



香港國際仲裁中心  
Hong Kong International Arbitration Centre

**.hk Domain Name Dispute Resolution**

**ARBITRATION PANEL DECISION**

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**Case No.:** DN-0700017  
**Domain Name:** Compiere.hk  
**Complainant:** Compiere, Inc.  
**Respondent:** Compiere (China) Consulting Inc.

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**1. Parties and Contested Domain Name**

The Complainant is Compiere, Inc. of 2620, Augustine Dr., Suite 245 Santa Clara, CA 95054, USA. The authorized representative of the Complainant in this matter is Dibb Lupton Alsop, 40/F, Bank of China Tower, 1 Garden Road, Central, Hong Kong.

The Respondent is Compiere (China) Consulting Inc. of Luohu District, Shenzhen, SZ 518000, China.

The contested Domain Name is <compiere.hk> (the “Disputed Domain Name”) registered by the Respondent with Hong Kong Domain Name Registration Company Limited (HKDNR) on September 6, 2006.

**2. Procedural History**

On June 11, 2007, the Complainant filed the complaint against the Respondent in respect of the Disputed Domain Name with the Hong Kong International Arbitration Centre (the “Centre”). On the same date, the Centre responded to the authorized representative of the Complainant, acknowledging receipt of the complaint and the payment of the required administrative fee, and confirming that it would process the complaint once the complaint was in administrative compliance with the Hong Kong Domain Name Dispute Resolution Policy.

On June 11, 2007, the Centre requested the HKDNR to provide the registration information of the Disputed Domain Name. On the same date, the HKDNR provided the registration information of the Disputed Domain Name and confirmed that the domain holder is “Compiere (China) Consulting Inc.”.

On June 26, 2007, the Centre sent the Notification of Commencement of Proceedings to the Respondent and gave the Respondent fifteen (15) business days for the Respondent to provide

a Response in accordance with the HKDNR Domain Name Dispute Resolution Policy (the HKDNR Policy), the HKDNR Domain Name Dispute Resolution Policy Rules of Procedure (the Rules of Procedure) and the HKIAC Supplemental Rules (the HKIAC Supplemental Rules).

On July 4, 2007, the Respondent, without regard to the required format of Response under the Rules of Procedure, sent an email response in Chinese to the Centre, making several points of statements of general nature. On July 18, 2007, the Complainant filed a statement in response to the Respondent's email response of July 4.

On August 17, 2007, the Centre asked the Panelist in this case whether he was available and if so, whether he was able to act independently and impartially as between the parties in this case. Upon receipt of an affirmative response to both questions, the Centre appointed Zhang Yulin Jerry as the sole panelist in this case on August 17, 2007. According to the Rules of Procedure, unless otherwise determined by the Panel in its sole discretion, the direction is to be issued by September 7, 2007.

### **3. Factual Background**

The Respondent registered the Disputed Domain Name with HKDNR on September 6, 2006. The dispute arises out of the Respondent's registration and use of the Disputed Domain Name.

The Complainant was founded in 2000, and has become a leading provider of open-source Enterprise Resource Planning ("ERP") and Customer Relationship Management ("CRM") software applications for small-to-medium sized enterprises, and related technology services, covering all areas from customer management and supply chain to accounting.

Compiere's COMPIERE software program is used by companies around the world, and according to the Complainant, copies of the COMPIERE program have been downloaded over 1,000,000 times. In addition, Compiere has a global network of partners who support its COMPIERE program by joining the Compiere Partner program and receiving training from Compiere on providing implementation, integration and IT services for the COMPIERE program.

Compiere owns a US federal trade mark registration for the mark "COMPIERE" (USPTO Reg. No. 2,849,102) for "e-commerce software to allow users to perform electronic business transactions via a global computer network". Compiere also obtained a Hong Kong trade mark registration for the mark "COMPIERE" in Hong Kong (Reg. No. 300705898).

The Respondent is a company registered in Shenzhen, China. It does not have a trade mark registration for "COMPIERE" in Hong Kong.

#### 4. Parties Contentions

##### a) The Complainant

The Complainant has the following principal legal grounds in support of its complaint:

##### **1) The Domain Name Is Confusingly Similar to Compiere's trade mark "COMPIERE" and other Compiere marks**

The Complainant stated that it owns statutory and common law rights in the "Compiere" mark by virtue of its extensive use of these marks in interstate and foreign commerce and by virtue of its registrations and applications for the mark in the United States and numerous other countries around the world, including in Hong Kong, and in China where the Respondent is located.

The Complainant contends that there is no difference between Compiere's mark "COMPIERE" and the Disputed Domain Name in this complaint. It will confuse consumers into believing that such domain name or the Respondent's site at COMPIERE.HK is the Hong Kong site for Compiere, or that the site is an official Compiere website.

The Complainant has submitted evidence to show that the Respondent is not simply re-directing traffic to another competing site, but rather the Respondent is actually trying to deceive consumers, including potential customers and consumers of Compiere and its authorized partners, into believing that the Respondent is an official Compiere entity or affiliated company.

The Respondent even uses Compiere's distinctive stylized Compiere logo on its site at COMPIERE.HK. This further misleads consumers into believing that they are visiting an official Compiere or Compiere-affiliated site when they are not.

According to the Complainant, the Respondent's site allows users to download Compiere's software program and provides information on Compiere's software. The Respondent also purports to offer technology services related to Compiere's software and to run a "Compiere Hong Kong Partner Program" (see [www.compiere.hk/partners/partnerbenefits.htm](http://www.compiere.hk/partners/partnerbenefits.htm)) which would further lead to confusion and mistake by those persons looking for authorized Compiere partners and technology providers who are licensed by Compiere through its own official partner program. Finally the Respondent's website even posts a biography with a photograph of Compiere's founder, Jorg Janke, which would cause persons viewing the website to mistakenly believe that the site is an official or authorized Compiere site or endorsed by Compiere.

In short, the Complainant contends that the Disputed Domain Name is confusingly similar to Compiere's mark "COMPIERE", that this confusion is exacerbated and heightened by the misleading content on the website COMPIERE.HK, and that the Respondent has intentionally

tried to create such confusion in bad faith.

**2) Respondent Has No Rights or Legitimate Interests with respect to the Domain Name**

The Complainant submits that the Respondent cannot establish any legitimate rights in the term "COMPIERE" and the Disputed Domain Name. The Respondent is trying to trade on the goodwill created by Compiere in its trade mark "COMPIERE". In addition, neither the Respondent or anyone affiliated with the Respondent, has ever sought or obtained a license from Compiere to use the trade mark "COMPIERE" or the Disputed Domain Name, nor has the Respondent attempted to file any trade mark applications for the mark "COMPIERE" in Hong Kong in connection with any goods or services, as a legitimate trade mark owner would. The Respondent's complete lack of any registration and lack of even an attempt to register such rights in COMPIERE demonstrates that the Respondents in fact has no legitimate rights in the mark "COMPIERE" and the Disputed Domain Name.

**3) Respondent Registered and Is Using the Domain Name in Bad Faith**

In relation to the element of bad faith, the Complainant argued that the Respondent has registered the Disputed Domain Name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, and that the Respondent has engaged in a pattern of such conduct; On the latter point, the Complaint has evidence showing that the Respondent not only registered the Disputed Domain Name but also the domain name HK-COMPOERE.COM (redirects to the Respondent's site at COMPIERE.HK), COMPIERE.COM.CN, COMPIERE.TW (redirects to the Respondent's site at COMPIERE.COM.TW), COMPIERE.COM.TW, COMPIERE.ORG.CN and COMPIERE.NET.CN (these last two sites redirect to the Respondent's site at COMPIERE.COM.CN).

The Complainant also contends that bad faith is imputed as the Respondent has registered the Disputed Domain Name primarily for the purpose of disrupting the business of a competitor.

The Complainant contends that by using the Disputed Domain Name, the Respondent has intentionally attempted to attract, for commercial gain Internet users to the Respondent's web site or other on-line location, by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of the Respondent's web site or location or of a product or service on the Respondent's web site or location. The registration and use of a domain name corresponding to or similar to the trade marks of an established company, such as Compiere, in order to direct users to the site or to misdirect traffic to other websites constitutes bad faith.

Furthermore, the Complainant referred this Panel to *Brookfield Communications, Inc. v. West Coast Entm't Corp.* 174 F.3d 1036, 1062 (9th Cir. 1999) ("Although there is no source confusion in the sense that consumers know they are patronizing [the junior user] rather than

[the senior user], there is nevertheless initial interest confusion in the sense that, by using [the senior user's mark] to divert people looking for [the senior user's goods] to its web site, [the junior user] improperly benefits from the goodwill that [the senior user] developed in its mark.”); and *Playboy Enters., Inc. v. Netscape Communications Corp.*, 354 F.3d 1020, 1025 (9th Cir. 2004), and argued that well-established trade mark law recognizes that using another's trade mark in order to confuse consumers into visiting a website that is unaffiliated with the trade mark owner also constitutes trade mark infringement, even if the customer realizes that there is no connection with the trade mark owner by the time he or she actually makes a purchase.

It is the contention of the Complainant that the Respondent has registered the Disputed Domain Name in a manner calculated to improperly trade on the goodwill of the Compiere's trade mark, and such use constitutes trade mark infringement. The Respondent is not only using Compiere's trade marks within the Disputed Domain Name – which is itself sufficient to find bad faith as it designed to attract users for commercial gain – but the content of the website at COMPIERE.HK clearly creates confusion. The Complainant presented evidence to show such confusion, including but not limited to, the homepage of this infringing site featuring a copy of Compiere's own scripted Compiere logo.

The Complainant maintained that given Compiere's longstanding use of the Compiere marks, its websites at [www.compiere.com](http://www.compiere.com) and [www.compiere.org](http://www.compiere.org), and its position as a leader in the open source CRM and ERM software field, the Respondent must have been well aware of the association of the Compiere marks with Compiere and of the goodwill associated with the Compiere marks when it registered and began using the disputed Domain Name in 2006.

#### **b) The Respondent**

The Respondent did not present a formal Response in the prescribed format i.e., the Response Form – Form B as required by the HKDNR Policy and the HKDNR Rules of Procedure. The Respondent filed an email response to the Centre on July 4, 2007. The response contained the following statements in Chinese:

- (1) Regarding our company's registration of domain name, [compiere.hk](http://compiere.hk), there is no precondition under the Hong Kong Domain Name Administration Rules, that the registrant must first be preceded with a corresponding registered trademark (Compiere) in Hong Kong. In addition, our company's provision of consulting and value added services to Hong Kong enterprises based on Compiere as free and open source software is legitimate and lawful. The intellectual property in our services are all our own, but not those of the Complainant.
- (2) The Complainant's attempt to make use of the corresponding language and logo in relation to this domain name to claim ownership right to this domain name. This is in violation of the principle of “registration first” in domain name registration, and damaging the just, fairness, and openness of the domain name registration system

in .hk domain. It also attempts to utilize its registered trademark “Compiere” to illegally claim sole rights over the domain names composing of the same word in all domains in the world, which damages the principles of fair trade and fair competition under the WTO Agreement.

- (3) The Respondent also contends in the reply that the services it sells to customers were all developed by the teams of its company, but not owned by the Complainant. Even if there is competition between its products and services (Quick IT Implementation Tool Kit, Quick IT Development Resource Kit, Partner Interests) and the products and services of the Complainant (Training, Support Contract etc), this is legitimate and justified.

In the email response, the Respondent requested the Panel to grant an appropriate and just award.

The Respondent did not submit any evidence to support its contentions.

## **5. Discussion and Findings**

According to paragraph 4 a of the HKDNR Policy, the Complainant has the burden of proving that:-

- a. the Respondent's Domain Name is identical or confusingly similar to a trademark or service mark in Hong Kong in which the Complainant has rights; and
- b. the Respondent has no rights or legitimate interests in respect of the Disputed Domain Name; and
- c. the Respondent's Domain Name has been registered and is being used in bad faith.

Upon review of the documents and evidence submitted by the Complainant and the response from the Respondent, the following points are of interest to this Panel in dealing with the issues in contention.

### **a) Identical or confusingly similar**

The Complainant has established that it has registered trademarks in the United States and Hong Kong. The relevant trademark to examine is the trademark registration in Hong Kong in this case.

The Complainant's registered trademark in Hong Kong is the Trade Mark Registration No. 300705898, “COMPIERE” in Class 9, covering “computer e-commerce software to allow users to perform electronic business transactions via a global computer network”. The date of registration of this mark is August 22, 2006, earlier than the registration of the Disputed Domain Name: September 6, 2006.

Apparently, the trademark “COMPIRE” is the same as the distinctive part of the Disputed

Domain Name in question. Therefore this Panel is of the view that the Complainant has discharged its burden on its part to establish the element of identical and confusingly similar mark under Paragraph 4 a (i) of the HKDNR Policy.

**b) Respondent's Rights or Legitimate Interest**

The Respondent did not provide any evidence to establish its rights or legitimate interest in the Disputed Domain Name.

The Complainant contends that the Respondent has no rights or legitimate interests in the Disputed Domain Name. The Complainant submits that it has never granted any license for the Respondent to use the trademark "Compiere" in China.

While this Panel noted that the Respondent's company name is "Kang Bi Er" (康比尔) in Chinese, there is no evidence presented before this Panel that the Respondent has any registration of "Compiere" name in English in Hong Kong. There is no evidence of prior trademark or trade name right or any other rights of the Respondent in Hong Kong.

This Panel accepts that the "first to file" principle in the domain name registration system is subject to the fundamental rule that such domain name registration does not infringe upon other's legitimate rights. In other words, even if the Respondent has registered the Disputed Domain Name in Hong Kong, such registration shall not be legally protected if the registration infringes upon third party rights in trademarks or otherwise in Hong Kong that exist prior to the registration of the Disputed Domain Name. Given that there is no evidence from the Respondent on its right in the Disputed Domain Name (other than the registration of the Disputed Domain Name), this Panel concludes that the Respondent has no rights or legitimate interest in the Disputed Domain Name.

**c) Bad Faith**

Paragraph 4 b of the HKDNR Policy sets forth four factors that the Panel will need to examine to determine whether the Respondent has registered or used a domain name in bad faith. These are:

- (i) circumstances indicating that the Respondent has registered or has acquired the Disputed Domain Name primarily for the purpose of selling, renting, or otherwise transferring the Disputed 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 the Respondent's documented out-of-pocket costs directly related to the Domain Name;
- (ii) the Respondent has registered the Disputed Domain Name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding Domain Name, provided that the Respondent has engaged in a pattern of such conduct;

- (iii) the Respondent has registered the Disputed Domain Name primarily for the purpose of disrupting the business of a competitor; or
- (iv) by using the Disputed Domain Name, the Respondent has intentionally attempted to attract, for commercial gain Internet users to the Respondent's web site or other on-line location, by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of the Respondent's web site or location or of a product or service on the Respondent's web site or location.

There is no evidence indicating that the Respondent has registered the Disputed Domain Name primarily for the purpose of selling, renting, or otherwise transferring the Disputed 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.

There is no doubt that the registration of the Disputed Domain Name has effectively prevented the owner of the trademark "Compiere" in Hong Kong from reflecting the mark in a corresponding domain name. The Panel noted that the Respondent has engaged in a pattern of such conduct because the Respondent has registered a number of other domain names incorporating the mark "Compiere", including the domain name HK-COMPOERE.COM (redirects to the Respondent's site at COMPIERE.HK), COMPIERE.COM.CN, COMPIERE.TW (redirects to the Respondent's site at COMPIERE.COM.TW), COMPIERE.COM.TW, COMPIERE.ORG.CN and COMPIERE.NET.CN (these last two sites redirect to the Respondent's site at COMPIERE.COM.CN) . In the view of this Panel, this conduct meets the requirement of paragraph 4 b (ii) of the HKDNR Policy.

The Complainant submits that the Respondent has registered the Disputed Domain Name primarily for the purpose of disrupting the business of a competitor. However there is no evidence available to show that the Respondent has registered the Disputed Domain Name for this purpose.

Examining the evidence regarding the Respondent's use of the Disputed Domain Name, this Panel noted that the Respondent is not only using Compiere's trade marks within the Disputed Domain Name, but the content of the website at COMPIERE.HK, including but not limited to, the homepage of this infringing site featuring a copy of Compiere's own scripted Compiere logo, has clearly show that the Respondent's use of the Disputed Domain Name attempted to attract Internet users to access to its website by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of the Respondent's web site or location or of a product or service on the Respondent's web site. Therefore, it is clear that bad faith is established under Paragraph 4 b (iv) of the HKDNR Policy.

Based on the above discussions, it is clear to the Panel that the Complainant has established bad faith according to Paragraph 4 b (ii) and (iv) of the HKDNR Policy.

## **6. Decision**

Based on the above discussion and in view of the above findings of fact, the Panelist concludes that the Complainant has established its case in this complaint. Accordingly this Panel directs that the Disputed Domain Name registration shall be transferred to the Complainant.

Jerry Yulin Zhang

Panelist

September 6, 2007