



香港國際仲裁中心

Hong Kong International Arbitration Centre

**Hong Kong International Arbitration Center
Administrative Panel Decision
Case No. DHK-0900047**

Complainant : Alibaba Group Holding Limited ("Alibaba")

Respondent : Zhouxinwang

Domain Name : www.alibaba.hk

Registrar : Hong Kong Domain Name Registration Company Ltd.

1、 Procedural History

On 7 May 2009, the Complainant submitted a Complaint in the English language to the Hong Kong International Arbitration Center (HKIAC) and elected this case to be dealt with by a one-person panel, in accordance with the Hong Kong Domain Name Registration Company Limited (HKDNR) Domain Name Dispute Resolution Policy (the Policy), the HKDNR Domain Name Dispute Resolution Policy Rules of Procedure (the Rules) and the HKIAC Supplemental Rules (the HKIAC Supplemental Rules).

On 8 May 2009, the HKIAC notified the Registrar of the Disputed Domain of the proceedings by email. The Registrar acknowledged this notification by email on the same date confirming its registration of the Disputed Domain and including its WHOIS information. Upon request, the Registrar resent the above information to the HKIAC on 18 May 2009.

The Complaint was served upon the Respondent by the HKIAC by email on 10 June 2009. In accordance with the Rules, the Respondent shall submit a Response within fifteen business days from 10 June 2009. The Respondent submitted a Response on 2 July 2009.

Having received a Declaration of Impartiality and Independence and a Statement of Acceptance, the HKIAC notified the parties on 7 July 2009 that the Panel in this case had been selected, with Dr ZHAO Yun acting as the sole panelist. The Panel should render the Decision within 15 business days, i.e., on or before 27 July 2009.

The language of the proceeding is English, as being the language of the Domain Name Registration Agreement, pursuant to Paragraph 11(a) of the Rules, and also in consideration of the fact that there is no express agreement to the contrary by the Parties.

2、 Factual Background

For the Complainant

The Complainant in this case is Alibaba Group Holding Limited ("Alibaba"), a corporation registered in Cayman Islands. The registration address is 4th Floor, One Capital Place, P.O. Box 847, Grand Cayman, Cayman Islands, British West Indies.

For the Respondent

The respondent, Zhouxinwang, is the current registrant of the disputed domain name <alibaba.hk> according to the Whois information.

3、 Parties' Contentions

Complainant

Alibaba, or 阿里巴巴 as it is officially known in Chinese, was founded in Hangzhou, China, in 1999. Since then, Alibaba has grown to become a global leader in the field of e-commerce. Its subsidiary, Alibaba.com Limited ("Alibaba.com") was listed on the Hong Kong Stock Exchange since November 2007. Alibaba.com operates 3 online business-to-business (B2B) marketplaces with a community now boasting more than 38 million registered users from more than 240 countries and regions worldwide, its international and Chinese marketplaces are now amongst the largest online B2B trading platforms in the world. Alibaba.com has offices in more than 40 cities across China as well as in Hong Kong, Taiwan, USA and Europe. Reporting total revenue of some RMB3000 million in 2008, Alibaba.com has achieved a year-on-year growth of about 39% in revenue.

The Complainant filed this complaint having discovered that the Respondent was operating a lookalike website using the Disputed Domain Name ("Respondent's Lookalike Website") offering similar services to those offered by the Complainant. Not only did the Respondent's Lookalike Website display the Complainant's registered Alibaba and 阿里巴巴 trade marks, the website also adopted the same distinctive orange coloring as used by the Complainant and expressly claimed (falsely) to have an affiliation with the Complainant. The Complainant sent a cease and desist letter to the Respondent. No denial of the matters set out in the letter was ever made by the Respondent. Further, since receiving the letter, the Respondent changed the coloring of the website to blue and has removed the reproduction of the Complainant's logo from the Respondent's Lookalike Website. Nonetheless, the newly modified version of the Respondent's Lookalike Website still displays the Complainant's registered Alibaba and 阿里巴巴 trade marks and still has a similar look and feel to the Complainant's website. Furthermore, the Respondent's Lookalike Website prominently displays "香港阿里巴巴.cn" at the top of each page. <香港阿里巴巴.cn> is a domain name owned by the Complainant.

1. The disputed domain name is identical and/or confusingly similar to trade or

service marks in which the Complainant has rights

The Complainant is the owner of numerous trade mark registrations for or incorporating the signs “Alibaba” and/or “阿里巴巴” (the “Complainant’s TM Registrations”) in a number of jurisdictions, including China, Hong Kong and USA amongst others. The Disputed Domain Name and the Complainant’s registered “Alibaba” trade marks are identical. The Disputed Domain Name is also confusingly similar to the Complainant’s “阿里巴巴” trade marks on the basis that the pronunciation of the Disputed Domain Name is identical to the phonetic transliteration of the Chinese characters 阿里巴巴. Further, the Complainant notes that it is well established that, in making an enquiry as to whether a trade mark is identical or confusingly similar to a domain name, the domain extension, in this case <.hk>, should be disregarded.

2. The Respondent has no right or legitimate interest in respect of the Disputed Domain Name

The Disputed Domain Name is completely different to the Respondent’s name “Zhouxinwang” and therefore could be said to reflect the Respondent’s name. The Respondent is not the owner of any registered trade marks reflecting the Disputed Domain Name in Hong Kong. The Complainant’s legal representative conducted proprietor trade mark searches in the name of Zhouxinwang (i.e. the Respondent) which revealed that no individual by that name owns any registered trade marks in Hong Kong relevant to the Disputed Domain Name. To the best of the Complainant’s knowledge, the Respondent has not used the Alibaba/阿里巴巴 trade marks other than in connection with the Disputed Domain Name and the Respondent’s Lookalike Website which, based on the date of the registration of the Disputed Domain Name, has only been in operation since September 2006. The fact that the Complainant’s adoption and first use of the Alibaba/阿里巴巴 name and trade mark (i.e. in 1999) significantly pre-dates the Respondent’s registration and use of the Disputed Domain Name has the practical effect of shifting to the Respondent the burden of proof in establishing that it has legitimate rights and/or interests in the Disputed Domain Name.

Further, taking into account the worldwide fame of Alibaba/阿里巴巴 in Hong Kong and its strong reputation particularly in China, there is an irrefutable presumption that the Respondent registered the Disputed Domain Name in order to misappropriate the Complainant’s goodwill and to leverage off the Complainant’s reputation in Alibaba/阿里巴巴 by creating confusion among consumers as to an affiliation with or endorsement by the Complainant. This presumption is supported by the fact that the Respondent’s Lookalike Website depicted the Alibaba/阿里巴巴 trade marks, adopted the Complainant’s distinctive orange coloring and claimed (falsely) to have an affiliation with the Complainant. In these circumstances, the Respondent cannot be said to have used the Disputed Domain Name in connection with any bona fide offering of goods or services and/or otherwise made any legitimate commercial use of the Disputed Domain Name. To the contrary, any reputation that the Respondent may

claim to have acquired in Alibaba/阿里巴巴 through the operation of the Respondent's Lookalike Website will have been acquired through illegitimate means and therefore cannot be relied upon to establish a legitimate right or interest in the Disputed Domain Name.

The Complainant has not consented to or authorized the Respondent's use of its Alibaba/阿里巴巴 trade marks. Further, as the Complainant has only recently become aware of the Respondent's use of the Alibaba/阿里巴巴 trade marks and the Disputed Domain Name, the Complainant cannot be said to have acquiesced to such use. To the contrary, the Complainant is presently taking steps to pursue all actions available to it under Hong Kong law to shut down the Respondent's Lookalike Website and put an end to the Respondent's misleading conduct and misappropriation of the Complainant's rights.

3. The Disputed Domain Name has been registered and is being used by the Respondent in bad faith.

The Complainant submits that the Respondent selected the Disputed Domain Name to attract, for financial gain, Internet users to the Respondent's Lookalike Website by creating a likelihood of confusion with the Complainant's Alibaba/阿里巴巴 trade marks as to the source, sponsorship, affiliation and/or endorsement of the Respondent's Lookalike Website and the products/services advertised, promoted and/or supplied the Respondent's Lookalike Website. The fact that the Respondent has registered the Disputed Domain Name without having any legitimate right or interest in it is of itself evidence of bad faith on the part of the Respondent in registering the Disputed Domain Name. The reputation of the Alibaba/阿里巴巴 brand in Hong Kong, China and worldwide is such that the Respondent must have been aware of the Alibaba/阿里巴巴 trade marks, and in the Complainant's rights in such trade marks, as of the date of registering the Disputed Domain Name.

It is well established that the Respondent's registration and use of the Disputed Domain Name must involve mala fides in circumstances where the registration and use was and continues to be made in the full knowledge of the Complainant's prior rights in the Alibaba/阿里巴巴 trade marks, and in circumstances where the Respondent did not seek permission from the Complainant, as the owner of the trade mark, to such registration and use. The only plausible reason for the Respondent to have registered the Disputed Domain Name is to intentionally confuse Internet users and to divert Internet traffic to the Respondent's Lookalike Website which it otherwise would not have received, for the Respondent's own commercial gain and profit. This Respondent's conduct in using the Disputed Domain Name to operate a website which depicted the Complainant's registered trade marks, adopted the same distinctive orange coloring as the Complainant and claimed to have an affiliation with the Complainant serves to affirm in unequivocal terms that this was the Respondent's intention in registering the Disputed Domain Name.

Additionally the Respondent through its representatives, in a letter to the

Complainant's legal representatives dated 11 March 2008, offered to sell the Disputed Domain Name (amongst other domain names also hi-jacked by the Respondent) to the Complainant for RMB1,500,000. The letter followed a telephone conversation between the Respondent's and the Complainant's legal representatives. Such conversation was initiated by the Respondent. The formal offer by the Respondent to sell the Disputed Domain Name was initially prompted by the demand letter sent to the Respondent on 4 February 2008. The price at which the Respondent offered to sell the Disputed Domain Name to the Complainant far exceeds the Respondent's out-of-pocket costs directly related to the Disputed Domain Name. This offer demonstrates the monetary value that the Respondent attaches to the Disputed Domain Name which in turn is a testament to the Complainant's reputation in Alibaba/阿里巴巴 and constitutes further evidence of the Respondent's motivation of obtaining unjustified commercial benefits in registering the Disputed Domain Name.

The Complainant requests the Panel to decide that the Disputed Domain Name be transferred to the Complainant.

Respondent

1. The Disputed Domain Name is similar to the Complainant's "alibaba" and "alibaba.com" trademarks, but will not cause confusion to the public. It is a common knowledge that even one simple difference in letter will leads to a different domain name.
2. The Respondent holds legitimate interests in the Disputed Domain Name. The Respondent registered the Disputed Domain Name on 4 September 2006 and developed a commercial website. The website is currently under active use.
3. The Respondent uses the Disputed Domain Name in good faith. Firstly, after registering the Dispute Domain Name, the Respondent established a website immediately. The website provides commercial information. The Respondent did not have the intention of causing damage to the Complainant's reputation or intentionally cause disturbance to the Complainant's operation. Secondly, the Respondent put in relevant terms clarifying that the website has nothing to do with the Complainant. Thus, the Respondent has no intention at all to cause confusion to the public. It is true that the Respondent offered to transfer the Disputed Domain Name to the Complainant at the price of HK\$ 1.5 million. In view of the costs related to the registration, maintenance and operation of the website, compensation to the consumers, and the expected income from continuing operating the website, the above amount is reasonable price.

The Respondent request the Panel to dismiss the Complaint.

4、 Findings

The Policy, the Rules, the HKIAC Supplemental Rules, not the Chinese Constitutional Law, are addressed to resolving disputes concerning allegations of abusive ".hk" domain name registration. The HKIAC, not the courts in mainland China, is the designated body to have the jurisdiction over the Complaint for this procedure.

Paragraph 15(a) of the Rules instructs the Panel as to the principles the Panel is to use

in determining the dispute: “An Arbitration Panel shall decide a Complaint on the basis of the statements and documents submitted to it and in accordance with the Dispute Resolution Policy, the Rules of Procedure, the Provider’s Supplementary Rules and the law which the Arbitration Panel deems applicable.”

Paragraph 4 (a) of the Policy requires that the Complainant should prove each of the following three elements to obtain an order that a domain name should be cancelled or transferred:

- 1) [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
- 2) [The Respondent] has no rights or legitimate interests in respect of the Domain Name; and
- 3) [The Respondent’s] domain name has been registered and is being used in bad faith.

Paragraph 4 (b) of the Policy provides the following evidence of registration and use 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; or
- (ii) you have registered the 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 you have engaged in a pattern of such conduct; or
- (iii) you have registered the Domain Name primarily for the purpose of disrupting the business of a competitor; or
- (iv) by using the Domain Name, you have intentionally attempted to attract, for commercial gain, Internet users to your 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 your web site or location or of a product or service on your web site or location.

Identical/Confusingly Similar

The evidence submitted by the Complainant shows that the Complainant owns the trademark “Alibaba/阿里巴巴” and other trademarks containing “Alibaba/阿里巴巴”, which have been registered in Hong Kong and many other countries. The trademark “alibaba.com” was registered as early as of 1999 in Hong Kong. Other registered trademarks in Hong Kong include “Alibaba Trade Manager”. This registration date is more than seven years earlier than the date of the registration of the Disputed Domain Name. The Panel has no problem in finding that the Complainant enjoys the indisputable prior rights and interests in the trademarks in Hong Kong. The Panel further finds that “Alibaba” is the notable part of all these trademarks.

The Panel needs to find out whether the Disputed Domain Name is identical or

confusingly similar to relevant rights and interests. In this regard, the Disputed Domain Name is not necessarily identical to the trademarks. The Disputed Domain Name is “alibaba.hk”. The panel finds that the main part of the Domain Name “alibaba” is similar to the registered trademarks (Alibaba.com, Alibaba Trade Manager, etc.), given that the “.hk” suffix is to be ignored. The Respondent argues that the similarity does not necessarily lead to confusion. In this case, the difference between the Disputed Domain Name and the trademarks is obviously trivial. Several Panels in previous decisions have rightly affirmed that trivial differences will naturally create confusing similarity. (See e.g. *Rohde & Schwarz GmbH & Co. KG v. Perthshire Marketing, Ltd*, WIPO Case No. D2006-0762) The Panel in the case therefore holds that the Complaint fulfills the condition provided in Paragraph 4 (a)(i) of the Policy.

Rights or Legitimate Interests of the Respondent

The Complainant contends that the Respondent does not have rights to or legitimate interests in the disputed Domain Name. The Complainant’s assertion is sufficient to establish a *prima facie* case under the Policy, thereby shifting the burden to the Respondent to present evidence of its rights or legitimate interests.

The Respondent fails to put forward any evidence to show any positive interests that it relies on. No evidence shows that the Respondent has acquired any trademark rights or other proprietary interests relevant to support its claim to the disputed Domain Name. The registration of a certain domain name does not of itself confer upon the registrant rights or legitimate interests in the domain name or in the subject matter of the domain name. No evidence shows that the Respondent has been commonly known through the operation of the Disputed Domain Name.

The Panel therefore finds that the Complaint fulfills the condition provided in Paragraph 4(a)(ii) of the Policy.

Bad Faith

The Complainant is a leading e-commerce company. The Complainant has been consistently using the trademarks since its establishment. The trademarks have achieved a strong reputation through use and advertisement. As such, the public has come to recognize and associate the Complainant’s trademarks as originating from the Complainant and no other. Furthermore, “Alibaba” is not a common English word. No reasonable justification could be offered for the Respondent to register the disputed domain name using “Alibaba” as the main part. This entitles the Panel to infer that the Respondent should be aware of the existence of the Complainant and its trademarks. The action of registering the disputed Domain Name *per se* has constituted bad faith.

The Policy lists four examples to elaborate the element of bad faith. Either one of them shall satisfies the third condition in the Policy. The Panel would refrain from determining whether the Respondent has any intention or act of damaging the reputation of the Complainant and/or disturbing the operation of the Complainant.

Evidence shows that the Respondent offered to sell the Disputed Domain Name to the

Complainant at the price of HK\$ 1.5 million, which obviously far exceeds the documented out-of-pocket costs. This constitutes the typical situation of bad faith as envisaged by the Policy, namely, the Respondent has registered 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. The Respondent contends that the price is reasonable in view of several factors. However, no evidence whatsoever has been submitted to substantiate the extremely high maintenance fee, website construction fee, compensation to consumers and expected income.

In conclusion, the panel finds that the Respondent has registered and used the domain name in bad faith. Accordingly, the Panel finds that the Complaint satisfies the condition provided in 4(a)(iii) of the Policy.

5、 Decision

Having established all three elements required under the Policy, the Panel concludes that relief should be granted. Accordingly, it is ordered that the <alibaba.hk> domain name should be TRANSFERRED from the Respondent to the Complainant.

ZHAO Yun
Sole Panelist

DATED: 9 July 2009