Hong Kong International Arbitration Centre

ADMINISTRATIVE PANEL DECISION

Case No. DCN-0300005

Complainant: Hewlett-Packard Company
Respondents: Mohammad Hossein Erfani and the Kotobi Group
Domain Names: <hewlett-packard.com.cn>, <hewlett-packard.cn>,
<hewlettpackard.com.cn>, and <hewlettpackard.cn>
Registrar: BulkRegister.com, Inc.

1. Procedural History

The complainant in this case is Hewlett-Packard Company, a company registered in Delaware, United States. Its address is 3000 Hanover Street, Palo Alto, California, 94304, United States of America. Its authorized representative in these proceedings is Peter Shen of Peter Shen & Co, Hong Kong.

The respondents are Mohammad Hossein Erfani and the Kotobi Group. Mr. Erfani gives his address variously at 50/1 Shahid Fallahi Street, Tehran 19877, Iran or at Kotobi Group, Grand Tehran Bazaar, Tehran, Iran. Respondents (who will hereinafter be referred to, jointly and singularly, as “Respondent”) have not appointed any representative in these proceedings.

The domain names in dispute are <hewlett-packard.com.cn>, <hewlett-packard.cn>, <hewlettpackard.com.cn>, and <hewlettpackard.cn>. The Registrar of the domain names is BulkRegister.com, Inc., the address of which is 10 East Baltimore Street, Baltimore, Maryland 21202, United States of America (“BulkRegister”).

On 3 September 2003, pursuant to the CNNIC Domain Name Dispute Resolution Policy (“the CNDRP”) of 30 September 2002 of China Internet Network Information Center (“CNNIC”), the Rules for CNNIC Domain Name Dispute Resolution Policy (“the Rules”) and Hong Kong International Arbitration Centre Supplemental Rules to China Internet Network Information Center Domain Name Dispute Resolution Policy (“the HKIAC Supplemental Rules”), the Complainant submitted a complaint in the English language to the Hong Kong International Arbitration Centre (“the HKIAC”) and elected this case to be dealt with by a one-person panel.

On 4 September 2003, Hong Kong International Arbitration Centre sent to the complainant by email
an acknowledgement of the receipt of the complaint and reviewed the format of the complaint for compliance with the CNDRP, the Rules and the HKIAC Supplemental Rules. All correspondence from and to the HKIAC described herein was in the English language.

On 8 September 2003, the HKIAC transmitted the Complaint to the Respondent.

The HKIAC received payment in the correct amount for a single-person panel. On 15 September 2003, the HKIAC served a Notification of the Commencement of the Proceedings on Respondent. Service of the Notification of the Commencement of the Proceedings was simultaneously made on CNNIC and the Registrar. The Notification stated that Respondent had twenty (20) calendar days from 15 September 2003 in which to submit a response. Respondent failed to submit a response within the required time.

On 9 September 2003 and again on 16 September 2003 the HKIAC requested BulkRegister to confirm that the domain names at issue were registered by Respondent. On 23 September 2003, BulkRegister confirmed that the domain names at issue were registered by Mohammad Hossein Erfani on behalf of Kotobi Group. The registration agreement is in the English language.

Since the Respondent did not file a response in accordance with the time specified in the Rules the HKIAC Supplemental Rules, and the Notification, the HKIAC informed Complainant and Respondent by email about the default, stating that, as Respondent did not file a response within the required time, the HKIAC would appoint the panelist to proceed to render the decision, in the absence of a response by Respondent.

On 8 October 2003, the HKIAC gave notice to the potential candidate for the panelist, M. Scott Donahey, requesting him to confirm whether he would accept the appointment as a panelist for this case, and if so, whether he could maintain impartiality and independence between the parties in this case.

On 21 October 2003, Mr. M. Scott Donahey confirmed by email to the HKIAC, his agreement to accept the appointment and declared that he was able to maintain his impartiality and independence in dealing with this case. He also made certain disclosures to be communicated to the parties. On 22 October 2003, by email to Complainant, Respondent and M. Scott Donahey, the HKIAC set out Mr. Donahey’s disclosures in full. On that same date, the HKIAC notified the parties that the Panel in this case had been selected, with M. Scott Donahey acting as the sole panelist. The Panel determines that the appointment was made in accordance with Rules, Art. 26(i).

On 24 October 2003, the HKIAC transferred the files of this case to the Panel. By email dated 29 October 2003, the HKIAC notified the Panel that its decision was due by 12 November 2003.
2. Factual Background

For the Complainant

The Complainant is a corporation and is in the business of providing computer equipment, products, technologies, and services worldwide. Complainant employs more than 140,000 people and operates in more than 160 countries. Complainant has registered the trademarks HEWLETT-PACKARD, HEWLETT PACKARD and HEWLETT.PACKARD in countries around the world, beginning as early as 1956. Complainant, who has used the mark HEWLETT-PACKARD since 1939, owns almost 800 registered trademarks. Complaint, Annex E. The marks are registered in both China and Iran. Complaint, Annexes C, E, and F.

Business Week Magazine listed the HEWLETT-PACKARD brand as the 12th in the top 100 brands for the year 2000. Complaint, Annex D. Complainant has used its marks in more than 50 Second Level Domain (“SLD”) names in generic Top Level Domains (“gTLDS”) and country code Top Level Domains (“ccTLDs”).

For the respondent


3. Parties’ Contentions

The Complainant

Complainant asserts that the domain names at issue are identical or confusingly similar to Complainant’s registered trademarks, in that the domain names at issue all contain as their major component Complainant’s registered trademarks.

Complainant further alleges that Respondent has no rights or legitimate interests in respect of the domain names or major part of the domain names, nor can it have. Complainant argues that its trademarks are famous and well known on a global basis. There is no conceivable legitimate use to which Respondent can put the domain names at issue.

Finally, Complainant alleges that the domain names at issue have been registered or are being used in bad faith. Complainant attaches pages of a web site to which the domain names at issue resolve, entitled “Domain Planet: Domain Names for Sale.” On it are listed hundreds of domain names for sale, including the domain names at issue. On a printout of the web site as at 29 August 2003, the domain name <hewlett-packard.com.cn> is shown with a bid price of US$5,000; the domain name <hewlett-packard.cn is shown with a bid price of US$20,000; the domain name <hewlettpackard.com.cn> is shown with a bid price of US$15,000; and, the
The domain name <hewlettpackard.cn> is shown with a bid price of US$4,000. Complaint, Annex G.

Moreover, Respondent has registered more than 800 domain names including such well known trademarks as BRAUN, BIJAN, BECKMAN-COULTER, ACURA, ALFA-ROMEO, AMANA, AMERICAN-STANDARD, CALVIN KLEIN, ARMITAGE SHANKS, CHARLES JOURDAN, CHRISTIAN DIOR, CLINIQUE, and DAIMLER CHRYSLER, to name only a few. Complaint, Annex H.

The Respondent

The respondent did not file a response within the stipulated time.

4. Findings

A. Respondent in Default

The Rules, Article 31 provides that “[i]f a Respondent does not submit a response, the Panel shall, in absence of exceptional circumstances, decide the dispute based upon the complaint.” The Rules, Article 34 provides in pertinent part that “[i]n the event that a party, in the absence of exceptional circumstances, does not comply with any of the provisions established by these Rules . . . the Panel shall proceed to a decision on the complaint.” The Panel finds no exceptional circumstances to exist, and it will proceed to determine the dispute based upon the complaint.

B. The Proper Parties

Complainant attaches printouts from the CNNIC Whois that shows the registrant of the domain names at issue to be Mohammed Hossein Erfani, listing an address at 50/1 Shahid Fallahi Street, Tehran, Iran. Complaint, Annex A. By email dated 23 September 2003, BulkRegister identifies the domain name registrant as Kotobi Group, c/o Mohammad Hossein Erfani, Kotobi Group, Grand Tehran Bazaar, Tehran, Iran. Although the Panel has received no petition to add an additional party respondent, obviously because Complainant was unaware of the discrepancies in the records of the CNNIC Whois and the Registrar, the Panel is empowered to determine the proper parties and to adjust same under the general powers given to it to “conduct the proceedings in such manner as it considers appropriate according to [the] Rules.” Rules, Art. 31. Because of the referenced discrepancies, the Panel determines that the proper parties respondent are Mohammed Hossein Erfani, an individual, and the Kotobi Group, an entity of unknown form.

C. The Language of the Proceedings

Article 6 of the CNDRP provides: “The language of the domain name dispute resolution proceeding shall be Chinese, unless otherwise agreed by the parties or determined by the Panel.” Article 8 of the Rules provides in pertinent part: “Unless otherwise agreed by the Parties or
determined in exceptional cases by the Panel, the language of the domain name dispute resolution proceedings shall be Chinese.”

In the present case, the domain names at issue were registered in ASCII characters using the Roman alphabet. The registrar, the Complainant, and the sole panelist are residents of the United States of America, an English speaking country. The Registrar’s registration agreement is in English. The complaint was drafted in English. All correspondence among the Center, the Registrar, the parties, and the Panel is in English. The Respondent is a resident of Iran and there is no indication that Respondent speaks or writes Chinese. The Panel finds that the above facts constitute a sufficiently exceptional case, and the Panel determines that the language of the proceedings shall be English.

D. Consolidation

Article 10 of the CNDRP provides that “[i]f a Complainant flies Complaints against multiple domain names owned by the same domain name holder, the Complainant or the Respondent may request that the Dispute Resolution Service Providers consolidate the disputes before a single Panel. The Panel may determine whether to make the consolidation.” Article 13 of the Rules provides that “[t]he Complaint may relate to more than one domain name provided that the domain names are registered by the same domain name holder.”

The Panel finds that the Rules clarify the CNDRP, and treat a complaint that relates to more than one domain name as a petition to consolidate the disputes before one panel. The Panel hereby exercises its discretion to consolidate the disputes concerning the four domain names at issue pursuant to the CNDRP and to the Rules.

E. The Merits

Article 8 of CNDRP provides that a complaint against a registered domain name shall be supported if the following conditions are fulfilled:

(i) the disputed domain name is identical with or confusingly similar to the Complainant's name or mark in which the Complainant has civil rights or interests;
(ii) the disputed domain name holder has no right or legitimate interest in respect of the domain name or major part of the domain name;
(iii) the disputed domain name holder has registered or is using the domain name in bad faith.

Article 7 of CNDRP states that the complainant and the respondent shall bear the burden of proof for their own claims.

Article 31 of the Rules provides in pertinent part that “[t]he Panel shall . . decide a complaint on the basis of the statements and documents submitted and in accordance with [the CNDRP], as well as any rules and principles of law which it deems applicable.” The Panel believes that in the primary instance it must apply the CNDRP and the Rules. In applying the CNDRP and the Rules, the Panel will look to prior CNDRP decisions for assistance. In doing so, the Panel notes that two of
the existing three CNDRP cases decided by panelists of the HKIAC have been translated into English. The Panel notes with approval in that one of those decisions, Maxtor Corporation v. Shenyang Shixin Co., Ltd., HKIAC Case No. DCN-0300001, the Panel cited decisions made under the UDRP. Because the CNDRP is based on, although in some cases significantly different from, the UDRP, the Panel believes that decisions made under the UDRP would assist it in applying the CNDRP, especially where the provisions in the CNDRP are identical or closely similar to those in the UDRP. Where the policies are different, the Panel will take care to point out the differences and to distinguish the reasoning under dissimilar provisions.

Based on the complaint and the attached documents submitted by the complainant, the CNDRP, and the Rules, this Panel finds as follows:

1) Identical or Confusing Similarity

Respondent registered the disputed domain names on 23 December 2002 and on 17 March 2003. Complainant however began doing business and using the trademark HEWLETT-PACKARD in the United States in 1939. Since its inception, the complainant has been using the HEWLETT-PACKARD mark in conjunction with scientific equipment, computer technology and a host of other products and services. The complainant owns more than 800 trademarks in various countries or places, such as Taiwan, Cambodia, China, European Union, Hong Kong, Iran, Japan, Korea, Philippines, Singapore, Thailand, United Kingdom, and the United States. The complainant’s brand is one of the most well known in the world. Respondent failed to submit a response objecting to Complainant’s civil rights in and to the trademarks in question. The Panel considers that the complainant is in possession of the requisite civil rights in the mark HEWLETT-PACKARD under the Article 8(i) of CNDRP.

In the disputed domain names, <hewlett-packard.com.cn> and <hewlettpackard.com.cn>, “.cn” is the country code domain name, “.com” is the secondary generic domain name. The remaining part, after taking out the “.cn” country code domain name and the “.com” secondary generic domain name, is identical to, or confusingly similar to, the HEWLETT-PACKARD mark in which the complainant has civil rights. Maxtor Corporation v. Shenyang Shixin Co., Ltd., HKIAC Case No. DCN-0300001; Hewlett-Packard Company v. Cupcake City, NAF Case No. FA 93562 (hyphen in name irrelevant for purpose of determining identicality or confusing similarity).

Accordingly, the Panel finds that Complainant has satisfied the first condition under Article 8 of the CNDRP.

2) Rights or Legitimate Interests of Respondent

Complainant has alleged that Respondent has no right or legitimate interest in respect of the domain name or major part of the domain name. Article 7 of the CNDRP provides that “[t]he Complainant and the Respondent shall bear the burden of proof for their own claims.” If the Respondent has any burden to prove a claim it must be to show that the Respondent has a right or legitimate interest in respect of the domain name or major part thereof. If this were not true, then it is
difficult to see where Respondent has any burden of proof, a result that would make Article 7 nonsensical. Accordingly, the Panel holds that Article 7, when read together with Article 8(ii), requires a Respondent to bear the burden of proof to show that the Respondent has a right or legitimate interest in respect of the domain name or a major part of the domain name.

In this case Respondent has failed to respond and address Complainant’s contention that no such right or interest exists. Accordingly, the Panel finds that Complainant has satisfied the second condition under Article 8 of the CNDRP.

3) Bad Faith

Article 9 of CNDRP provides that in any of following circumstances, the conduct of the holder of the domain name that is subject to the complaint amounts to registration or use of a domain name in bad faith:

(i) the disputed domain name holder has registered or acquired the domain name for the purpose of selling, renting or otherwise transferring the domain name to obtain unjustified benefits;

(ii) the disputed domain name holder registered the domain name in order to prevent the owners of the name or mark from reflecting the name or the mark in a corresponding domain name, provided that the domain name holder has been engaged in a pattern of such conduct;

(iii) the disputed domain name holder has registered or acquired the domain name for the purpose of damaging the Complainant's reputation, disrupting the Complainant's normal business or creating confusion with the Complainant's name or mark so as to mislead the public;

(iv) other circumstances which may prove the bad faith.

CNDRP Article 9(i) differs from UDRP 4(b)(i). First of all, under the UDRP the purpose that a potential seller of a domain name must possess in order to come within the rubric of the UDRP section must be the “primary” purpose. Under the CNDRP it is not required that the purpose be “primary.” Under the UDRP the nature of the purpose must be to sell or otherwise transfer the domain name to the trademark holder or a competitor of same for consideration in excess of the seller’s costs directly related to the domain name. Under the CNDRP the nature of the purpose need only be “to obtain unjustified benefits.” Clearly the reach of CNDRP Article 9(i) is potentially much broader than is that of its sister provision in the UDRP.

1 “[T]he following circumstances, in particular but without limitation, 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 you have registered or you have 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 that complainant for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name . . . .” UDRP, ¶4(b)(i).
Applying CNDRP Article 9(i) to the facts of this case, Respondent offered the domain names at issue for sale at auction at prices ranging from $4,500 to $20,000. As the domain names at issue consist almost entirely of Complainant’s trademarks, which are certainly non-generic, non-descriptive marks, any value that the domain names may have are related virtually entirely to the good will that Complainant has built up over its decades of doing business. By trading on the good will of the Complainant, the Panel finds that Respondent has attempted “to obtain unjustified benefits” in violation of CNDRP Article 9(i). Thus, the Panel finds that Respondent has used the domain names at issue in bad faith.

Moreover, Complainant’s marks are famous and known throughout the world. Indeed they are registered in Iran, where Respondent resides, as well as in China, where the ccTLD .cn is administered. The only reason that anyone could conceivably have for registering such well known marks is “to obtain unjust benefits,” i.e., to trade upon the good will developed over time by the mark owner. Cases under the UDRP have held that where well known marks are incorporated into domain names, there can be no other purpose but to sell the domain names to the mark’s owner or the owner’s competitors. Nike, Inc. v. Farrukh Zia, WIPO Case No. D2000-0167. Thus, the Panel finds that Respondent registered the domain names at issue in bad faith.

5. Decision

Based on the above analysis, the Panel decides that: (1) the domain names at issue are identical with or confusingly similar to marks in which Complainant has civil rights or interests; (2) Respondent has no right or legitimate interest in respect of the disputed domain names or major parts of the domain names; and (3) Respondent has registered and has used the domain names in bad faith. Accordingly, pursuant to CNDRP Article 13, the Panel decides that the disputed domain names, <hewlett-packard.com.cn>, <hewlett-packard.cn>, <hewlettpackard.com.cn>, and <hewlettpackard.cn> should be transferred to Complainant.

Dated: 3 November 2003

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M. Scott Donahey
Sole Panelist