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S. Mallinatha
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L.No. 14661-B1/86

Plot. 1706, 35th Street 1-B1
ANNA NAGAR WEST, MADRAS-600

BEFORE S SRIDHARAN, SOLE ARBITRATOR

OF NATIONAL INTERNET EXCHANGE OF INDIA

ARBITRATION AWARD

DATED: 18th November 2013

Shaklee Corporation, USA

Versus

Complainant

Mr. Shaklee Wong, USA

Respondent

Sridharan

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	Versus	
Mr. Shaklee Wong, USA	...	Respondent

1. The Parties

- 1.1 The complainant Shaklee Corporation, is a corporation organized and existing under the laws of the state of Delaware, USA having its principal office at 4747 Willow Road, Pleasanton, California 94588, USA represented by its counsel, Mr. Vikrant Rana of S S Rana & Co Advocates at 317 Lawyer's Chambers High Court of Delhi, New Delhi – 110 003.
- 1.2 Respondent is Mr. Shaklee Wong at Shaklee Studio, 555 Lexington Avenue, 10th Floor, Room-202, New York-10001, United States of America.

The Domain Name and Registrar

- 1.3 The disputed domain name <shaklee.co.in> created on 31.08.2011 is registered with Direct Internet Solutions P Ltd (R5-AFIN).

2. Procedural History

- 2.1 On 23rd October 2013, NIXI asked me about my availability and consent to take up the Complaint for arbitration. On the same day, I informed my availability and consent. I also informed NIXI that I had no conflict of interest with either of the parties and could act independently and impartially.
- 2.2 On 31st October 2013, I received hardcopy of the Complaint.
- 2.3 On 2nd November 2013, I issued by email a Notice to the Respondent setting forth the relief claimed in the Complaint and directing him to file his reply to the Complaint within 15 days. I also sent an email about my appointment to arbitrate the complaint to the Complainant and asked the Complainant to send a soft copy of the complaint to me.
- 2.4 On 6th November 2013, I received a soft copy of the Complaint.
- 2.5 Respondent has not filed any response to the Complaint.
- 2.6 Email is the medium of communication of this arbitration and each email is copied to all, Complainant, Respondent and NIXI.

3. Factual Background



A Complainant

- 3.1 The Complainant incorporated in 2001 is a subsidiary company of Shaklee Global Group, Inc., a public company of Japan traded on Osaka Securities Exchange.
- 3.2 In 1956, Complainant's predecessor Dr. Forrest C. Shaklee founded the Shaklee Products Inc in Oakland, California with his two sons to manufacture nutritional supplements based on Living in Harmony With Nature® to develop products to improve the health of people and the planet. In 1972, Shaklee Products, Inc., was renamed as Shaklee Corporation. In 1975 Shaklee Japan and Shaklee Canada were established.
- 3.3 Dr. Shaklee began marketing biodegradable cleaning products. He continually emphasized "natural" and "environmentally friendly" in his marketing messages, ideas which were not common at the time.
- 3.4 The Complainant is number one natural nutrition company in the U.S., making people healthier for over 50 years. In addition to nutritional products, as early as 1960, The Complainant offered one of the first biodegradable household cleaners ever and in the year 2000 the Complainant was the first company in the world to obtain Climate Neutral™ certification and totally offset the CO2 emissions, resulting in a net zero impact on the environment. For more than 50 years, Shaklee has been a leading provider of premium quality, natural nutrition, and personal care, environmentally-friendly household products, and state-of-the-art water treatment systems.
- 3.5 The name SHAKLEE has been adopted from the name of the Complainant's founder Dr. Forrest C. Shaklee. The Complainant has used SHAKLEE as its corporate name and as the primary symbol and identifier of the goods and services that it offers for over 50 years and, more recently, as the address of its principal Internet Web site,
- 3.6 The Complainant opened its first International Venture in Japan in 1975, thereafter spreading over six (6) international markets. Shaklee is in the process of entering the Indian market. In this regard, Shaklee India Pvt. Ltd. was incorporated in February 2013.
- 3.7 The Complainant's headquarters were designed by Gensler and completed in the year 1999 to make a people-friendly, earth-friendly space that reflects the Complainant's commitment to Living in Harmony with Nature®. It is one of the first green, energy-saving, award-winning buildings designed using sustainable materials, including certified sustainable wood, recycled carpets, and recycled plastics. In that regard, in 2000, Shaklee became the first Climate Neutral company certified by Climate Neutral Network (CNN)™ having reduced its greenhouse gases, including CO2 to net zero (100%). That same year Shaklee Corporation earned EPA's Green Power Partner status buying 100% green power to meet its electricity use nationwide The Complainant believes in its product philosophy of Always Safe, Always Works, Always Green.
- 3.8 The Complainant was a publicly traded company in the late 1970s and was listed on the New York Stock Exchange. In 1989 the Yamanouchi Pharmaceutical Company of Japan bought Shaklee and the company became privately held.
- 3.9 In April 2004, Yamanouchi sold the Complainant Shaklee Corporation to American entrepreneur Roger Barnett, managing partner of Activated Holdings LLC, for \$310 million. Mr. Barnett became the new CEO and Chairman of the Board of the Complainant.

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- 3.10 From 1988-2000 the Complainant was the title sponsor of an American based UCI professional cycling team. In its final year of existence (2000) Team Shaklee was the top ranked UCI tier III team in the world and included United States Olympic Team members Jamie Carney, Jonas Carney, Adam Laurent, and Kent Bostick.
- 3.11 Beginning in 1993, the Complainant started providing NASA with a customized rehydration beverage for use by Shuttle astronauts and its use continues today.
- 3.12 The current CEO and Chairman of the Complainant, Mr. Roger Barnett, was selected as a Global Leader for Tomorrow by the World Economic Forum (Davos) and is a member of its private investment community. He has also been selected as a Young Leader Forum Fellow by the Council on U.S.-China Relations, and is a member of the Young Presidents Organization. Additionally, Mr. Barnett serves as a member of the Harvard School of Public Health Leadership Council, the Health Advisory Council of Columbia Presbyterian Hospital, the Yale University President's Council on International Activities, the Advisory Board of The Green Belt Movement, the Board of Directors of the Elie Wiesel Foundation for Humanity, the Board of Directors of the Metropolitan Opera Association, the Board of Advisors of Healthy Child Healthy World and the Board of Trustees for The Fine Arts Museums of San Francisco.
- 3.13 The Complainant has been expanding its business steadily around the world. In addition, the Complainant has expanded its operations to include an even broader selection of products, offering a full line of goods ranging from healthy nutrition, weight, home and beauty. One of the keys to the Complainant's success has been its ability to meet and exceed its customers' expectations of excellent quality and service. All Shaklee Products are 100 % Guaranteed and if for any reason a Shaklee Product is not satisfactory, the same may be returned to Shaklee Independent Distributor or Shaklee Corporation for exchange or full refund. The Complainant guarantees the privacy of its customers' personal information.
- 3.14 In order to secure statutory rights in its trade mark SHAKLEE, Complainant or its subsidiary companies have obtained hundreds of trademark registrations in over 50 countries of the world including India. The trade mark SHAKLEE and other trademarks comprising the word SHAKLEE have been used in many countries worldwide and are well known and famous.
- 3.15 In India, the Complainant has obtained the following registrations for the trademark SHAKLEE in CLASSES 3 and 5 as below. The registrations are renewed, valid and subsisting:

S. No.	Trademark		Registration No.	Dated	Published in TMJ No.
1.	SHAKLEE	3	577998	July 27, 1992	1427
2.	SHAKLEE	5	577999	July 27, 1992	1272-1

- 3.16 The Complaint registered domain name <shaklee.com> on January 05, 1995. The Complainant also operates from www.shaklee.com. As the Complainant's business expanded internationally, it began operating websites that use the Country Code Top Level Domain Name that are specific to individual countries, which are accessible to consumers in every location of the world that offers access to the Internet. Each and every page of all of its websites prominently displays the **Shaklee** ® mark. The shaklee.com website is viewed by millions of consumers each month. Many active customer accounts and customers from many countries have made purchases through the website Shaklee.com.

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- 3.17 The Complainant has transformed over the last fifty seven (57) years from a small start-up company to one of the most successful nutrition businesses in the world. In that regard, as noted above, Complainant global business has grown to more than U.S. \$650 million in sales during its most recent fiscal year.
- 3.18 The trademark SHAKLEE has become a very well-known trademark in the world today, and certainly one of the best-known marks used by any nutrition-based business in the world.
- 3.19 The Complainant's reputation and valuable goodwill in its trade mark **SHAKLEE** and variations thereof have not come from registrations and sales alone. In order to promote its reputation, the Complainant has taken numerous steps through the years. The Complainant has made significant investments to promote its goods and services under the trademarks **SHAKLEE** and its variations. The commercial activities of **SHAKLEE** have been widely promoted, publicized and advertised in print and electronic media, including newspapers, magazines and its corresponding websites. Millions have come to know the **SHAKLEE** marks through extensive advertising in a variety of media. Since its inception the Complainant has spent millions of US dollars on advertising and other promotional costs, all of which make prominent use of the **SHAKLEE** marks online, on television and radio, and in newspapers and magazines.
- 3.20 The Complainant regularly issues press releases to keep its customers and the public informed about the developments in the Company. The Complainant has run print advertisement and/or been featured in many publications in countries like China, Mexico, Canada, Japan AND Malaysia.
- 3.21 Millions have come to know the SHAKLEE marks through extensive advertising in a variety of media. The Complainant's unique approach to communication and customer service is helping to form influential relationships and drive growth. Besides electronic and print media to advertise the growth and advancement of the activities on the shaklee.com website, the Complainant also uses social media as an important tool for advertising its activities.
- 3.22 The Complainant also has SHAKLEE branded webpage available to consumers on various social networking sites such as Facebook.com and Twitter.com. Various books have been written and published about the Complainant and/ or by Dr. Forrest C. Shaklee.
- 3.23 Dr. Forrest C. Shaklee and the Complainant have been the subject of feature stories on a number of nationally aired broadcasts. The Complainant has also been the subject of discussion on Green Energy TV, an online television channel that is dedicated to airing green videos for millions of viewers around the world that lauds Shaklee as one of the best green companies in the US, with its environmental heritage, Climate Neutral status, and products and packaging. Hundreds of articles have been written and news stories broadcast about the Complainant and Dr. Shaklee over the last few years, adding to widespread awareness of Shaklee and its products and services among consumers.
- 3.24 As a socially responsible corporation, the Complainant founded a nonprofit organization in the year 1992 by the name **SHAKLEE CARES**. This charitable organization is committed to helping people directly affected by natural disasters and emergencies, as well as grassroots citizen groups working in the impacted areas. Since its inception, Shaklee Cares has given millions of dollars in cash grants and Shaklee product packs to individual families and communities. Shaklee Corporation underwrites all administrative costs to

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Shaklee Cares, so 100% of donation to **SHAKLEE CARES** goes to help rebuild lives, homes, and communities.

- 3.25 Because of the extent of business Complainant has done and the length of time it carried on this business, the name and trade mark **SHAKLEE** has become associated with the Complainant around the world. The Complainant's name and trademark **SHAKLEE** is well known and famous, not only in the USA but also in many countries of the world. By virtue of such continuous and extensive use and the high quality of goods and services provided under the marks **SHAKLEE** and variations, the same have become distinctive and are associated by the public and the trade with the Complainant's goods and services alone. The Trade Marks Act of 1999 provides for protection of well-known marks in India. **SHAKLEE** and variations thereof have acquired substantial reputation and goodwill and are well known and famous in India within the meaning of Section 2 (zg) of the Act.
- 3.26 In these days of extensive use of the global communications network, reputation of a mark travels across national boundaries in a matter of seconds and all Internet users worldwide, including those in India, are exposed to and aware of such reputation and goodwill. In addition, the goodwill and reputation enjoyed by the Complainant's marks has spilled over into India by diverse means such as electronic and print media publicity, advertisements on television, in leading international dailies, magazines and journals, which enjoy circulation and readership in India.
- 3.27 By virtue of the international registrations, vast publicity and use going back to 1956, the **SHAKLEE** marks have now become distinctive of and exclusively identified with Complainant's business and services alone. Backed by a long standing tradition of painstaking development, hard work, substantial investment and uncompromising adherence to the highest standards of quality, the Complainant enjoys an enviable international reputation and goodwill in the **SHAKLEE** marks, which has spilled over into India by diverse means.
- 3.28 The Complainant has the exclusive statutory rights to use the said trademark **SHAKLEE** and variations thereof in respect of goods and services for which they are registered. By virtue of worldwide registrations, use and publicity, the Complainant's trademark **SHAKLEE** and variations thereof have gained recognition, valuable goodwill and reputation not only internationally but also in India and the said trademarks have become distinctive of and are exclusively identified with the Complainant's goods / services. The Complainant's trademark **SHAKLEE** are well known within the meaning of Article 6 bis of the Paris Convention and Sections 2 (zg) and 11 of the Indian Trade Marks Act 1999.
- 3.29 In pursuance of the Complainant's worldwide rights and goodwill in the **SHAKLEE** marks, it has been actively engaged in pursuing and stopping acts of infringement or misuse which come to its notice. The Complainant considers its trading style and trademark **SHAKLEE** to be its valuable intellectual property and take all necessary steps to protect the same. Protection of its trademarks extends beyond registration activities to enforcement actions, which range from opposing trademark applications for the same or a similar mark to sending cease and desist letters to infringers of identical or similar marks to its trade marks to pursuing its rights through litigation where necessary.
- 3.30 The Complainant has succeeded in protecting its Shaklee trademark in actions before the WIPO Arbitration and Mediation Center in respect of the domain name shaklee.so and before the National Arbitration Forum (NAF) in respect of the domain name wwwshaklee.com.

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3.32 The Complainant has filed 13 annexures along with the Complaint.

B Respondent

3.33 The Respondent has not filed any reply to the Complainant's Complaint in this arbitration.

4. Parties Contentions

A Complainant

4.1 The disputed domain name <shaklee.co.in> registered by the Respondent, is deceptively, visually, confusingly and phonetically similar to the Complainant's registered and world famous name/domain name **SHAKLEE.COM** and trademark **SHAKLEE**, in which the Complainant has statutory and common law rights in India and abroad. The disputed domain name <shaklee.co.in> is bound to cause confusion and deception in the minds of the public and the trade due to its phonetic and visual sameness.

4.2 The Respondent has no right or legitimate interest in the disputed domain name <shaklee.co.in>. The Respondent is not making a legitimate or fair use of the disputed domain name <shaklee.co.in> for offering goods and services and is not even based in India. The Respondent has only mentioned the name Shaklee Studio but is not commonly known by the name or mark SHAKLEE. No active website is hosted on www.shaklee.co.in. On the landing page and there is a message stating that "Welcome to <shaklee.co.in>". This domain is for sale," thus corroborating bad faith.

4.3 The disputed domain name <shaklee.co.in> has been registered and is being used in bad faith. The main objective of registering the disputed domain name <shaklee.co.in> by the Respondent is to enrich himself and earn illegal profit and to mislead the general public and trade, as well as prevent the Complainant from using said domain name or reflecting the mark in a corresponding domain name. The registration of the disputed domain name <shaklee.co.in> incorporating the name and registered trade mark of the Complainant is mala fide.

4.4 The disputed domain name <shaklee.co.in> is identical to the top level domain name <shaklee.co.in> in which the Complainant has prior rights. The disputed domain name <shaklee.co.in> incorporates in its entirety the reputed trademark SHAKLEE of the Complainant, in which the Complainant has statutory rights. The malicious intention of the Respondent is evident from the blatant misappropriation of the Complainant's trademark SHAKLEE. In the present instance, any Indian user searching for the Complainant's website online as SHAKLEE will be taken to the disputed domain name <shaklee.co.in> which diverts visitors drawn by Shaklee's global recognition and reputation and also enhances the possibility of confusion and /or deception.

4.5 SHAKLEE is the name and registered trade mark of the Complainant and was so long before the registration of the disputed domain name <shaklee.co.in>. Therefore, the Respondent can have no legitimate interest in the disputed domain name <shaklee.co.in>. The Complainant has not licensed or otherwise permitted the Respondent to use its name or trade mark or to apply for or use the domain name incorporating the said name. The adoption and / or use of the domain name that

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appropriates a well-known trade mark cannot be considered a bona fide offering of goods and services. The Respondent has registered or acquired the name primarily for the purpose of selling, resting, auctioning or otherwise transferring the registration of the disputed domain name <shaklee.co.in> to a third party by internet auction -- or even ransoming it to the Complainant, which is the lawful owner of the trade mark -- or to a competitor of the Complainant in excess of documented out of pocket costs directly related to registering the domain name.

B. Respondent

4.6 Respondent has not filed any reply to the Complainant's Complaint in this arbitration.

5. Discussion and Findings

5.1 Respondent has not filed his response. I have not received any communication from him until the date of this award. Therefore, I am proceeding to determine this Complaint on the basis of the materials available on record.

5.2 The Complainant in order to succeed in the Complaint must establish under Paragraph 4 of .IN Domain Name Dispute Resolution Policy (INDRP) the following elements:

(I) Respondent's domain name is identical or confusingly similar to a name, trademark or service mark in which the Complainant has rights;

(II) Respondent has no rights or legitimate interests in respect of the domain name; and

(III) Respondent's domain name has been registered or is being used in bad faith.

5.3 Each of the aforesaid three elements must be proved by a Complainant to warrant relief.

Disputed domain name is identical or confusingly similar to a trade mark of the Complainant.

5.4 The Complainant is the proprietor of the mark SHAKLEE. Complainant has been using SHAKLEE as a trade mark and trading style continuously since 1956. The brand Complainant owns numerous registrations for the trade mark SHAKLEE in many countries around the world including India. In India, the Complainant has got registration for the mark SHAKLEE under No. 577998 in class 3 and 577999 in class 5 both with effect from 27th July 1992. The Complainant's domain name <shaklee.com> on 5th January 1995. The disputed domain name <shaklee.co.in> was created on 31.08.2011. Obviously, the Complainant is the prior adopter of SHAKLEE mark. The above facts have established that the Complainant has statutory and common law rights in respect of its SHAKLEE mark.

5.5 The Complainant's SHAKLEE mark is famous and well known throughout the world including India. It is clearly seen that the disputed domain name <shaklee.co.in> wholly incorporates the prior registered mark SHAKLEE of the Complainant. The suffix ".co" and ".in" are descriptive and are not distinguishing parts of the domain name. The specific top-level and /or second-level of a domain name such as ".co" ".in" needs to be disregarded when determining the similarity or identity with the Complainant's SHAKLEE mark. The disputed domain name <shaklee.co.in> is similar to the Complainant's domain name <shaklee.com>.

5.6 I, therefore, find that:

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- (a) The Complaint has common law and statutory rights in respect of its SHAKLEE mark.
- (b) The disputed domain name <shaklee.co.in> is:
 - (i) Identical to the Complainant's prior SHAKLEE trade mark, and
 - (ii) Similar to the Complainant's domain name <shaklee.com>.

Respondent has no rights or legitimate interests in respect of the disputed domain name

5.7 It is already seen that:

- (a) The Complainant is the prior adopter and user of the SHAKLEE mark. The Complainant's SHAKLEE mark is well known in many countries across the globe including India.
- (b) The Complainant's SHAKLEE mark was adopted in the year 1956. Indian registrations for the mark SHAKLEE were obtained in 1992. The Complainant's domain name <shaklee.com> on 5th January 1995. The disputed domain name <shaklee.co.in> was created on 31.08.2011.

5.8 Respondent did not register the disputed domain name until 31.08.2011. Complainant has adopted and used the mark SHAKLEE and a domain name containing the mark SHAKLEE before Respondent registered the disputed domain name <shaklee.co.in>. It is unlikely that the Respondent was unaware of Complainant's existence of trademark and domain name rights before registering the disputed domain name <shaklee.co.in>.

5.9 I have visited the web site of the Respondent under the disputed domain name <shaklee.co.in> in my blackberry. It has led to a web page where the disputed domain name is parked by Sedo for sale. The web page has many sponsored links and at the bottom it is prominently mentioned that "Buy this domain – this domain name <shaklee.co.in> may be for sale by its owner. It is obvious that the Respondent never intended to use the disputed domain name <shaklee.co.in> in connection with a bona fide offering of goods or services and has simply parked it for sale.

5.10 Therefore, I have no hesitation to hold, for the above reasons that the Respondent has no right or legitimate interest in respect of the disputed domain name <shaklee.co.in>.

Respondent's domain name has been registered or is being used in bad faith.

5.11 The Complainant is the proprietor of the mark SHAKLEE. Complainant has been using SHAKLEE as a trade mark and trading style continuously since 1956. The brand Complainant owns numerous registrations for the trade mark SHAKLEE in many countries around the world including India. In India, the Complainant has got registration for the mark SHAKLEE under No. 577998 in class 3 and 577999 in class 5 both with effect from 27th July 1992. The Complainant's domain name <shaklee.com> on 5th January 1995. The disputed domain name <shaklee.co.in> was created on 31.08.2011. Obviously, Complainant's rights in the SHAKLEE mark pre-date Respondent's registration of the disputed domain name <shaklee.co.in>. The Respondent could not have ignored, rather actually influenced by, the well-known SHAKLEE marks of the Complainant at the time he acquired the disputed domain name <shaklee.co.in>.

5.12 As seen above, Respondent is currently holding the disputed domain name <shaklee.co.in> primarily for sale and gives links to other web sites of third parties and not for any other purpose. The Respondent is no way connected with the Complainant.

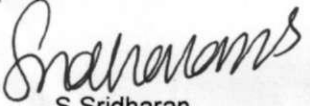
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Respondent's adoption of the disputed domain name <shaklee.co.in> is nothing but an unjust exploitation of the well-known reputation of the Complainant's prior SHAKLEE mark.

- 5.13 Respondent's lack of response to the Complaint indicates that the Respondent has no reason and/or justification for the adoption of the Complainant's SHAKLEE mark.
- 5.14 Thus it is clearly established that Respondent registered the disputed the disputed domain name <shaklee.co.in> in bad faith.
- 5.15 The actions of the Respondent should not be encouraged and should not be allowed to continue. Respondent never intended to put the disputed domain name <shaklee.co.in> into any fair/useful purpose. Respondent not even considered it worth responding the complaint of the Complainant. Respondent did not file any response. The conduct of the Respondent has necessitated me to award costs of the Complaint to and in favour of the Complainant.

6. Decision

- 6.1 For all the foregoing reasons, the Complaint is allowed as below.
- 6.2 It is hereby ordered that the disputed domain name <shaklee.co.in> be transferred to the Complainant.
- 6.3 Respondent is ordered to pay the Complainant a sum of Rs.10,00,000/- (Rupees ten lakh only) towards costs of the proceedings.


S.Sridharan
Arbitrator