



# **WIPO Arbitration and Mediation Center**

## **ADMINISTRATIVE PANEL DECISION**

**Sankyo Co., Ltd. v. Zhu Jiajun**

**Case No. D2000 -1791**

### **1. The Parties**

The Complainant is Sankyo Co., Ltd. with its principal place of business at 5-1, Nihonbashi Honcho 3-chome, Chuo-ku, Tokyo 103-8426, Japan.

The Respondent is Zhu Jiajun, with an address at Room 101, No.12, ShengQingLi, DaHua Road, ShanTou, GuangDong, China.

### **2. The Domain Name and Registrar**

The domain name at issue is <三共.com>, which domain name is registered with OnlineNic, Inc., 3435 Wilshire Blvd., Los Angeles, California, 90010, U.S.A., d/b/a China-channel.com, 9F, International Trade Building, South Hubin Road, Xiamen, Fujian, China.

### **3. Procedural History**

The Complaint submitted by the Complainant, Sankyo Co., Ltd., was received by fax and e-mail on December 21 and 22, 2000 respectively and in hardcopy on December 29, 2000 by the WIPO Arbitration and Mediation Center (the Center). An acknowledgment of receipt was sent by the Center to the Complainant on December 28, 2000.

On January 15, 2001, a Request for Registrar Verification was transmitted to the registrar, OnlineNic, Inc. (Online Nic) requesting it to: (1) confirm that a copy of the Complaint was sent to the registrar by the Complainant, as required by WIPO Supplemental Rules for Uniform Dispute Resolution Policy (the *Supplemental Rules*), Paragraph 4(b); (2) confirm that the domain name at issue is registered with OnlineNic; (3) confirm that the person identified as the Respondent is the current registrant of the domain name; (4) provide the full contact details (i.e., postal address(es), telephone number(s), facsimile number(s), e-mail address(es)) available in the registrar's Whois database for the registrant of the disputed domain name, the technical contact, the administrative contact and the billing contact; (5) confirm that the Uniform Domain

Name Dispute Resolution Policy (the *Policy*) applies to the domain name; (6) indicate the current status of the domain name; (7) indicate the language of the registration agreement for the domain name.

On January 16, 2001, OnlineNic confirmed by reply e-mail that the domain name <三共.com> ("bq—3bhasulr.com" in row-based ASCII Compatible Encoding) was registered with OnlineNic, that the Respondent, Zhu Jiajun, was the current registrant of the domain name, and that the registration agreement for the domain name was in English. The Registrar indicated having put the status of the domain name to "on hold" and forwarded the requested Whois details. On January 19, 2001, the Registrar confirmed by reply e-mail the applicability of the Policy to the domain name at issue.

In accordance with Paragraph 4(a) of the Rules for Uniform Domain Name Dispute Resolution Policy (the *Rules*) and Paragraph 5 of the Supplemental Rules, the Center has verified that the Complaint satisfies the formal requirements of the Policy, Rules and Supplemental Rules. A Formal Requirements Compliance Checklist was completed by the assigned WIPO Center Case Administrator on January 20, 2001. The Panel has independently determined and agrees with the assessment of the Center that the Complaint is in formal compliance with the requirements of the Policy, the Rules, and the Supplemental Rules. Payment in the required amount to the Center has been made by the Complainant.

No formal deficiencies having been recorded, on January 23, 2001, a Notification of Complaint and Commencement of Administrative Proceeding (the "Commencement Notification") was transmitted to the Respondent (with copies to the Complainant, OnlineNic and ICANN), setting a deadline of February 11, 2001, by which the Respondent could file a Response to the Complaint. The Commencement Notification was transmitted to the Respondent by e-mail, facsimile, and post/courier in accordance with the contact details indicated in the Complaint and specified in OnlineNic's Whois confirmation.

A timely response was submitted to and received by WIPO by e-mail on February 10, 2001 and in hardcopy on February 14, 2001.

On February 19, 2001, in view of the Complainant's designation of a single panelist (but without prejudice to any election to be made by the Respondent) the Center invited Sang Jo JONG to serve as a panelist in Case No. D2000-1791, and transmitted to him a Statement of Acceptance and Request for Declaration of Impartiality and Independence.

Having received Sang Jo JONG's Statement of Acceptance and Declaration of Impartiality and Independence, the WIPO Center transmitted to the parties, on February 22, 2001, a Notification of Appointment of Administrative Panel and Projected Decision Date. The Projected Decision Date was March 7, 2001. The Sole Panelist finds that the Administrative Panel was properly constituted and appointed in accordance with the Rules and the Supplemental Rules.

To clarify some issues which were raised by the Response and the Reply to the Response, the Administrative Panel Procedural Order No.1 ("Panel Order") was issued on March 6, 2001. The Panel Order requests the Parties to answer some questions regarding infringement of Japanese Trademark Law, the existence of the Sankyo Art Center, registration of multiple domain names, and the distinctiveness of the Complainant's mark "三共." In accordance with the Panel Order, both parties made

submissions by March 13, 2001, the last date on which the parties were requested to file their submissions. Consequently, delivery of this decision has been delayed whilst these submissions have been considered by the Panel.  
The language of the administrative proceeding is English, being the language of the registration agreement.

#### **4. Factual Background**

The trademark upon which the Complaint is based is "三共 (SANKYO)" registered and being in actual use in the Complainant's name in a number of countries including Japan, Peoples Republic of China and the U.S.A. Copies of trademark registrations, annexed to the Complaint, comprises details of the Complainant's trademarks registrations in relevant countries. Suffice to say the trademark "三共 (SANKYO)" is registered in relevant jurisdictions, and in most cases, the trademark is well established over a considerable period of time.

The contested domain name <三共.com> was registered on November 10, 2000. It is clear from the Registrar's verification that the status of the contested domain name was "on hold."

The disputed domain name (三共.com) is a so-called Multilingual Domain Name (MDN) originated by VeriSign Global Regisry Services as a Testbed to register domain names in non-English language character sets in .com, .net, and .org. By the nature of its Testbed status, MDN registration is not fully functional as of the date of the Complaint being filed. Instead, the Respondent has opened a website at <http://www.san-gong.com> (san-gong is the pronunciation of 三共 in Chinese) for "Sankyo Art Salon" for which the Respondent is arguing to have initially registered 三共.com.

#### **5. Parties' Contentions**

##### **A. The Complainant**

##### **Identity or confusing similarity as between the domain name and trade marks**

The Complainant contends that the domain name <三共.com> is exactly identical with the Complainant, Sankyo Co., Ltd.'s trademark "三共" which is registered and used extensively in Japan, China, and the U.S.A..

##### **Respondent's rights or legitimate interests in the domain name**

The Complainant contends that the Respondent does not have any right or interests in the domain name, taking into account the fact that the Respondent is not operating an active website under the domain name <三共.com> as of the date of the Complaint being filed. In addition, the Complainant points out that the Respondent, as an individual, is not identified by the name 三共 and, also, that any commercial use of 三共 (SANKYO) by the Respondent would contravene the Japanese Trademark Law and/or the Unfair Competition Prevention Law.

The Complainant contends that registration of multiple domain names similar to other well-known trade names is inconsistent with an intent to engage in any bona fide activity to use the domain name <三共.com>. For example, the Respondent has

registered other multilingual domain names like <□野義.com> and <田辺.com> each of which is, respectively, identical to the essential and distinctive part of the well-known trade name of other pharmaceutical manufacturing companies in Japan, Shionogi & Co., Ltd. (□野義製薬株式会社 Shionogi Seiyaku Kabushiki Kaisha) and Tanabe Seiyaku Co., Ltd. (田辺製薬株式会社 Tanabe Seiyaku Kabushiki Kaisha).

### **Bad faith on the part of the Respondent**

According to the Complaint, the Complainant's trademark “三共” is so famous in Japan, China and the U.S.A. that the Respondent was undoubtedly aware of the Complainant's fame at the time it registered the domain name. The Respondent's awareness is also ascertained by the Respondent's registration of several multilingual domain names which are identical and/or confusingly similar to the well known trade names and registered trademarks of pharmaceutical companies.

The Respondent's registration and use of the domain name <三共.com> in bad faith is evidenced by the Respondent's knowledge of the Complainant's rights in the mark 三共 (SANKYO) and its preventing the Complainant from using domain name that incorporates its famous mark 三共 (SANKYO) written in symbolic characters of Japanese kanji which has a strong image as the indicator of the Complainant's business and products.

In addition, registration of many multilingual domain names which are identical or confusingly similar to well known and/or famous trade names and trademarks used by prominent companies in the same pharmaceutical manufacturing industry indicates the Respondent's pattern of conduct aimed at preventing owners of such trademarks, including the Complainant, from using its own trademark and/or the most essential part thereof, in a corresponding domain name (the Policy 4 (b)(ii)).

The Complainant has used the mark 三共 (SANKYO) substantially and continuously for more than one hundred years and spent a substantial amount of money every year on advertising its products and the brand image of the mark. The Respondent's registration and use of domain name <三共.com> could disrupt the Complainant's business and cause substantial confusion among the public trying to reach the website of the Complainant and thereby cause serious damage to the Complainant and to the good will associated with the Complainant's brand 三共 (SANKYO). The Respondent's awareness of the prominence and fame of the Complainant's mark 三共 (SANKYO) and the confusion among the public to be caused, further infers that the Respondent registered the domain name 三共 (SANKYO) in bad faith either for the purpose of selling or otherwise transferring domain name registration to the Complainant in excess of the Respondent's out-of-pocket costs directly related to the domain name (the Policy 4 b (i)).

### **B. Respondent**

The Respondent contends that he has rights and legitimate interests in the domain name on the basis of the fact that he has registered 三共.com for the official and non-commercial website of an organization named "Sankyo Art Salon", which the Respondent participated in founding. Especially, the Respondent points out that 三共 comprises two Japanese kanji, 三 (meaning "three") and 共 (meaning "together") and, thus, that the term 三共 is descriptive in Japanese. 三共 in Chinese has the same meaning. The Respondent contends that "Sankyo Art Salon," for which the Respondent contends to have registered the disputed domain name, is designed for an art

presentation mode that combines three artistic forms of literature, music and painting together. Since MDN cannot function properly to this day, the Respondent has registered a domain name san-gong.com (san-gong is the pronunciation of 三共 in Chinese) and is constructing a website under this domain name. See <http://www.san-gong.com>. Accordingly, the Respondent contends that, just as many other Japanese firms use the name 三共 in their business, the Respondent has the equal rights to use this name as the domain name for a non-commercial website.

With regard to bad faith, the Respondent denies all the allegations which were made by the Complainant. Especially, the Respondent rebutted the Complainant's allegation that the Respondent's registration of multilingual domain names like <□野義.com> and <田辺.com> in addition to the disputed domain name, which are identical or confusingly similar to well known and/or famous trade names and trademarks of pharmaceutical companies, indicates the Respondent's bad faith by showing that <shionogi.com>(corresponding to <□野義.com>) and <tanabe.com> (corresponding to <田辺.com>) have all been registered not by the pharmaceutical companies but by others.

## **6. Discussion and Findings**

A question was raised by the Respondent with regard to the applicability of the Policy to the domain name at issue. The Panel noticed that the registration of the domain name is in the .com space, to which the Policy applies. The Registration Agreement ("Agreement") concluded by the Respondent and the Registrar makes it clear that the holder of the multilingual domain name is bound by the Policy which is incorporated into the Agreement by reference and made a part of the Agreement. See Section 5 of the Agreement. The Policy is designed to balance conflicting interests of an owner of a trademark and a registrant of a domain name, a source identifier affecting Internet traffic. Multilingual domain names also function as a source identifier and affect Internet traffic exactly in the same way as other English-language domain names do. Accordingly, it is natural in view of their function and clear from the Agreement that the Policy applies to multilingual as well as English-language domain names.

Paragraph 4(a) of the Policy directs that the Complainant must prove each of the following:

- (1) that the domain name registered by the Respondent is identical or confusingly similar to a trademark or service mark in which the Complainant has rights; and,
- (2) that the Respondent has no rights to or legitimate interests in the domain name at issue; and,
- (3) the domain name at issue has been registered and used in bad faith.

### **Identity or confusing similarity as between the domain name and trademark**

Having ignored the generic top-level domain (gTLD) ".com" of the domain name <三共.com>, the Panel finds that the domain name at issue is identical to the Complainant's trademark and trade name “三共”. As to the insignificance of the generic top-level domain in determining identity or confusing similarity as between the domain name and trademark at issue, see *VAT Holding AG v Vat.com*, Case No. D2000-

0607. Furthermore, the Respondent has not contested that the domain name <三共.com> is identical to or confusingly similar with the Complainant's trademark.

### **Respondent's rights or legitimate interests in the domain name**

It is not contested that the Complainant has not authorized the Respondent to use the trademark "三共". Neither does the Respondent have the rights to the trademark "三共" in any class of goods or services in Japan, China or the United States of America, nor does the Respondent's name have any relationship with "三共".

Based upon the above uncontested facts, the Complainant contends that the Respondent has no rights or legitimate interests in respect of the domain name at issue. The Respondent denies the Complainant's contention by pointing out some degree of descriptiveness of the Complainant's trademark "三共" comprising two Japanese kanji, 三(meaning "three") and 共(meaning "together") and argues that the Respondent has the equal rights to use the term "三共" as the domain name.

Although the Complainant's trademark "三共" comprising two Japanese kanji may, by its nature of a hieroglyph, convey its own meaning "three together", the very meaning may not be regarded as describing the Complainant's products or services. Nor does the term "三共" appear in 大辞林 (daijirin) dictionary/encyclopedia (the explanation of the dictionary states that this is mega dictionary-encyclopedia which contains 233000 words from old Japanese to fresh modern Japanese of all fields.). As a matter of principle, registration of a mark is prima facie evidence of validity, which creates a rebuttable presumption that the mark is distinctive. The Respondent has the burden of refuting this presumption. See, e.g., L.L.C. v. Triple S. Auto Parts d/b/a Kung Fu Yea Enterprises, Inc., Case No. D2000-0047. The Respondent has, however, failed to refute this presumption. The panel finds that there is no substantial evidence showing that the term "三共" is a descriptive mark for the purpose of the trademark law. Accordingly, the Panel does not agree with the Respondent's contention that the Respondent has equal rights to use the term "三共" merely by registering it as the domain name. See Barney's Inc. v. BNY Bulletin Board, Case No. D2000-0059.

The Respondent contends that, since more than 30 firms other than the Complainant use the term "三共" in their business, the Respondent has equal rights to use the term as a domain name. It may be arguable that any of the firms using the term "三共" could argue that they have a right or legitimate interest in respect of domain names containing the same term. It is not clear to the Panel, however, whether the Respondent is such a firm having a right or legitimate interest in the domain name. See ISL Marketing AG, and The Federation Internationale de Football Association v. J.Y. Chung, Worldcup2002.com, W Co., and Worldcup 2002, Case No. D2000-0034.

The Respondent may still prove his rights or legitimate interests in respect of the domain name by demonstrating any of the following circumstances:

- (i) before any notice to the Respondent of the dispute, the Respondent's 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) the Respondent (as an individual, business, or other organization) has been commonly known by the domain name, even if the Respondent has acquired no trademark or service mark rights; or

- (iii) the Respondent is 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.

With regard to the first circumstance of the Respondent's use of the domain name in connection with a bona fide offering of goods or services, the Complainant raises a question whether there is any bona fide activity by the Respondent at all. The Complainant's question on a bona fide activity is based upon the fact that the Respondent has also registered other multilingual domain names like <□野義.com> and <田辺.com> as well. It appears to the Panel, however, that lack of a bona fide activity for the purpose of Paragraph 4(c)(i) of the Policy is different from bad faith for the purpose of Paragraph 4(b) of the Policy. Just as an owner of multiple trademarks may use his/her marks in connection with a bona fide offering of goods or services, so a registrant of multiple domain names may also use his/her domain names in connection with a bona fide activity. As an example of registration of multiple domain names which were found to have been used in connection with bona fide activities, see *Port of Helsinki v. Paragon International Projects Ltd.*, Case No. D2001-0002. Registration by the Respondent of multiple domain names may, however, only affect the Panel in finding the Respondent's bad faith, which will be discussed later.

It is not contested that the Respondent has not been commonly known by the domain name.

Turning to the third circumstance of non-commercial or fair use of the domain name, the Respondent contends that he registered the domain name at issue for a non-commercial website and the Respondent has, as evidence of non-commercial use, submitted a printout copy of a website for Sankyo Art Salon ("Salon"), an allegedly non-commercial activity, under a domain name "san-gong.com". While the Respondent contends that the Salon would hold non-commercial activities, it is not clear to the Panel how the Salon's activities are to be financed. If the Respondent registered the domain name <三共.com> with the fame of the Complainant's trademark in his mind, primarily to stimulate interest in the Salon but also for the purpose of generating revenues from the advertising banners on a relevant site, the use of the domain name by the Respondent could not be found as non-commercial. If the Respondent registered the domain name with the intention of diverting to his site Internet traffic intended for the Complainant so that the Salon would benefit from such diversion of Internet traffic in any sense, the use by the Respondent of the domain name could not be found as non-commercial. See *Arthur Guinness Son & Co. (Dublin) Limited v. Dejan Macesic*, Case No. D2000-1698.

Assuming that the use of the domain name or the Salon's activities do not generate any revenues or profits, the Respondent could not show a legitimate interest in the disputed domain name if he did not submit to the Panel any details on the Salon or any other activities for which the Respondent allegedly registered the disputed domain name. Respondents did not state even the name of the Salon's founding members. The only plausible conclusion to draw from the evidence presented to the Panel is that the Respondent intended to warehouse the domain name. Even in accordance with the Administrative Panel Procedural Order No.1 requesting the Respondent to submit detailed statement on the Salon, the Respondent simply reiterated that the Salon was a plan proposed by the Respondent. Evaluation of all of the evidence leads the Panel to the conclusion that any proposed activity of the Salon was superficial and not a legitimate or fair use of the domain name. See *Yahoo! Inc., v. Silicon City and Osama Al-Ayoub*, Case No. D2000-1711

Accordingly, the Panel finds that the Respondent does not have any rights or legitimate interests in respect of the domain name <三共.com>.

### **Bad faith on the part of the Respondent**

Paragraph 4(b) of the Policy provides that the following circumstances, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith:

- (i) circumstances indicating that the Respondent has registered or the Respondent 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 documented out-of-pocket costs directly related to the domain name; or
- (ii) 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
- (iii) the Respondent has registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- (iv) by using the domain name, the Respondent has intentionally attempted to attract, for commercial gain, Internet users to the Respondent's 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 the Respondent's web site or location or of a product or service on the Respondent's web site or location.

The Complainant contends the Respondent's bad faith by pointing out the Respondent's registration of multiple domain names like <□野義.com> and <田辺.com> in addition to <三共.com> each of which is, respectively, identical to the essential and distinctive part of the well-known trade name or trademarks of other pharmaceutical manufacturing companies. As panelists are developing a jurisprudence on the Policy on a case-by-case basis by offering interpretations of the Policy such as the meaning of bad faith with regard to registration of multiple domain names, this Panel issued the Administrative Panel Procedural Order No.1 requesting the Respondent to answer the question what rights or legitimate interests the Respondent has in the domain name. In his reply, however, the Respondent merely reiterates his existing position that the Respondent's registration of multiple domain names like <田辺.com> and <□野義.com> should not affect the Panel in the current case on <三共.com>.

It can be inferred from the registration of a number of domain names incorporating well-known trade names or trademarks, first of all, that the Respondent has intended to acquire and warehouse the domain names without any specific rights or legitimate interests in them. The effect of this warehousing is to give the Respondent a possible chance to sell those domain names for profit (the Policy 4 (b)(i)). See *Nabisco Brands Company v. The Patron Group, Inc.* Case No. D2000-0032. The warehousing of domain names also indicates the Respondent's pattern of conduct aimed at preventing trademark owners, including the Complainant, from using its own trademark and/or the most essential part thereof, in a corresponding domain name (the Policy 4 (b)(ii)). See *Toyota*



Jidosha Kabushiki Kaisha d/b/a Toyota Motor Corporation v. S&S Enterprises Ltd., Case No. D2000-0802; ISL Marketing AG, and The Federation Internationale de Football Association v. J.Y. Chung, Worldcup2002.com, W Co., and Worldcup 2002, Case No. D2000-0034.

Accordingly, the Panel finds that the domain name <三共.com> was registered and is used by the Respondent in bad faith.

## **7. Decision**

In light of the foregoing, the Panel decides that the Complainant has proven each of the three elements in paragraph 4(a) of the Policy in relation to the domain name <三共.com>.

Pursuant to paragraph 4 of the Policy and paragraph 15 of the Rules, the Panel requires that the Registrar, OnlineNic, Inc, transfer the domain name <三共.com> to the Complainant, Sankyo Co., Ltd.

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Sang Jo JONG  
Sole Panelist

Dated: March 23, 2001