



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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<b>Complainant</b>	:	<b>Skype Hongkong Limited</b>
<b>Respondent</b>	:	<b>Mikhail Arhelger</b>
<b>Case Number</b>	:	<b>DHK-0700013</b>
<b>Disputed Domain Name</b>	:	<b>&lt;skype.hk&gt;</b>
<b>Panel Member</b>	:	<b>Adam Samuel</b>

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**1. Parties and Contested Domain Name**

The Complainant is Skype Hongkong Limited of Units 2801-2802 28F Low BLK Grand Millennium Plaza, 181 Queen's Road Central, HK. The authorised representative of the complainant in this matter is Don C Moody, 15260 Ventura Blvd. Sherman Oaks, CA 91403, USA.

The Respondent is Mikael Arhelger of A5 Floral Villas, 18 Tso Wo Road, Tso Wo Hang, Sai King, Kowloon, Hong Kong

The domain name at issue (the "disputed domain name") is <skype.hk>, registered on 22 December 2004 by the Respondent.

**2. Procedural History**

On 10 April 2007, the Complainant filed the complaint with the Hong Kong International Arbitration Centre (the "Centre"). On 28 April 2007, the Centre confirmed to the Complainant's representative that the complaint was now in administrative compliance with the HKDNR Domain Name Dispute Resolution Policy, following payment of the filing fee the previous day. On 28 April 2007, the Centre requested the HKDNR to provide the registration information of the disputed domain name. On 8 May 2007, the HKDNR confirmed that the Respondent was the registrant of the disputed domain name and provided the Centre with his contact information. On 17 May 2007, Centre notified the Respondent of the Complaint, giving him 15 business days in which to submit a Response. This was read by the Respondent the following day. The hard copy of the Complaint was delivered to the

Respondent on 22<sup>nd</sup> May 2007. The Respondent has not submitted a formal Response to the Complaint. On 3 July, the Centre asked the Panelist in this case whether he was available and if so whether he was able to act independently and impartially between the parties. Following an affirmative response to both questions, the Centre appointed Adam Samuel as the sole Panelist in this case on 5 July 2007.

On 8 July 2007, the Panelist issued a Procedural Order in this case. It ordered the parties

*“to provide any evidence within 14 days that it wishes the Panel to consider as to whether the Complainant has rights in the trademarks concerned.”*

The reasons given for making the order were:

*“The HKDNR Domain Name Dispute Resolution Policy states that the Complainant must prove among other things that 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.*

*It is apparent that Skype Limited owns a registered Hong Kong trademark in the name “skype”. The Complaint asserts that Skype Limited is the parent company of the Complainant. However, no evidence has been provided of this or of any licence or authorisation given by Skype Limited to the Complainant to use the trademark or of any rights in the trademark to the Complainant.”*

Both parties responded to this. The Respondent commented:

*“\*\* I fail to understand why the rep/lawyer for Skype is going after domain skype.hk and not **skype.net** \*\*\**

*Do I have to tell them they are sleeping? Surely skype.net is more important than skype.hk, is it not?*

*According to this:*

*skype.net is for sale. What is Skype's / Mr Samuel's intentions here?*

*Furthermore, instead of Mr Samuel making an appropriate offer for what is **rightfully mine**, the domain skype.hk, he goes to the length and pain to launching an attack on me. I have never published any unauthorised content using skype.hk.*

*The fact that I have tried to get involved in some internet phone business is not relevant in this case.*

*It seems to me only another way of a lawyer to make some extra money.*

*Perhaps I should take it up on some blogs.*

*Care to comment?"*

The Complainant's or rather its lawyer's response was to send in a new complaint in identical terms to the original Complaint except as to the name of the Complainant which is given as Skype Limited on the new Form A. It also made some comments:

- "1. Attached, please find Complainants' First Amended Complaint addressing the Panelist's request with regard to Complainant's trademark rights. Skype Limited, the HK trademark owner, is now named as Complainant. A copy of Complainant Skype Limited's certificate of incorporation is included for reference. Please advise if either HKIAC or the panelist will require anything further.*
- 2. To clarify upon the points Mr. Arhelger brings up in his email of 10 July 2007:*
  - a. Notwithstanding the existence of the auction listing Mr. Arhelger kindly brings to our collective attention, Skype Limited indeed owns <skype.net>. This is reflected in the Whois records and, of course, by the fact that the domain is under Skype Limited's daily control. The auction to which Mr. Arhelger refers is undoubtedly a scam perpetrated by a third party merely to defraud unknowing domain speculators who would attempt to bid on the domain. The domain auctioneer Sedo.com, with whom this alleged auction is hosted, is responsible for policing its listings for such fraudulent scams. Unfortunately, Sedo is not in the practice of confirming ownership of the domains prior to their listing for sale on its site—anyone could initiate such a fraudulent auction at any time because no substantial obstacles prevent it. In any event, <skype.net> is not the subject of this complaint, nor is any other domain besides <skype.hk>. Mr. Arhelger's unlawful registration of <skype.hk> is the subject of this complaint.*

b. Mr. Arhelger should take careful notice that Mr. Adam Samuel is in fact the esteemed panelist assigned to deciding this case, much akin to a Judge that presides over courts of legal jurisdiction. As such, Mr. Samuel is not "a lawyer trying to make extra money."

Thank you for your consideration. Please advise us if HKIAC or the panel should require anything additional.

Respectfully submitted"

Faced with an application to amend the complaint to change the Complainant's name Skype Limited, the Panel issued a further order on 19 July 2007 dismissing the application. These were the Panel's reasons for making this second order:

*“The HKDNR Domain Name Dispute Resolution Policy states that the Complainant must prove among other things that 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.*

*It is apparent that Skype Limited owns a registered Hong Kong trademark in the name “skype”. The Complaint asserts that Skype Limited is the parent company of the Complainant. However, no evidence has been provided of ...any licence or authorisation given by Skype Limited to the Complainant to use the trademark or of any rights in the trademark to the Complainant.*

*The Panel issued an order on 9th July 2007 ordering the parties to provide any evidence within 14 days that it wishes the Panel to consider as to whether the Complainant has rights in the trademarks concerned.*

*The Complainant, at whom the order was primarily aimed, has not sent in any evidence of any rights owned by the Complainant to any trademark or service mark. Instead, it has sought to amend its complaint by substituting Skype Limited for the Complainant.*

*The Panel has studied at length the HKDNR Domain Name Dispute Resolution Policy, the HKDNR Domain Name Dispute Resolution Policy Rules of Procedure and the Hong Kong International Arbitration Centre Domain Name Dispute Supplemental Rules. None of these documents assist the Panel greatly in deciding whether to allow the proposed amendment to the Complaint.*

*Paragraph 3.b(ii) of the Rules of Procedure requires the Complaint to state the name of the Complainant. Paragraph 10 gives the Panel the power to conduct the proceedings in such a manner as it considers appropriate subject to the obvious need to treat the parties with equality and give each party a fair opportunity to present its case.*

*It is very unclear from this as to whether the Panel has the power to permit an amended Complaint after the start of the proceedings that changes the identity of the Complainant. However, even on the assumption that such a power exists under Paragraph 10, the Panel would have to exercise its discretion in favour of allowing the amendment for it to go ahead.*

*The change of the Complainant’s identity is fundamental to the first element of the case since the Complainant has to show that he or it has rights in a relevant trademark. At the very least, in order to ensure fairness to both parties, the Respondent would have to be given the same length of time to respond to the new Complaint as he was given with respect to the original one.*

*There are elements relating to this case which are relevant to the question of whether to exercise the discretion to allow the amendment. The Complaint begins:*

*“Complainant is a corporation organized in Hong Kong and is a wholly owned subsidiary of Skype Limited (“skype”) a corporation organized and existing under the laws of the Republic of Ireland. Skype has been granted a trademark registration for the famous and well-known term “skype” in Hong Kong...”*

*On the next page, it says:*

*“Complainant asserts that Respondent’s domain <skype.hk> is identical to Complainant’s famous and well-known, and nevertheless registered “skype” trademark.”*

*The first quoted paragraph can be understood to mean that the parent company, not the Complainant, owns trademark rights in the name <skype>. However, the second quoted paragraph seems to indicate that registration is in the name of the Complainant which clearly the Complainant and its lawyers knew was not the case.*

*Although the Schedule of Annexed Evidence submitted by the Complainant begins with “Copies of Skype Limited’s worldwide trademark registrations for the mark SKYPE”, the Hong Kong trademark registration material is curiously absent from that section. If the Panelist had not checked the Hong Kong Trademark Register, it is possible that he could have understood from the second quoted paragraph that the Complainant owned the Hong Kong registered trademark which is incorrect.*

*The Panel notes that the Skype group of companies has behaved in a similar fashion in the past. In the Nominet UK Dispute Resolution Service Decision of the Independent Expert in Skype Technologies, S.A. v. Vault Technology Ltd, submitted by the Complainant here in support of the Complaint, the Independent Expert had similar concerns. He said:*

*“The state of the Complainant’s submissions and evidence relating to its corporate identity and intellectual property ownership is not entirely satisfactory.*

*For instance, in the Complaint the Complainant states that it is a company based in Great Britain, despite the fact that page 3 of Exhibit C makes it clear that the Complainant is a corporation based in and incorporated under the laws of Luxembourg. Further, according to the Complainant, “The Skype Group of Companies is incorporated in multiple countries throughout the world, but its commercial functions are managed centrally from Skype Technologies Ltd., incorporated in London, England”, whereas the UK Companies Register contains no record of any company of that name.”*

*One might have hoped that after such a decision, the Skype group of companies would have been more careful about the identity of the companies within its group and the need for accuracy when filing complaints in administrative proceedings that can result in the loss of rights for other parties.*

*The Panel also notes the considerable scale of the Skype group's activities and resources presumably available to it to ensure that errors do not appear in Complaints and that the correct company is used as the Complainant. A smaller business might deserve more sympathy in the circumstances.*

*There are two arguments that weigh in favour of allowing the amendment. First, the effect of disallowing it and dismissing the complaint is only to cost the Complainant a filing fee and wasted time. The second point is that Respondent's reply to the Procedural Order is active evidence of bad faith in general.*

*One cannot ignore the waste of cost and time involved in disallowing the amendment. However, the fact that the Skype group of companies has presented inaccurate information in complaints before about itself should have alerted it to this risk. Perhaps, only the waste involved here can deter it from another repetition.*

*The Respondent's reply to the Procedural Order contains an offer to sell the disputed domain name to the Panelist and another domain name using the name "skype" to the Skype group. It makes a strange suggestion about the Panelist's motives for his procedural order. It says:*

*"Furthermore, instead of Mr Samuel making an appropriate offer for what is rightfully mine, the domain skype.hk, he goes to the length (sic) and pain to launching an attack on me."*

*This suggests primarily that the Respondent has failed both to identify or appreciate the Panelist's role in resolving this dispute and to understand the procedural order. This was primarily directed at a flaw in the Complainant's case and only had to be addressed to the Respondent in the interests of fairness. It is not attractive but then nor for the reasons indicated above been the Complainant's behaviour.*

*Ultimately, it is the Complainant or its parent company that is seeking a remedy in this case and needs the discretion of the Panel to be exercised in its favour."*

The dismissal of the application to amend the complaint left four days for the parties to complete their responses to the original procedural order. Neither party produced any material evidence in that time.

### **3. Factual Background**

Skype Limited owns trademark registrations for the name <skype> in Hong Kong, the USA, Finland, New Zealand, Switzerland among other countries. The Hong Kong registration is dated 11 February 2004. The domain name in this case was registered on 22 December 2004.

#### **4. Parties' Contentions**

##### **The Complainant**

The Complainant's contentions which are not necessarily the Panel's views are set out here.

The "skype" marks have been used and advertised extensively throughout the world to market voice-over-Internet-protocol services and applications to consumers. "Skype" has actively marketed this brand in Hong Kong. As such, it has procured common-law trademark rights in all countries which recognize such rights, notably Hong Kong.

The Complainant/and or its related corporate entities have been granted trademark registrations in the USA, Korea, Taiwan, Israel, Liechtenstein, Finland, Australia, New Zealand and other countries. "Skype" was granted a trademark registration in Hong Kong on 11 February 2004, more than 10 months earlier than the registration of the disputed domain name.

The disputed domain name is identical to the Complainant's famous and well-known and nevertheless registered "skype" trademark. It consists of the term "skype" in its entirety with the mere addition of the <.hk> country code top level domain. The addition of a generic top level domain should be discounted as being wholly generic and is not factored into the Panelist's analysis.

The Complainant has strong trademark rights in and to the domain <skype.hk> and the Respondent's use of it is likely to cause confusion among consumers as to the source of or the Complainant's perceived affiliation with, or sponsorship or approval of, the domain name at issue.

There is no evidence that the Respondent has used or demonstrably prepared to use the Domain or a name corresponding to the Domain in connection with a bona fide offering of goods or services. The Respondent has parked the disputed domain name since 22 December 2004. The Respondent has no product or company which could legitimately be named "skype".

Skype has not authorized the Respondent to register or use the domain name. Skype's affiliate programme conditions specifically bar registration or any use of any domain names confusingly similar to the "skype" brand.

The disputed domain name was registered well after the widely publicized and acclaimed release of the Skype software in early 2003.

Ever since the domain name was registered, its purpose has been to draw commercial revenue from click-through traffic generated by the generic parking page connected to the Domain. The only logical inference is that the Respondent registered and is using

the Domain to preclude the Complainant from using it and to draw revenue from misleading consumers in search of Skype by falsely appearing to be a licensed representative of Skype in Hong Kong.

The Respondent is a sophisticated technology user and works in the information technology industry. His website offering demonstrates an understanding of voice-over-Internet-protocol services and a desire to market them to Hong Kong consumers.

“Skype” is a non-generic, invented and fanciful word mark. It is not a term a domain-name registrant would legitimately use unless it was affirmatively seeking to create an impression of an association with the Complainant. Bad faith should be imputed in view of the fact that the Respondent knew of the Complainant’s mark at the date of registration.

### The Respondent

The Respondent did not submit a response to the Complaint. However, he did respond to the Procedural Order by making a number of points. He indicated that “skype.net” is for sale. He states that he has never published any unauthorized content using skype.hk. The fact that the Respondent has tried to become involved in the internet telephone business is not relevant.

## **5. Findings**

According to Paragraph 4a of the HKDNR Domain Name Dispute Resolution Policy (the "Policy") which is applicable hereto, the Complainant has the burden of proving that:

- (i) the Disputed Domain is identical or confusingly similar to a trade mark or service mark in Hong Kong in which the Complainant has rights; and
- (ii) the Respondent has no rights or legitimate interests in respect of the Disputed Domain; and
- (iii) the Disputed Domain has been registered and is being used in bad faith.

### **(1). Identical/confusing similarity**

It is apparent from the parties’ responses to the Procedural Order that the Complainant does not own any registered trade mark or service mark in Hong Kong. The parties were invited to provide evidence that the Complainant owned some other rights to a trademark in Hong Kong. The Complainant responded by changing the name of the complainant. The Panel has seen no evidence of any activities of the Complainant as opposed to its alleged parent company. From this, one must deduce that the Complainant does not own any common-law rights in the trademark <skype>.

It follows from this that, since the Complainant has provided no evidence to suggest that it, as opposed to its parent or sister companies, has any rights in the trademark <skype> even after it was specifically invited to do so by the first Procedural Order, the Complainant has failed to prove the first element required by the Policy.

In view of that conclusion, it would be inappropriate to consider the other elements that the Complainant is required to prove.

## **6. Conclusions**

For the reasons set out above, the Complaint is dismissed.

Dated 28 July 2007

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Adam Samuel