Case No.: DCN-0300006
Complainant: Salvatore Ferragamo Italia S.p.A.
Respondent: Kotobi Group (Mohammad Hossein Erfani)
Domain Names: <salvatoreferragamo.cn>, <salvatore-ferragamo.cn>, and <ferragamo.cn>
Registrar: Bulk Register.com, Inc.

1. Procedural History

The complainant is Salvatore Ferragamo Italia S.p.A., a company registered in Italy. Its address is Via Mercalli 201 – Osmannoro, 50019 Sesto Fiorentino, Firenze, Italy.

Its authorized representatives in these proceedings are Ms. Rebecca Lo and Mr. Clement Lam, both of Rebecca Lo & Co, Hong Kong.

The respondent is Kotobi Group (Mahammad Hossein Erfani). The given address is Grand Tehran Bazaar, Tehran, Tehran 19877, Iran. The respondent has not appointed any representative in these proceedings.

The domain names in disputes are: <salvatoreferragamo.cn>, <salvatore-ferragamo.cn>, <ferragamo.cn>.

The Registrar of the domain names is Bulk Register.com, Inc. Its address is 10 East Baltimore Street, Baltimore, Maryland 21202, United States of America.

On 16 October 2003, (pursuant to the CNNIC Domain Name Dispute Resolution Policy (“the CNDRP”) of China Internet Network Information Centre (“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 Centre Domain Name Dispute Resolution Policy (“the HKIAC Supplemental Rules”)), the Complainant submitted a Statement of Complaint (“Complaint”) in the English language to the Hong Kong International Arbitration Centre (“HKIAC”) and elected this case to be dealt with by a one-person panel. The Complainant also served the Complaint on the Respondent and the Registrar by post.
On 21 October 2003, the HKIAC transmitted the Complaint to the Respondent by email. On 24 October 2003, the HKIAC sent the Complaint by Registered Post to the Respondent. An “Advice of Delivery” received from HongKong Post evidences its delivery.

On 3 November 2003, the HKIAC served a Notification of the Commencement of the Proceedings on the Respondent. The Notification stated that Respondent had twenty (20) calendar days from 3 November 2003 in which to submit a response. Respondent failed to submit a response within the required time.

A further reminder was also sent by email by the HKIAC on 24 November 2003 to the Respondent’s usual email address and a second email address. The reminder invited the Respondent to respond by 25 November 2003 if it required additional time to respond to the Complaint. No response was received from the Respondent.

The Respondent did not file a response pursuant to the CNDRP, the Rules and the HKIAC Supplemental Rules.

On 15 December 2003, the HKIAC notified the parties that the Sole Panelist (Mr. Norris Yang) has been appointed. On 15 December 2003, the HKIAC transferred the files of this case to the Panel.

2. Factual Background

For the Complainant

The Complainant is in the business of producing, marketing and selling high quality fashion, bags, shoes and fashion accessories. It has continuously used the trademarks FERRAGAMO and SALVATORE FERRAGAMO as early as 1927 with respect to shoes and 1968 with respect to handbags. The Complainant also produces, markets and sells a wide variety of other types of products, including wallets, luggage, belts, apparel, fragrances, gift items and costume jewelry.

The Complainant owns more than 400 applications and registrations for SALVATORE FERRAGAMO and FERRAGAMO worldwide including registration in Iran and China.

The Complainant’s products can be found at retail stores located in numerous countries. Complainant has specifically marketed and sold in China and Hong Kong shoes, handbags, fragrances, apparel and other fine leather goods, through Salvatore Ferragamo Stores, Duty Free shops and In-Store shops in Beijing, Shanghai, Guangzhou, Chengdu, Shenzhen, Tailian.

For the Respondent

On 17 March 2003, the Respondent registered the domain names <salvatoreferragamo.cn>, <salvatore-ferragamo.cn> and <ferragamo.cn> in its name.

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 are virtually indistinguishable from the Complainant’s <ferragamo.it>, <salvatoreferragamo.it> and <ferragamo.com> domain names.

Complainant further alleges that Respondent has no rights or legitimate interests in respect of the Disputed Domain Names. The Complainant has been using its SALVATORE FERRAGAMO and FERRAGAMO trademarks in commerce for many years and, as such, the Complainant has established rights throughout the world, including China, in the SALVATORE FERRAGAMO and FERRAGAMO trademarks that are superior to the rights, if any, of the Respondent to the domain name.

Finally, the Complainant alleges that the domain names at issue have been registered or are being used in bad faith. The Respondent is offering to sell the Disputed Domain Names. All of the Disputed Domain Names are directed to a web page entitled "Domain Planet: Domain Names for Sale", which sets out a long list of domain names that are being offered for sale, including the Disputed Domain Names. It is stated on the webpages that the Disputed Domain Names are available and that the last bids for the Disputed Domain Names are US$10,000 for "salvatoreferragamo.cn", US$2,000 for "salvatore-ferragamo.cn" and US$18,000 for "ferragamo.cn".

The Respondent is also the registrant of a large number of domain names which incorporate other well known trade marks, including <calvinklein.cn>, <calvinklein.cn>, <christian-dior.cn>, <clarins.cn>, <dolce-gabbana.cn>, <harrods.cn>, <hugoboss.cn>, <hugo-boss.cn>, <matsushita.cn>, <sony-ericsson.cn>, <versace.cn>, <hewlett-packard.cn> and <hewlettpackard.cn> (see Hewlett-Packard Company v. Mohammad Hossein Erfani and the Kotobi Group DCN-0300005 ("the HP Case") decided on 3 November 2003 with regards to the latter 2 domain names).

These domain names were all registered on the same day as the Disputed Domain Names, namely 17 March 2003. These domain names, together with the Disputes Domain Names, are among the hundreds of domain names that are being offered for sale by the Respondent. The registration on the same day of such a large number of domain names incorporating other people's well known trade marks could not have been incidental. It shows a deliberate practice of registering domain names that are chosen to resemble the names and marks of other people and are plainly intended to deceive.

The Respondent

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

4. Findings
A. Respondent in Default

Article 31 of the Rules 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.”

Article 34 of the Rules provides 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 Language of the Proceedings

Article 6 of the CNDRP provides that “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 that “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 case at hand, the Registrar’s registration agreement is in English. The Complaint was drafted in English and the Complainant requested that this award be made in the English language. All correspondence between the HKIAC, the Registrar, the parties, and the Panel is in English. The Respondent is a resident of Iran and there are no indications that the Respondent speaks or writes Chinese.

The Panel finds that this to be an exceptional case and determines that the language of the proceedings shall be English.

C. Consolidation

Article 10 of the CNDRP provides that “[i]f a Complainant files 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.” In the case at hand, the domain names in dispute were all registered by the Respondent.

The Panel hereby exercises its discretion to consolidate the disputes concerning the three domain names at issue pursuant to the CNDRP and to the Rules.
D. 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.

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

The Complainant began using the trademarks FERRAGAMO and SALVATORE FERRAGAMO as early as 1927. The Complainant owns more than 400 applications and registrations for SALVATORE FERRAGAMO and FERRAGAMO worldwide including registration in Iran and China.

The Complainant’s products can be found at retail stores located in Italy, USA, England, France, Germany, Canada, China, Hong Kong, Japan, Korea, Taiwan, Indonesia, Malaysia, Singapore, Thailand, Australia, Spain, Switzerland, Saudi Arabia, Belgium, the Philippines and other countries.

The Complainant has since 3 February 1997 and 13 June 2000 owned the domain name registrations for “salvatoreferragamo.it” and “ferragamo.it”, two Italian web sites. Since 1996, the Complainant has also owned, in association with Moda Imports, Inc. (now known as Ferragamo USA Inc.), the domain name registration for ferragamo.com. The Complainant promotes its products bearing the trademarks FERRAGAMO and SALVATORE FERRAGAMO via these websites and with advertising and other promotions. Their advertising and promotional budgets exceed many millions of dollars in United States currency.

The Panel considers that the complainant is in possession of the requisite civil rights and interests in the marks FERRAGAMO and SALVATORE FERRAGAMO under Article 8(i) of CNDRP.

Respondent only recently registered the disputed domain names on 17 March 2003.

The disputed domain names, <salvatoreferragamo.cn>, <salvatore-ferragamo.cn> and <ferragamo.cn>, is identical to, or confusingly similar to, the FERRAGAMO and SALVATORE FERRAGAMO marks in which the Complainant has civil rights and interests.

Accordingly, the Panel finds that the Complainant has satisfied Article 8(i) of the CNDRP.
2.) Rights or Legitimate Interests of Respondent

The Complainant stated that Respondent is not affiliated in any way with the Complainant. The Complainant also alleges that the Respondent does not seem to own any trademark or service mark applications or registrations for SALVATORE FERRAGAMO, FERRAGAMO or any similar marks in connection with any goods or services. The Complainant alleges that the Respondent does not have any rights or legitimate interest in respect of the domain names or major parts of the domain names.

Article 7 of CNDRP provides that “[t]he Complainant and the Respondent shall bear the burden of proof for their own claims.” The Respondent has not responded to the Complaint and has not rebutted the Complainant’s allegations nor submitted any evidence that it has a right or legitimate interest in respect of the domain names or major parts of the domain names.

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

3.) Bad Faith

Article 9 of CNDRP provides that any of the following circumstances may be evidence of the 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.

The Complainant’s marks are known throughout the world. The marks are registered worldwide – including Iran and China. The only reason that anyone could conceivably have for registering such well known marks is “to obtain unjustified 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.

In the present case, the domain names at issue are offered for sale at auction at prices ranging from US$2000 to US$18000. (The Panelist searched each of the domain names
in dispute and was directed to the same web page entitled “Domain Planet: Domain Names for Sale” – with the “bid” prices and the disputed domain name being searched listed on the top of the web page). The domain names at issue consist of various combinations of the Complainant’s trademarks, which are of a non-generic, non-descriptive nature. The value that the domain names may have is related almost entirely to the good will that the Complainant has built up over time. By trading on the good will of the Complainant, the Panel finds that Respondent has attempted, by offering to sell the domain names in dispute, “to obtain unjustified benefits” as contemplated in Article 9(i) in CNDRP.

The Panel also notes the case Hewlett-Packard Company v. Mohammad Hossein Erfani and the Kotobi Group DCN-0300005 (“the HP Case”) decided on 3 November 2003. The Panel notes that the Respondent (Kotobi Group) in the case at hand, is the same as one of the Respondents in the HP Case. The circumstances of the HP Case are strikingly similar to this one. In that case, the same Respondent registered the domain names <hewlett-packard.com.cn>, <hewlettpackard.com.cn>, <hewlett-packard.cn> and <hewlett-packard.cn>. In this case, the Panel decided that the 4 domain names be transferred to the complainant. The Panel notes that the first 2 domain names were registered on 23 December 2002 and that the latter 2 domain names were registered on 17 March 2003. This latter date is the same date the domain names in dispute were registered by the Respondent. The Panel notes that the Respondent seems to be engaged in a pattern of registering domain names involving famous marks.

The Panel finds that Respondent has registered the domain names at issue in bad faith (Article 8(iii) of the CNDRP).

4.) Decision

Based on the above analysis, the Panel decides that:

(i) the domain names at issue are identical with or confusingly similar to marks in which the Complainant has civil rights or interests;
(ii) Respondent has no right or legitimate interest in respect of the disputed domain names or major parts of the domain names; and
(iii) Respondent has registered and has used the domain names in bad faith.

The Panel decides that, pursuant to Article 13 of CNDRP, the disputed domain names, <salvatoreferragamo.cn>, <salvatore-ferragamo.cn> and <ferragamo.cn> should be transferred to the Complainant.

Dated: 31 December 2003

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Norris Yang
Sole Panelist