

**DISPUTE RESOLUTION SERVICE**

**DRS 07186**

**Decision of Independent Expert**

Schering-Plough Corporation  
Schering Corporation  
Schering-Plough Limited  
affiliates and subsidiaries

and

B D Healthcare Ltd

**1. The Parties:**

Lead Complainant: Schering-Plough Corporation  
Address: 2000 Galloping Hill Road  
Kenilworth  
New Jersey  
USA  
Postcode: NJ 07033-0530  
Country: US

Other Complainants: Schering Corporation  
Schering-Plough Limited  
Schering-Plough Corporation affiliates and subsidiaries  
Address: as above

Respondent: B D Healthcare Ltd  
Address: 12 Diana Road  
Bircheshead  
Stoke on Trent  
England  
Postcode: ST1 6RS  
Country: GB

**2. The Domain Name(s):**

clarityn.co.uk (the "Domain Name")

### **3. Procedural History:**

27 April 2009	Nominet validated the Complaint
28 April 2009	Nominet sent the Complaint to the Respondent
20 May 2009	Response received from the Respondent
26 May 2009	Reply received from the Complainant
3 June 2009	No settlement achieved through mediation
9 June 2009	Fee received from Complainant for a decision by an expert
9 June 2009	Tony Willoughby confirmed as Expert Reviewer
9 June 2009	Steve Ormand confirmed as Expert

Definitions used in this decision have the same meaning as set out in the Nominet UK Dispute Resolution Service Policy Version 3, July 2008 (the "Policy") and/or the Nominet UK Dispute Resolution Service Procedure Version 3, July 2008 (the "Procedure") unless the context or use indicates otherwise.

### **4. Factual Background**

Schering-Plough Corporation and its wholly owned subsidiary Schering Corporation are incorporated in New Jersey, USA. The Complainants operate in the worldwide pharmaceuticals industry and market a range of allergy medications, including products under the brand names Clarityn, Claritin, Clarinex and Neoclaritin.

B D Healthcare Ltd is incorporated in England. B D Healthcare Ltd supplies pharmacy products including Clarityn products direct to the public.

The Domain Name was registered on 15 July 2006.

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

The Complainants' and Respondent's submissions are set out and/or summarised (as appropriate) below.

#### **The Complaint**

The Complainants contend that they have Rights in the names Clarityn and Claritin because:

- a) The Complainants are the owners of all right, title and interest in and to the Clarityn trademark as well as to the larger family of marks to which the Clarityn mark belongs (the "Claritin Family of Marks"). The Claritin Family of Marks includes Claritin, Clarinex and Neoclaritin trademarks and trade names.
- b) The Complainants have used the Claritin Family of Marks since at least November 1987 as trademarks and trade names for allergy medications known as loratadine.
- c) The Complainants own approximately 30 US federal trademarks for the Claritin Family of Marks including US trademark number 1498292 for Claritin registered in August 1988 (evidence of 14 US trademarks registered between August 1998 and May 2008 is provided).
- d) In 2006, more than 40 million units of Claritin, also known as Clarityn, were sold in the US alone. In 2007, more than 43 million units were sold in the US alone. This is the result of the Complainants spending over \$250,000,000 in

2006 and \$190,000,000 in 2007 on the marketing and promotion of the Claritin Family of Marks in the US (affidavits by senior officers of the Complainants are provided in evidence).

- e) The Complainants own hundreds of trademark registrations for the Claritin Family of Marks worldwide including UK trademark number 1249949 for Clarityn registered in September 1985 (a spreadsheet listing trademarks is provided).
- f) The Complainants own numerous top-level and country code domain names incorporating the Claritin Family of Marks including claritin.com (affidavit provided in support). In 2006 there were approximately 576,000 visitors to the Claritin.com website and approximately 954,000 visitors in 2007 (supported by affidavit).
- g) The Claritin Family of Marks, including the Clarityn mark, are strong marks with considerable goodwill and as a result of this strength, worldwide use and high consumer recognition the Claritin Family of Marks, including the Clarityn mark, is famous.

The Complainant contends that the Respondent's registration and/or use of the Domain Name is an Abusive Registration because:

*The Respondent's Activities*

- a) The Respondent registered the Domain Name on 15 July 2006 long after the Complainants had established rights in the Clarityn mark.
- b) The Respondent uses the Domain Name to operate a website titled "Clarityn". This website looks like an official website of the Complainants, displays information about Clarityn and provides links for purchasing Clarityn (printout of the website is provided).
- c) Users clicking on a link to purchase Clarityn are redirected to "Chemist Direct UK", another website owned by the Respondent. This website sells pharmaceutical products including those bearing the Clarityn mark (printouts of this website are provided).
- d) The Respondent also registered the domain name neoclarityn.co.uk and used it to redirect users to "Chemist Direct UK". On 13 February 2009, the expert in DRS 6671 (Schering-Plough Corporation et al v B D Healthcare Ltd) decided that neoclarityn.co.uk should be transferred to the Complainants.

*The Domain Name is confusingly similar to the CLARITYN mark (Policy §3(a)(ii))*

- e) The Domain Name is identical and confusingly similar to the Complainants' Clarityn mark.
- f) It is because of this association with the Complainants' Clarityn mark that the Respondent registered the Domain Name and diverts traffic to its Chemist Direct UK site.
- g) Clarityn is a well-known and famous brand for pharmaceutical products.
- h) Copying of a mark creates a presumption of secondary meaning and a presumption of a likelihood of confusion (Osem Food Ind Ltd v Sherwood Foods Inc 917 F.2d 161 (4<sup>th</sup> Cir. 1990)).
- i) The Respondent can have no purpose for registering the Domain Name other than to cause confusion and trade upon the Complainants' considerable goodwill.

*The Domain Name was registered for the purpose of unfairly disrupting the business of the Complainants (Policy §3(a)(i)(C))*

- j) The Respondent cannot demonstrate any legitimate purpose in registering the Domain Name.
- k) The Respondent is not commonly known by the name Clarityn nor to the Complainants' knowledge has the Respondent ever conducted a legitimate offline business under this name.
- l) The Respondent has not been granted a licence to use the Complainants' marks as part of any domain name or for any other purpose.
- m) The Complainants are in no way associated or affiliated with the Respondent. The Domain Name suggests to users that the Complainants are somehow related to, endorsed by or affiliated with the Respondent.
- n) The Respondent is not making a legitimate non-commercial or fair use of the Domain Name. The only possible use of the Domain Name is to misleadingly attract customers to its website for its own commercial gain by redirection to Chemist Direct UK where the Complainants' products, and other pharmaceutical products, are sold.
- o) The Respondent registered the Domain Name solely for deceptive purposes. This inference is drawn from paras (b), (k), (l) and (m) above and the Respondent's design of the Domain Name to look like an official website of the Complainants.
- p) This is a classic case of initial interest confusion which arises when a junior user adopts a senior user's mark to gain attention in a crowded field in the hope of attracting a "first look". Such confusion is actionable under US trademark law (Brookfield Com, Inc v West Coast Ent Corp 174 F.3d 1065 (9th Cir. 1999)).
- q) The facts of DRS 6671 (see above) were identical to those in this Complaint and the domain name in that dispute was held to be abusive.
- r) It is impossible to conceive of a legitimate purpose for the Respondent's registration of the Domain Name.
- s) When a mark is well known, "in the absence of any license or permission from the Complainant to use any of its trademarks or to apply for or use any domain name incorporating those trademarks, it is clear that no actual or contemplated bona fide or legitimate use of the domain name [can] be claimed by Respondent" (Guerlain S.A. v PeiKang, D2000-0055 (WIPO Mar 21 2000)).
- t) The Respondent has had years of constructive notice of Complainants' registered trademarks under US law 15 U.S.C. §1072.

### **The Response**

The Respondent responded to the Complaint as follows:

- a) The Respondent did trade as Chemist Direct but this was transferred to a separate legal entity (Direct Healthcare Limited) with no corporate relationship to the Respondent.
- b) The Respondent does not dispute that it registered the Domain Name.
- c) The Domain Name does not generate sufficient web traffic as claimed by the Complainant. A Google monitoring website shows that the traffic entering the

Domain Name is so low that it is not recorded in numbers and users are shown to other allergy relief products (a breakdown of hits from this website is provided).

- d) The Domain Name is not registered with any other internet search engines.
- e) The Domain Name is not shown in the list of results of a Google search on Clarityn (search printout provided).
- f) The Complainants' claim of an excess of 550,000 worldwide traffic to Clarityn websites is not supported by the above.
- g) The official website claritynallergy.co.uk is the first result in a Google search on clarityn (printout provided) which is why the Domain Name has not been registered with search engines. Users of the official website can check for allergy related symptoms, enquire about the Clarityn product range and where such products can be purchased. The Domain Name does not mislead or redirect users from the official website.
- h) In a comparison of the Domain Name and claritynallergy.co.uk websites the latter is the only official website for Clarityn products. There is a clear indication on the Domain Name that the manufacturer of Clarityn is the Complainants not the Respondent.
- i) A user clicking on any of the tabs at the top right of the Domain Name receives information that only relates to Clarityn and not associated products.
- j) There is no similarity between the Domain Name and the official UK website. The Respondent has not in any way tried to mislead or confuse users that the Domain Name is similar to the official UK website. The Domain Name is not similar or confusingly similar to schering-plough.com.
- k) The Respondent's purpose in registering the Domain Name was to promote and sell Clarityn. The Respondent is a legitimate supplier of a number of Clarityn products and has a good relationship with wholesale suppliers in the recognised distribution chain.
- l) The total breakdown of sales for all Clarityn products from January 2009 to June 2009 indicates relatively low monthly sales (breakdown provided). This is a strong argument to counter the Complainants' statement that the Respondent is diverting a large amount of traffic from its related Clarityn marks.
- m) A similar domain name, clarityn.com, is not in any way related to the Clarityn mark (printout provided). The Complainants have failed to take action against this domain name despite infringing the Complainants' mark. This domain name is not promoting Clarityn in any way.
- n) The domain name neoclarityn.co.uk (DRS 6671, see above) has been registered since July 2006 but never set up as this product is prescription only and cannot be promoted. The Respondent questions why the Complainants have taken 3 years to commence this Complaint and why was it not included in DRS 6671.
- o) Despite DRS 6671 being decided in favour of the Complainants that domain name still directs users to the Respondent's trading website of Chemist Direct. By not having neoclarityn.co.uk transferred there is a serious issue with the validity of this Complaint.
- p) The Complainants have not satisfied that the Domain Name is an abusive use of registration and is not confusingly similar to that of the Complainants.

- q) The Respondent has spent considerable time and resources since July 2006 to maintain the Domain Name. The Respondent proposes to transfer the Domain Name to the Complainant for £15,000.

## The Reply

The Complainant replied to the Response as follows:

- a) In response to para (k) of the Response above:

The Respondent's stated purpose can be accomplished without the unauthorised use of the Complainants' trademark in the Domain Name.

The fact that the Respondent may be a legitimate supplier of the Complainants' products does not mean that the registration of the Domain Name is not an Abusive Registration under the Policy. In DRS248 (Seiko UK Limited v Designer Time) the Appeal Panel considered this question in the context of domain names consisting of registered trademarks together with non-distinctive suffixes ("Seiko" and "Spoonwatch" together with "shop" and "watchstop") and found it to be an Abusive Registration if a domain name makes or is liable to be perceived as making a representation that there is something approved or official about the website.

Here, the facts weigh even more heavily in the Complainants' favour, as the Domain Name contains the Complainants' trademarks without any suffixes.

The Complainants also refer to DRS1805 (Dell Inc. v. Ronnie Lamont/PC Warehouse), holding that delloutlet.co.uk is an Abusive Registration, and DRS00998 (Koninklijke Philips Electronics N.V. v. Nick French) holding that philipsdictation.co.uk and philips-dictation.co.uk are Abusive Registrations.

- b) In response to para (m) of the Response above:

This is irrelevant. The Complainants vigorously police their considerable trademark rights and give due attention to each matter in turn.

- c) In response to paras (n) and (o) of the Response above:

The Complainants are in the process of transferring the domain name and cannot be faulted for technical issues related to the transfer.

- d) In response to para (p) of the Response above:

The Respondent's contention is without merit on its face. The aural and visual similarities between the Domain Name and the Complainants' trademark could not be clearer. The Respondent's registration of the Domain Name violates general principles of trademark law.

- e) In response to para (q) of the Response above:

This offer is further evidence that the Respondent registered the Domain Name to take unfair advantage of the Complainants' trademarks and that the registration was an Abusive Registration. It is entirely improper to offer to sell a domain name identical or confusingly similar to a brand owner's trademark, especially where the brand owner has already contested the Respondent's right to use and register the Domain Name and has already commenced this action.

## **6. Discussions and Findings**

### **General**

To succeed in this Complaint, the Complainants have to prove to the Expert on the balance of probabilities, pursuant to §2 of the Policy, both limbs of the test that:

- 1. The Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name; and*
- 2. The Domain Name, in the hands of the Respondent, is an Abusive Registration.*

### **Complainant's Rights**

"Rights" is defined in §1 of the Policy as rights enforceable by the Complainant, whether under English law or otherwise, and may include rights in descriptive terms which have acquired a secondary meaning.

The wholly generic domain suffix ".co.uk" may be discounted for the purposes of establishing whether the Complainants have Rights in a name or mark which is identical or similar to a Domain Name.

The Complainants have demonstrated trademark rights in the name Clarityn which predate the registration of the Domain Name by almost 20 years in the case of its UK trademark.

The Complainants have also demonstrated trademark rights in the name Claritin which also predate the registration of the Domain Name.

The Complainants have satisfied the first limb of the test by demonstrating that they have Rights in the name Clarityn, a name which is identical to the Domain Name and also in the name Claritin, a name which is similar to the Domain Name, save for the generic domain suffix.

### **Abusive Registration**

Abusive Registration is defined in the Policy as a Domain Name which either:

- 1. was registered or otherwise acquired in a manner which, at the time when the registration or acquisition took place, took unfair advantage of or was unfairly detrimental to the Complainant's Rights; or*
- 2. has been used in a manner which has taken unfair advantage of or has been unfairly detrimental to the Complainant's Rights.*

The Complainants allege Abusive Registration under three headings:

1. The Respondent's activities.
2. §3 a i C of the Policy namely:

*"Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily for the purposes of unfairly disrupting the*

*business of the Complainant”.*

3. §3a ii of the Policy namely:

*“Circumstances indicating that the Respondent is using or threatening to use the Domain Name in a way which has confused or is likely to confuse people or businesses into believing that the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant”.*

*Respondent's Activities*

The Respondent does not dispute that it registered the Domain Name and that the Complainants have Rights in the names Clarityn and Claritin. The Respondent does not dispute that it has operated the Domain Name and in doing so has redirected visitors to the Chemists Direct website where the Complainants' products can be purchased.

The Complainants contend that the Chemist Direct website is owned by the Respondent. The Respondent states that the Chemist Direct business (including by implication the Chemist Direct website) was transferred to an unrelated third party (Direct Healthcare Limited) at an unstated date. The Nominet WHOIS search shows that the Chemist Direct website (chemistdirect.co.uk) is registered to Direct Healthcare Limited.

The Respondent provides a breakdown of sales of Clarityn products from January to June 2009 to demonstrate low traffic to the Chemist Direct website. The Respondent also refers to neoclarityn.co.uk as still redirecting users "to the Respondent's trading website of Chemist Direct".

A simple check of publicly available company records shows that the Respondent, Direct Healthcare Limited and Chemist Direct Limited share the same contact and registered office address. Furthermore, the Respondent, Direct Healthcare Limited and Chemist Direct Limited, have or have had common directors at material times and have common shareholders linkages.

Accordingly, the Expert concludes that the Respondent is using, or has used, the Domain Name to redirect users to Chemist Direct where it sells or has sold Clarityn products.

*§3 a i C of the Policy*

The Expert accepts as fact the statements made by the Complainants that the Respondent has not disputed.

The Complainants contentions are that the Respondent cannot demonstrate any legitimate purpose in registering the Domain Name, the Respondent is not making fair use of the Domain Name, and the Domain Name is misleadingly attracting customers to Chemist Direct for the Respondent's commercial gain. The Complainants' contention that the Domain Name is designed to look like an official website belonging to or endorsed by the Complainants is dealt with in the following section.

The Respondent states that its purpose in registering the Domain Name was to promote and sell Clarityn. Clearly the Respondent was aware of the Complainants' Rights at the date of registration.

The Respondent claims that the Domain Name does not generate sufficient web traffic, as claimed by the Complainants, and quotes Google statistics (for clarityn.co.uk and clarityn keyword) and "low" sales figures to demonstrate this, although no reference point



for such sales is provided. The Respondent claims that the sales figures are a strong argument which counters the claim that it is diverting a large amount of traffic from “the Complainants’ Clarityn marks”.

The Expert does not accept the Respondent’s assertions. First, the Complainants refer to web traffic at their Claritin.com website, not the Domain Name. Secondly, the Google figures do not support the Respondent’s statements. Thirdly, it is immaterial whether the sales figures for Clarityn products are low or high, the Respondent redirects traffic from the Domain Name and profits or has profited from that redirection.

Given that users are redirected and sales occur, the Respondent’s arguments involving search engines, Google search results and so on, are irrelevant.

The Expert concludes that the Respondent registered the Domain Name for the purpose of redirecting traffic to Chemist Direct to generate sales of the Complainants’ products which has and does unfairly disrupt the Complainants’ business, which is an Abusive Registration.

### *§3 a ii of the Policy*

The Respondent does not dispute that traffic is diverted to the Chemist Direct website nor does it claim to have any rights in the name Clarityn or Claritin. The Respondent does not deny that the Domain Name is confusing similar to the Complainants’ mark.

The Respondent contends that claritynallergy.co.uk is the official UK website, this being clear from Google searches. Furthermore, a search on the keyword clarityn does not list the Domain Name in the results. Thus, the Respondent contends that the Domain Name does not mislead or redirect users from the official website.

The Respondent contends that the Domain Name website provides a “clear indication ...that the manufacturer of Clarityn is the Claimants [sic] not the Respondent” and that there is no similarity between the Domain Name and the Complainants’ official UK website. The Respondent goes on to claim that by clicking on tabs at the top right of the Domain Name the user only receives information relating to Clarityn and not associated products.

The Respondent’s contentions ignore the fact that a user who types “clarityn.co.uk” directly into the Explorer domain name window expecting to find the Complainants’ products is taken directly to the Respondent’s website. The website does not provide any indication that Clarityn is manufactured by the Complainants, nor does it refer to the Complainants in any way. Clicking on tabs at the top right of the Domain Name provides the user with information relating to Clarityn which gives the impression of some form of official guidance to the product.

The Respondent’s comparisons between the Domain Name and claritynallergy.co.uk are irrelevant. The crucial issue is what does the user believe when he arrives at the Domain Name?

The Expert concludes that the Domain Name has the appearance of a website that is operated by or somehow endorsed or affiliated to the Complainants. That, as confirmed by the Appeal Panel in DRS 248 (Seiko UK Limited v Designer Time - see above), is an Abusive Registration.

### *Respondent’s other contentions*

The Respondent contends that the Complainants' failure to take action against clarityn.com and to transfer neoclarityn.co.uk, despite DRS6671 ordering a transfer, somehow justifies the Respondent's registration and use of the Domain Name. The Expert rejects these contentions.

The Respondent's offer to sell the Domain Name is not abusive per se. There is no evidence that the Respondent registered the Domain Name for the purpose of selling it at a profit to the Complainants. In the circumstances the offer points to the Respondent's final attempt to profit from its registration of the Domain Name.

### *Conclusion*

The Expert finds that the Respondent registered the Domain Name in a manner which at the time took unfair advantage of the Complainants' Rights and that the Domain Name has been used in a manner which has taken unfair advantage of those Rights, which is an Abusive Registration.

The Expert notes that the Complainants have not identified which Complainant should become sole registrant of the Domain Name pursuant to §3biii of the Procedure. However, a failure to identify a sole registrant cannot be fatal to the Complaint since §3biii also states that the request is not binding on the Expert.

## **7. Decision**

In light of the foregoing findings, namely that the Complainants have Rights in a name which is identical to the Domain Name, and the Domain Name, in the hands of the Respondent, is an Abusive Registration, the Expert directs that the Domain Name, clarityn.co.uk, be transferred to the Lead Complainant unless the Lead Complainant informs Nominet within 10 days of this decision that the transfer should be made to one of the other Complainants.

**Signed** Steve Ormand

**Dated** 29<sup>th</sup> June 2009