confusingly similar to a registered trademark may be evidence of bad faith under paragraph 4(b)(iv) of the UDRP, which is in line with Rule 4.1 of the ILDRP.

The Respondent's uses of the disputed domain name in order to provide information about the Complainant's drug - SOVALDI and promoting it to the Russian speaking people is also suggestive of the Respondent's bad faith. It was held in previous UDRP decisions that it is presumptive that using a highly distinctive trademark with longstanding reputation is intended to make an impression of an association with the Complainant:

"By registering and using the Domain Name incorporating the well-known and well-established registered trademark SWAROVSKI, the effect is to mislead Internet users and consumers into thinking that the Respondent is, in some way or another, connected to, sponsored by or affiliated with the Complainant and its business; or that the Respondent's activities are approved or endorsed by the Complainant. None of which the Panel can find, on the basis of the record, is, in fact, the situation. Such misleading consequences, in the view of the Panel, are indicative of bad faith on the part of the Respondent" (see *Swarovski Aktiengesellschaft v. fan wu*, WIPO Case No. D2012-0065).

Indeed, "when a domain name is so obviously connected with a Complainant, its very use by a registrant with no connection to the Complainant suggests 'opportunistic bad faith'" (*Tata Sons Limited v. TATA Telecom Inc./Tata-telecom.com, Mr. Singh*, WIPO Case No. D2009-0671).

The Panel also finds that the Respondent's attempt to attract, for commercial gain, Internet users to its website with the intent to creating a likelihood of confusion with the Complainant's trademarks and its affiliation with the Respondent's website falls under paragraph 4(b)(iv) of the Policy which is in line with Rule 4.1(e) of the ILDRP Rules.

Moreover, the Panel finds that the practice of using a domain name which includes only the identical trademark of the Complainant for providing information about the specific good for which the trademark is applied to be in violation of Rule 4.1(d) since the trademark owner is prevented from reflecting its own trademark in a corresponding domain name. The Respondent could have used any number of other domain names to provide information about the SOVALDI drug to the Russian speaking public without usurping the disputed domain name which is identical to the Complainant's trademark.

Based on the evidence presented to the Panel, including the late registration of the disputed domain name, the distinctiveness of the Complainant's trademarks and the Respondent's use of the disputed domain name, the Panel draws the inference that the disputed domain name was registered and is being used in bad faith.

Based on the evidence presented to the Panel, including the late registration of the disputed domain name, the use of the Complainant's trademark in the disputed domain name and the similarity between the disputed domain name and the Complainant's mark, the Panel draws the inference that the disputed domain name was registered and used in bad faith.

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



Jonathan Agmon
Sole Panelist

Date: June 17, 2015.