

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Schaeffler Technologies AG & Co. KG v. 牛士平 (Niu Shiping), 舍弗勒依纳(江苏)动力机械有限公司 (Schaeffler Ina (Jiangsu) Power Machinery Co., LTD) Case No. D2023-4629

1. The Parties

The Complainant is Schaeffler Technologies AG & Co. KG, Germany, represented by Bardehle Pagenberg Partnerschaft mbB, Germany.

The Respondent is 牛士平 (Niu Shiping), 舍弗勒依纳(江苏)动力机械有限公司 (Schaeffler Ina (Jiangsu) Power Machinery Co., LTD), China.

2. The Domain Name and Registrar

The disputed domain name <schaefflert.com> is registered with Jiangsu Bangning Science & technology Co. Ltd. (the "Registrar").

3. Procedural History

The Complaint was filed in English with the WIPO Arbitration and Mediation Center (the "Center") on November 8, 2023. On November 8, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On November 9, 2023, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the disputed domain name which differed from the named Respondent (REDACTED FOR PRIVACY) and contact information in the Complaint. The Center sent an email communication to the Complainant on November 9, 2023, providing the registrant and contact information disclosed by the Registrar, and inviting the Complainant to submit an amendment to the Complaint. The Complainant filed an amendment to the Complaint in English on November 13, 2023.

On November 9, 2023, the Center informed the parties in Chinese and English, that the language of the registration agreement for the disputed domain name is Chinese. On November 13, 2023, the Complainant requested English to be the language of the proceeding. The Respondent did not submit any comment on the Complainant's submission.

The Center verified that the Complaint together with the amendment to the Complaint satisfied the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the "Policy" or "UDRP"), 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").

In accordance with the Rules, paragraphs 2 and 4, the Center formally notified the Respondent in Chinese and English of the Complaint, and the proceedings commenced on November 27, 2023. In accordance with the Rules, paragraph 5, the due date for Response was December 17, 2023. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on December 19, 2023.

The Center appointed Deanna Wong Wai Man as the sole panelist in this matter on January 11, 2024. The Panel finds that it was properly constituted. The Panel 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

The Complainant is part of the Schaeffler Group, a listed German family-owned supplier to the automotive and mechanical engineering industries with a history dating back to 1946. The Schaeffler Group manufactures and sells cage-guided needle roller bearings, diaphragm spring clutches and high-precision steel balls under the respective brands of "INA", "LUK" and "FAG". Currently, the Schaeffler Group employs over 80,000 people at 180 locations worldwide and had a turnover of EUR 15 billion in 2022. Though headquartered in Germany, the Complainant has a number of local subsidiaries worldwide, including in Asia.

The Complainant has used SCHAEFFLER as its company name and business identifier since 1946. The Complainant is also the owner of an international trademark portfolio with trademark registrations for SCHAEFFLER, including: International Trademark Registration number 917515 for SCHAEFFLER designating Australia, China, Republic of Korea, Singapore, United States of America, Viet Nam, etc., registered on March 20, 2006 and International Trademark Registration number 1195728 for SCHAEFFLER LUK INA FAG, designating Australia, China, Republic of Korea, Singapore, United States of America, Viet Nam, etc., registered on September 30, 2013.

The abovementioned trademark registrations were registered before the registration date of the disputed domain name, namely August 14, 2023. The Complainant provides evidence that the Respondent connected the disputed domain name to a website offering for sale products which purportedly originate from the Complainant as well as a variety of products purportedly originating from direct competitors of the Complainant, such as NSK, SKF, NTN, Koyo, Timken, IKO, etc. However, the Panel notes that on the date of this Decision, the disputed domain name directs to an inactive website.

5. Parties' Contentions

A. Complainant

The Complainant contends that it has satisfied each of the elements required under the Policy for a transfer of the disputed domain name.

Notably, the Complainant contends that the disputed domain name is confusingly similar to its prior registered trademarks since it incorporates the SCHAEFFLER trademark in its entirety with the mere addition of the letter "t". Furthermore, the Complainant essentially contends that the Respondent is not affiliated in any way to the Complainant and has no rights or legitimate interests in the Complainant's trademarks. The Complainant also argues that the Respondent connected the disputed domain name to a website offering for sale products which purportedly originate from the Complainant as well as products purportedly originating from direct competitors of the Complainant, such as NSK, SKF, NTN, Koyo, Timken, IKO, etc.

The Complainant contends that such use does not confer any rights or legitimate interests on the Respondent and constitutes evidence of use in bad faith of the disputed domain name.

The Complainant requests the transfer of the disputed domain name.

B. Respondent

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

6. Discussion and Findings

Preliminary Issue: Language of the Proceeding

The language of the Registration Agreement for the disputed domain name is Chinese. Pursuant to the Rules, paragraph 11(a), in the absence of an agreement between the parties, or unless specified otherwise in the registration agreement, the language of the administrative proceeding shall be the language of the registration agreement.

The Complaint was filed in English. The Complainant requested that the language of the proceeding be English for several reasons, including the fact that the Complainant communicates in English and that Chinese would lead to delay and cause the Complainant to incur inadequate translation expenses; the fact that the disputed domain name is registered in Latin characters and that the Respondent's company name includes English words; and the fact that the disputed domain name is, according to the Complainant, obviously used to freeride on the Complainant's rights in its marks and trade name.

The Respondent did not make any specific submissions with respect to the language of the proceeding.

In exercising its discretion to use a language other than that of the registration agreement, the Panel has to exercise such discretion judicially in the spirit of fairness and justice to both parties, taking into account all relevant circumstances of the case, including matters such as the parties' ability to understand and use the proposed language, time and costs (see WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 4.5.1).

Having considered all the matters above, the Panel determines under paragraph 11(a) of the Rules that the language of the proceeding shall be English.

A. Identical or Confusingly Similar

It is well accepted that the first element functions primarily as a standing requirement. The standing (or threshold) test for confusing similarity involves a reasoned but relatively straightforward comparison between the Complainant's trademark and the disputed domain name. <u>WIPO Overview 3.0</u>, section 1.7.

The Complainant has shown rights in respect of a trademark or service mark for the purposes of the Policy. WIPO Overview 3.0, section 1.2.1.

The entirety of the mark SCHAEFFLER is reproduced within the disputed domain name. Accordingly, the disputed domain name is confusingly similar to the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.7.

Although the addition of other terms here, the letter "t", may bear on assessment of the second and third elements, the Panel finds the addition of such term does not prevent a finding of confusing similarity between the disputed domain name and the mark for the purposes of the Policy. WIPO Overview 3.0, section 1.8.

The Panel finds the first element of the Policy has been established.

B. Rights or Legitimate Interests

Paragraph 4(c) of the Policy provides a list of circumstances in which the Respondent may demonstrate rights or legitimate interests in a disputed domain name.

Although the overall burden of proof in UDRP proceedings is on the complainant, panels have recognized that proving a respondent lacks rights or legitimate interests in a domain name may result in the difficult task of "proving a negative", requiring information that is often primarily within the knowledge or control of the respondent. As such, where a complainant makes out a *prima facie* case that the respondent lacks rights or legitimate interests, the burden of production on this element shifts to the respondent to come forward with relevant evidence demonstrating rights or legitimate interests in the domain name (although the burden of proof always remains on the complainant). If the respondent fails to come forward with such relevant evidence, the complainant is deemed to have satisfied the second element. WIPO Overview 3.0, section 2.1.

Having reviewed the available record, the Panel finds the Complainant has established a *prima facie* case that the Respondent lacks rights or legitimate interests in the disputed domain name. The Respondent has not rebutted the Complainant's *prima facie* showing and has not come forward with any relevant evidence demonstrating rights or legitimate interests in the disputed domain name such as those enumerated in the Policy or otherwise.

Moreover, upon review of the facts and evidence, the Panel notes that the Respondent has not provided any evidence of the use of, or demonstrable preparations to use, the disputed domain name in connection with a bona fide offering of goods or services. Instead, upon review of the facts and the evidence submitted in this proceeding, the Panel notes that the disputed domain name previously directed to a website which purported to sell the Complainant's INA-branded and FAG-branded products (without any disclaimer as to affiliation), along with the Complainant's competitor's products. This suggests that the Respondent was using the disputed domain name to mislead Internet visitors by creating a misleading affiliation with the Complainant and potentially with the intention to bait users looking for the Complainant's products and switch them to competing products. Moreover, even if the Complainant's products offered on such website were legitimate products originating from the Complainant, it is clear to the Panel from the foregoing elements that the Respondent is not a good faith provider of goods or services under the disputed domain name, see also *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. D2001-0903. Given the abovementioned elements, the Panel concludes that the Respondent's use does not constitute a bona fide offering of goods or services, nor a legitimate noncommercial or fair use of the disputed domain name.

However, the Panel notes that on the date of this Decision, the disputed domain name directs to inactive or blank webpages. In this regard, the Panel finds that holding domain names passively, without making any use of them, also does not confer any rights or legitimate interests in the disputed domain name on the Respondent (see in this regard earlier UDRP decisions such as *Bollore SE v. 赵竹飞 (Zhao Zhu Fei)*, WIPO Case No. D2020-0691; and *Vente-Privee.Com and Vente-Privee.com IP S.à.r.l. v. 崔郡 (jun cui)*, WIPO Case No. D2021-1685).

The Panel finds the second element of the Policy has been established.

C. Registered and Used in Bad Faith

Given the longstanding, intensive use and distinctiveness of the Complainant's prior registered trademarks, the Panel finds that the subsequent registration of the disputed domain name, which is confusingly similar to such marks, clearly and consciously targeted the Complainant's prior registered trademarks. The Panel therefore deducts from the Respondent's efforts to consciously target the Complainant's distinctive prior trademarks that the Respondent knew of the existence of the Complainant's trademarks at the time of registering the disputed domain name. This finding is confirmed by the fact that the website linked to the disputed domain name was used to offer for sale what are purported to be the Complainant's products along with a large number of competing products, since this proves that the Respondent was fully aware of the

Complainant's business and its prior trademarks. In the Panel's view, the foregoing elements clearly indicate bad faith on the part of the Respondent, and the Panel therefore finds that it has been demonstrated that the Respondent registered the disputed domain name in bad faith.

As to use of the disputed domain name in bad faith, the Complainant provides evidence that the disputed domain name directed to an active website which showed a clear intent on the part of the Respondent to offer for sale what are purported to be the Complainant's products along with a large number of competing products, potentially with the intention to bait users looking for the Complainant's products and switch them to competing products. The Panel concludes from these facts that the Respondent is intentionally attracting Internet users for commercial gain to such website, by creating consumer confusion between the website associated with the disputed domain name and the Complainant's trademarks. This constitutes direct evidence of the Respondent's bad faith under paragraph 4(b)(iv) of the Policy. The Panel therefore finds that it has been demonstrated that the Respondent has used, and is using the disputed domain name in bad faith.

However, the Panel notes that on the date of this Decision, the disputed domain name directs to an inactive or blank website. Panels have found that the non-use of a domain name (including a blank or "coming soon" page) would not prevent a finding of bad faith under the doctrine of passive holding. Having reviewed the available record, the Panel finds the non-use of the disputed domain name does not prevent a finding of bad faith in the circumstances of this proceeding. Although panelists will look at the totality of the circumstances in each case, factors that have been considered relevant in applying the passive holding doctrine include: (i) the degree of distinctiveness or reputation of the complainant's mark, (ii) the failure of the respondent to submit a response or to provide any evidence of actual or contemplated good-faith use, and (iii) the respondent's concealing its identity or use of false contact details (noted to be in breach of its registration agreement). WIPO Overview 3.0, section 3.3. Having reviewed the available record, the Panel notes the distinctiveness and longstanding use of the Complainant's trademarks, the composition of the disputed domain name by the Respondent and finds that in the circumstances of this case the passive holding of the disputed domain name does not prevent a finding of bad faith under the Policy.

7. Decision

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

/Deanna Wong Wai Man/
Deanna Wong Wai Man
Sole Panelist
Date: January 18, 2024