



香港國際仲裁中心

Hong Kong International Arbitration Centre

.hk Domain Name Dispute Resolution

ARBITRATION PANEL DECISION

Complainant: Nervous Tattoo, Inc., a Delaware Corporation (with effect from 7 April 2009, being formerly a California Corporation) of 8680 Hayden Pl., Culver City, CA 90232 USA

Respondent: CHEN Jin Sheng, an individual, resident in P.R. China of 78 Hajdn Sewh Js Dh Sdkm, 21000 FJ, China

Case Number: DHK0900050

Contested Domain Name: www.EdHardyShop.hk

Panel Member: Paul Stephenson

1. Parties and Contested Domain Name

Nervous Tattoo, Inc (hereinafter “the Complainant”) acts as a Licensee granted by Hardy Life, LLC (a Californian Limited Liability Corporation) to use the trade mark ED HARDY. The trade mark rights are set out at 3(1)-(5) below. CHEN Jin Sheng is an individual who has registered in his own name the domain name www.EdHardyShop.hk.

2. Procedural History

The Complainant filed a complaint with the Hong Kong International Arbitration Centre on 19 September 2009 and paid the appropriate fees by wire transfer. The time for the Respondent to file a response expired on 29 October 2009. No response had been received from the Respondent by that date (or subsequently).

3. Factual Background

For the Complainant

By virtue of an agreement signed on 15 September 2005 and effective from 15 June 2005, the Complainant became a licensee of trade mark rights claimed in the name ED HARDY by a corporation called Ed Hardy, LLC, the licensor. The agreement is in force and effect until 15 June 2015. The Complainant asserts the License covers the use of the following trade mark registrations obtained in the Federal Register of the United States Trade Marks Office and in the PRC, namely:

(1) US Trade Mark Registration No. 3141658 ED Hardy (stylized script) registered on 12 September 2006 for certain items of clothing in Class 25; (2) US Trade Mark Registration No. 3136603 ED HARDY registered on 29 August 2006 for goods in classes 14 & 25; (3) US Trade Mark Registration No. 3124710 DON ED HARDY for goods in class 25 registered on 1 August 2006; (4) P.R. China trade mark registration no G907827 Ed Hardy in Classes 18 & 32 dated 8 December 2005 and initially valid for a term of ten years (subject to renewal).

No evidence or information has been provided about the actual use of the trade marks in terms of actual goods supplied, date of first use and extent of use. I note that the US Federal Trade Marks do recite an assertion that the marks are in use but this is the only user information available (apart from Exhibit G of the evidence showing a single sample advert for shipping charges).

For the Respondent

No submissions have been received and consequently no information is available.

4. Parties' Contentions

The Complainant

The Complainant essentially asserts two bases for objection to registration of the domain name www.EdHardyShop.hk, namely: (i) that the domain name www.EdHardyShop.hk is too close to their trade mark rights obtained under the License Agreement; and (ii) that the Respondent has acted in bad faith in obtaining the domain name registration in his own name and the Complainant relies, in particular, upon paragraphs 4(b) (iii) & (iv) of the HKDNR Domain Name Dispute Resolution Policy.

The Respondent

No submission has been received from the Respondent and I have to note at this point the remarks of the Panel in *HK-0200015 Law Society of Hong Kong v. Domain*

Strategy Inc: "A respondent is not obliged to participate in a domain name dispute and its failure to do so does not constitute an admission of the facts and propositions asserted by a complainant, but a failure to participate leaves a respondent vulnerable to the inferences that flow naturally from the assertions of the complainant that are not unreasonable".

5. Findings

5.1 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.

5.2 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.

5.3 I have had to consider carefully whether the Complainant satisfies the criteria of 4a(i) of the Policy which demands the Complainant proves it "has rights".

In paragraph 6 of Form A, the Complainant states “[The] Complainant and its predecessors in interest have continuously used...the Trademarks for a variety of goods, specifically including its line of luxury and cutting edge fashions”. There is, however, very limited supporting evidence – see paragraph 3 above - that the trade mark ED HARDY has been used anywhere let alone Hong Kong. No legal argument has been submitted as to what “right” is actually asserted. There is no registered trade mark right in Hong Kong and since no use has been proven, it is difficult to see how the trade mark would be protected in passing off even if the reputation is mere “spill over” from another jurisdiction (see *Ten-ichi Co. Ltd. v Jancar* [1990] F.S.R. 151). Further, at least under the laws of Hong Kong, there is no copyright in a name or title (see *Exxon Corporation v. Exxon Insurance Consultants International Limited* [1982] Ch.D 119).

5.4 I note that 4a(i) of the Policy does not use “protectable” rights or rights capable of protection under locally applicable laws. I consider that the vague/undefined terms of paragraph 4a(i) of the Policy should be applied so as not to be an inhibitor of genuinely founded complaints. Here, an analogy can be drawn to trade mark law and section 11(5)(b) of Hong Kong’s Trade Marks Ordinance (Cap. 559) prohibits applications being made “in bad faith”. The scope should be sufficient in its compass to deal with a situation where a local person applies to register a foreign trade mark in Hong Kong possibly as a mechanism to stop the foreign trader from entering into the Hong Kong market under that name (see, for example, the passing off case of *La Societe Anonyme des Anciens Etablissements Panhard et Lavassor v. Panhard Levassor Motor Co. Ltd.* (1901) 18 R.P.C. 405). By this analogy, I hold that the Complainant does have “rights” and the ambit of paragraph 4a(i) covers this aspect, namely, that of taking foreign rights and misappropriating those rights by, in this case, a domain name registration. In Decision No. HKD0700147 www.welovehongkong.com the three member panel decided that “It is implicit in a “right” that there is a consequential power ‘to stop another’...”. The power to stop another would arise from cases holding that foreign trade marks must not be adopted in bad faith.

5.5 The Complainant also derives contract “rights” by virtue of the license agreement which rights are not limited geographically. If the decision in [welovehongkong.com](http://www.welovehongkong.com) is correct in that a ‘right’ demands the corollary power of being able ‘to stop another’, license ‘rights’ would not seem to be sufficient because of the doctrine of privity of contract.

(1). Identical/confusing similarity

In the absence of a countervailing argument, I accept the contention propounded by the Complainant that the addition by the Respondent of the word “shop” to the words Ed Hardy is not sufficient to negate the risk of confusion that I consider could well occur between the trade marks and the domain name. “Shop” is a non-distinctive

word and may connote a shop where Ed Hardy products can be purchased in, for example, an 'on-line' internet based shop. It is long established trade mark law that the addition of extraneous material to a trade mark does not obviate the risk of confusion (see BULOVA ACCUTRON T.M. [1986] F.S.R. 336). This proposition must apply most acutely where the additional matter is highly descriptive or non-distinctive.

(2). Rights or Legitimate Interests of Respondent

I can conceive of no legitimate reason why a person by the name of CHEN Jin Sheng would need to use the name EdHardyShop unless he had a business partner of the name Edward Hardy. Even then, the law recognizes no automatic or inalienable right to the use of one's own name if this would lead to deception.

(3). Bad faith

The use of capitalization in the domain name of the letters EHS in the body of the domain name by the Respondent is, in my view and without any justification being propounded, an attempt to emphasise the separate elements that appear in the trade mark ED and HARDY conjoined, as mentioned in (1) above to the non-distinctive element "SHOP". I find this is directly in breach of 4b(iv) of the Policy.

6. Conclusions

6.1 Notwithstanding the relative weakness of the rights that can be claimed in Hong Kong in the name ED HARDY, the Complainant would seem to overcome the first hurdle set down by 4a(i) of the Policy. This being so, no justification has been propounded by the Respondent as to why he has a valid claim to the domain name www.EdHardyShop.hk. For the reasons stated in paragraph 5.5(3) herein I hold the Respondent has acted in bad faith.

6.2 I ORDER that the domain name www.EdHardyShop.hk be transferred to the Complainant.

Dated 17th day of November 2009.



Paul Stephenson

Sole Panelist