

## **ADMINISTRATIVE PANEL DECISION**

**Sanosil Mena Detergents & Disinfectants Manufacturing Co. LLC v. Sanosil AG / Sanosil Ltd, Case No. D2023-4872**

### **1. The Parties**

The Complainant is Sanosil Mena Detergents & Disinfectants Manufacturing Co. LLC, United Arab Emirates (“UAE”), represented by IAA Middle East Legal Consultants LLP, UAE.

The Respondent is Sanosil AG / Sanosil Ltd, Switzerland, represented by Isler & Pedrazzini AG, Switzerland.

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

The disputed domain name <sanosilmena.com> is registered with INWX GmbH & Co. KG (the “Registrar”).

### **3. Procedural History**

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on November 22, 2023. On November 23, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On November 28, 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 and contact information in the Complaint. The Center sent an email communication to the Complainant on November 28, 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 amended Complaint on December 3, 2023.

The Center verified that the Complaint together with the amended 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 of the Complaint, and the proceedings commenced on December 7, 2023. In accordance with the Rules, paragraph 5, the due date for Response was December 27, 2023. The Response was filed with the Center on December 21, 2023.

The Center appointed W. Scott Blackmer as the sole panelist in this matter on January 5, 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 Sanosil Mena Detergents & Disinfectants Manufacturing Co. LLC (“Sanosil Mena”) is a limited liability company operating in the Emirate of Dubai, UAE under an “Industrial License” to manufacture detergents and disinfectants. This trade license, attached to the Complaint, was issued on May 19, 2015, showing that the Complainant’s 100 percent shares owner is a Turkish company, Associated Global Enterprises FZE LLC, and the manager is Ali Otaki. The Complaint states that the Complainant has been engaged since December 2012 in producing detergents and disinfectants for the Middle East and North Africa (“MENA”) region, advertised and sold through the Complainant’s website at “www.sanosil-mena.com” (the “Complainant’s website”).

The Panel notes, however, that the online database of registered companies operated by the UAE Ministry of Economy shows that the Complainant was registered as a limited liability company on the same date that it received its trade license, May 19, 2015. The Complainant does not offer evidence concerning its predecessor or show how it was doing business before 2015. Moreover, the Panel notes that the Internet Archive’s Wayback Machine has no archived screenshots of the Complainant’s website before October 28, 2017. That screenshot shows that the Complainant’s website was headed with the logo of the Respondent Sanosil AG and appears to have advertised only the Respondent’s disinfectant products. The home page of the Complainant’s website explained the Parties’ relationship as follows:

“In 2017, SANOSIL AG of Switzerland made a joint venture with SANOSIL MENA LLC in the United Arab Emirates. SANOSIL MENA has a vision of becoming a world-class disinfectant company providing high-quality SANOSIL disinfectant products to the Middle East and North Africa region.”

The Respondent Sanosil AG is a Swiss company established in 1982 and registered in Canton Zurich. It develops, produces, markets, and sells disinfectants for fields such as the water industry, public health, facility management, and the food and beverage industry, as described on its website at “www.sanosil.com”. It appears that international distribution is managed through a subsidiary, Sanosil Ltd<sup>1</sup>. The Respondent uses the SANOSIL brand in the course of its business and has agreements with local distributors in some 37 countries worldwide. Sanosil AG has registered SANOSIL and SANOSIL-formative word and figurative trademarks in multiple jurisdictions. These include the UAE, where Sanosil AG registered SANOSIL in stylized letters as Trademark Number 047650 on July 4, 2004, in International Class 1 (for chemical products), and holds two other SANOSIL trademark registrations.

The Complainant named Sanosil Ltd as the Respondent in this proceeding, but the Response was filed in the name of Sanosil AG. Both entities are clearly related and involved in the relevant events, and unless otherwise indicated the “Respondent” refers in this Decision collectively to Sanosil AG and Sanosil Ltd.

The Parties have been involved in an ongoing business dispute arising from a joint venture agreement over the manufacture and marketing of industrial disinfectant products in specified countries within the MENA region (UAE, the Kingdom of Saudi Arabia, Kuwait, and Bahrain). It appears that individuals including one Ammar Matouk were first involved in negotiating with the Respondent, and Mr. Matouk registered the domain name <sanosil-mena.com> in December 2012 in anticipation of such an agreement. Two other individuals then concluded a Joint Venture Shareholders’ Agreement with the Respondent dated February 11, 2013 (the “JVA”). There are references in the record to multiple amendments to the JVA, which are not before the

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<sup>1</sup> The Panel notes that the online Swiss Central Business Name Index shows, based on records from the Zurich Canton registry, that Sanosil Ltd is a subsidiary of Sanosil AG.

Panel. The Complainant evidently became a successor party to the JVA in 2017, as mentioned on the Complainant's website that was eventually published in 2017.

However, the Respondent was dissatisfied with the Complainant's performance under the JVA and sent the Complainant a termination notice on June 22, 2022, stating that the Complainant had failed to order minimum quantities of product as agreed. The Complainant characterized this as a wrongful termination and threatened legal action in a letter from Swiss legal counsel. There are reportedly no pending legal proceedings at the time of this Decision. The Respondent demanded that the Complainant cease using the SANOSIL name in its business and online, and in 2023 the Respondent filed a UDRP complaint seeking the transfer of the domain name associated with the Complainant's website, <sanosil-mena.com>. See *Sanosil AG v. Ammar Matouk*, WIPO Case No. [D2023-1174](#) ("*Matouk*"). This complaint was denied on the ground that bad faith could not be established at the time of the registration of the disputed domain name in December 2012, when Mr. Matouk reasonably could have believed that he was acting on behalf of a joint venture that was in the process of being formed to distribute Sanosil AG products. The Complainant has continued since then to operate its website at "www.sanosil-mena.com", advertising the Respondent's products, although it is unclear what actual business the Complainant is conducting through the site since the Respondent terminated the JVA in June 2022 and ceased supplying products to the Complainant.

The Registrar reports that the disputed domain name in the current proceeding was created on May 27, 2021, and was registered in the name of a domain privacy service, DomRobot UG. The Registrar did not name the underlying registrant, but Sanosil AG submitted a Response identifying itself as the registrant. The disputed domain name resolves to a web page headed with the Sanosil AG logo and linking to the Sanosil AG website. The web page displays this message:

"Announcement by Sanosil Ltd, Switzerland,

Sanosil Ltd has cancelled the JV and distribution contract with Sanosil MENA.

Sanosil Ltd, Switzerland, Sanosil head office and patent holder of the Sanosil disinfectants has separated from Sanosil MENA, Dubai, UAE and cancelled the JV and distribution contract officially on 27.06.2022.

Sanosil Ltd cannot guarantee the quality of disinfectants supplied by Sanosil MENA or any successor organisation. [...]

The original Sanosil products Made in Switzerland are temporarily available only directly from Sanosil Ltd, Switzerland, head office. [...]"

## **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.

The Complainant apparently has no registered trademark. Addressing the first element of the Complaint, the Complainant offers only this account of events (footnotes omitted), evidently referring to <sanosil-mena.com>, the disputed domain name used for the Complainant's website:

"As stated above, the domain name has been registered to the Complainant since December 2012. The domain name was purchase[d] in anticipation of the Joint Venture Shareholders' Agreement which was entered into between the Parties on 11 February 2013. The Complainant has been operating and conducting business under the domain name and website since February 2013. The Complainant's name and trade license is registered in the United Arab Emirates and pursuant to UAE law, the Complainant is

authorized to sell and manufacture detergents and disinfectants and use the name for trade / business activities.”

The Complainant then concludes from this narrative that since the Complainant has been doing business “under” that license and through the domain name and associated website for several years, the disputed domain name in this proceeding is confusingly similar to “a trademark or service mark in which the Complainant has rights in the UAE”.

The Complainant’s argument on the second element of the Complaint hinges on the reference to the MENA region in the disputed domain name. The Complainant contends that the Respondent is not commonly known by a corresponding name including “mena”, whereas the Complainant has been doing licensed business under such a name for eleven years. Moreover, the Complainant charges, the Respondent used a domain name confusingly similar to the one used for the Complainant’s website “in order to steal business away from the Complainant and to paint the Complainant in bad light with current and future customers”, in violation of the non-compete provisions of the JVA. The Complainant contends that this cannot be deemed a fair use or one in connection with a *bona fide* offering of goods or services.

The Complainant argues for a finding of bad faith in the Respondent’s registration of the disputed domain name similar to the domain name used by the Complainant for its website and based on the name under which it is licensed to do business in the UAE, and the Respondent’s subsequent termination of the JVA and use of the disputed domain name for a website with content “geared to hurt the reputation of the Complainant and steal potential clients from the Complainant in the MENA Region”. The Complainant refers to all of the examples of bad faith found in the Policy, paragraph 4(b): the Complainant contends that the Respondent registered the disputed domain name with the purpose of selling it to the Complainant for an excessive price, and to prevent the Complainant from registering a domain name corresponding to the name by which it was recognized “under UAE law”, and to disrupt the Complainant’s business in the MENA region, and to misdirect Internet users to a competing site for commercial gain. The Complainant suggests that the Respondent’s unsuccessful 2023 UDRP complaint in *Matouk* is further evidence of the Respondent’s bad-faith conduct following its wrongful termination of the JVA and efforts to destroy the Complainant’s business, in violation not only of the JVA but of the general requirement under UAE law to honor contractual obligations in good faith.

## **B. Respondent**

The Respondent argues first that the Complaint should be dismissed on procedural grounds. The Panel finds that these arguments are not persuasive and in any event are unnecessary for the disposition of the current dispute.<sup>2</sup>

Substantively, the Respondent contends that the Complainant has not satisfied all three of the elements required under the Policy for a transfer of the disputed domain name.

The Respondent observes that the Complainant does not establish the first element, that the Complaint is grounded on any trademark rights of the Complainant. Instead, the Complainant relies on doing business for several years under the JVA to distribute SANOSIL-branded products that the Respondent has trademarked in the UAE and elsewhere. However, the JVA is terminated, and the JVA itself, in clause 37, clearly retained trademark rights for the Respondent:

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<sup>2</sup> The Respondent contends that the Complaint should be dismissed because Mr. Otaki improperly retained counsel and filed the Complaint on behalf of Sanosil Mena, suggesting that he lacks authority to do so. However, the Panel finds that Mr. Otaki has apparent authority as manager of the Sanosil Mena company, as shown on its current UAE trade license entered in the record. Any further inquiry into the internal affairs of the company is beyond the scope of the record and not likely to be productive with the limited fact-finding resources of a UDRP proceeding. The Respondent further argues that the JVA, confirmed by a subsequent MOU, assured the Respondent 10 percent of the shares of any joint venture bearing the Respondent’s name and effectively required a board meeting to authorize legal action. Of course, the Respondent also claims that it already terminated the JVA in 2022 for non-performance, so it is not clear how the Respondent would enforce this provision or what bearing it has on the current proceeding.

“The JVC [the Complainant] shall sell the Products under the Trademark SANOSIL ®. The SANOSIL ® trademark, however, shall remain the exclusive property of the Third Party [the Respondent] and, the JVC shall have no right, title or interest in this Trademark.”

The Respondent recognizes that the Complainant has a registered UAE business and trade license with a name corresponding, in part, to the disputed domain name. But the Respondent points out that these are not trademarks or service marks “under UAE law” as claimed by the Complainant. The trade license also does not constitute a license to use the Respondent’s registered UAE trademarks.

The Respondent claims rights and legitimate interests under the second Policy element based on its own longstanding, registered SANOSIL trademarks and its business in many countries in the MENA region, including countries other than those covered by the now-terminated JVA.

The Respondent argues that it registered and has used the disputed domain name in good faith. It has legitimate reasons to pursue the production and distribution of its SANOSIL-branded products in the MENA region, and, following termination of the JVA, to alert customers and potential customers that it is no longer dealing with the Complainant and providing the Complainant with genuine SANOSIL products.

## **6. Discussion and Findings**

### **6.1 Procedural issue: Language of the Proceeding**

The Rules, paragraph 11, provide that the language of the registration agreement is by default the language of UDRP proceeding. However, the Panel may determine to proceed instead in another language, “having regard to the circumstances of the administrative proceeding”. In this case, the registration agreement is in German, but neither party is located in Germany, and both Parties recommend that the proceeding be conducted in English. The relevant supporting evidence submitted by the Parties is almost entirely in English. The Parties have conducted their business and communications together in English or Arabic; the Respondent’s website associated with the disputed domain name is in English;<sup>3</sup> and a prior relevant WIPO domain name decision involving the same transactions is in English. In these circumstances, the Panel finds it appropriate to proceed in the English language.

### **6.2 Substantive issues**

Paragraph 4(a) of the Policy provides that a complainant must demonstrate each of the following:

- (i) the domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; and
- (ii) the respondent has no rights or legitimate interests in respect of the domain name; and
- (iii) the domain name has been registered and is being used in bad faith.

Under paragraph 15(a) of the Rules, “[a] Panel shall decide a complaint on the basis of the statements and documents submitted and in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable”.

#### **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. WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition, (“[WIPO Overview 3.0](#)”), section 1.7.

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<sup>3</sup> See *Sanosil AG v. Ammar Matouk*, supra.

In this case, however, the Complainant lacks a registered trademark and has failed to offer proof to support a finding that the Complainant has established unregistered trademark or service mark rights for the purposes of the Policy. The Complainant seems not to have grasped that the Policy is expressly designed to protect trademarks and service marks, not trade names unless and until they have acquired secondary meaning in the marketplace in a trademark sense. The requirement as articulated in panel decisions, and is summarized in the [WIPO Overview 3.0](#) as follows:

“To establish unregistered or common law trademark rights for purposes of the UDRP, the complainant must show that its mark has become a distinctive identifier which consumers associate with the complainant's goods and/or services.

Relevant evidence demonstrating such acquired distinctiveness (also referred to as secondary meaning) includes a range of factors such as (i) the duration and nature of use of the mark, (ii) the amount of sales under the mark, (iii) the nature and extent of advertising using the mark, (iv) the degree of actual public (e.g., consumer, industry, media) recognition, and (v) consumer surveys.”

[WIPO Overview 3.0](#), section 1.3.

Such evidence is lacking here. There is no documentation of sales under a mark corresponding to the disputed domain name, nor of advertising (apart from the Complainant's website), media recognition, or consumer awareness. The Complaint points only to the Complainant's domain name and website, the JVA with the Respondent, and the Complainant's UAE trade license. In doing so, the Complainant stretches both the facts and the law beyond the breaking point.

The Complainant repeatedly refers to doing business since 2012, but the Complainant was not established as a company and did not obtain a trade license until May 2015. Moreover, there is no actual evidence of the Complainant's website operating until October 2017, when a screenshot of the website refers to the business being launched in 2017 by a joint venture agreement with the Respondent. The Respondent terminated that JVA in June 2022, and the record does not explain how the Respondent has done business since then. Factually, these are not adequate grounds for finding that “Sanosil MENA” has become a distinctive identifier associated with the Complainant's goods or services.

The Complainant relies on the JVA and the trade license as the basis for asserting trademark rights “under UAE law” but does not cite any such law. The JVA is either lawfully terminated or, if deemed to be in effect, includes a clause specifically reserving SANSOSIL trademark rights to the Respondent. The UAE company registration and trade license do not, by their terms, grant any rights to use a trademark or service mark or derogate from the trademark rights that the Respondent has under its three subsisting UAE trademark registrations for SANOSIL.

Based on the available record, therefore, the Panel finds the first element of the Policy has not been established.

## **B. Rights or Legitimate Interests**

As the Complaint fails on the first element, it is not necessary to detail findings on the second. The Panel notes, however, that the Respondent holds numerous prior SANOSIL trademark registrations and does business in the MENA region, which would likely suffice to establish its rights or legitimate interests in the disputed domain name.

## **C. Registered and Used in Bad Faith**

As the Complaint fails on the first element, it is not necessary to detail findings on the third. The Panel notes, however, that the Respondent has legitimate reasons to select and use the disputed domain name based on its prior, registered SANOSIL trademark, its business in the MENA region, and its termination of the JVA and

supply arrangements with the Respondent. This would likely suffice to refute a conclusion of registration and use of the disputed domain name in bad faith.

## **7. Decision**

For the foregoing reasons, the Complaint is denied.

*/W. Scott Blackmer/*

**W. Scott Blackmer**

Sole Panelist

Date: January 19, 2024