



**HONG KONG INTERNATIONAL ARBITRATION CENTRE**

**.hk Domain Name Dispute Resolution**

**ARBITRATION PANEL DECISION**

**Case no. DHK-1300087**

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Complainant : Etude Corporation

Respondent : Man Chi Chiu

Case Number : DHK-1300087

Contested Domain Name: etude.hk

Panel Member : Christopher To

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**1. Parties and Contested Domain Name**

The Complainant is **Etude Corporation** of 4F West Wing, Signature Tower 100 Cheonggyecheon-ro, Jung-gu, Seoul, Korea.

The Respondent, Mr. **Man Chi Chiu** (an individual in Hong Kong), whose address is 236 G/F, Tong Sheung Tsuen, Lam Tsuen, Tai Po, New Territories, Hong Kong.

The Contested domain name is “etude.hk” (“***Disputed Domain Name***”). The Registrar of the disputed domain name is the Hong Kong Domain Name Registration Company Limited (“***HKDNR***”), which is located in Hong Kong.

**2. Procedural History**

On 21 January 2013, pursuant to the HKDNR Domain Name Dispute Resolution Policy (“***the Policy***”), the HKDNR Domain Name Dispute Resolution Policy Rules of Procedure (“***the Rules***”) and the Hong Kong International Arbitration Centre

Supplemental Rules (“*the Supplemental Rules*”), the Complainant submitted a complaint in the English language to the Hong Kong International Arbitration Centre (the “HKIAC”), and elected to have the case in question be dealt with by a one-person panel.

On 22 January 2013, the HKIAC notified the Hong Kong Internet Registration Corporation Limited (“*Registrar*”) of the Disputed Domain Name of the proceedings by email.

On 22 January 2013, the Registrar confirmed with the HKIAC that the Respondent is the registered holder of the Disputed Domain Name, and that contact information about the Respondent is as follows:-

*“Registered holder of the Disputed Domain Name is: Chiu Man Chi  
Address: 236 G/F, Tong Sheung Tsuen, Lam Tsuen, Tai Po, New Territories, Hong Kong  
Telephone Number: +852 – 23886555  
Email Address: [edmond67@netvigator.com](mailto:edmond67@netvigator.com)”*

On 29 January 2013, the HKIAC sent a Notification of Commencement of Proceedings (“*Notification*”), together with the Complaint, to the email address of the Respondent’s nominated registrant contact for the Disputed Domain Name (as recorded in the Hong Kong Domain Name Registration Company Limited’s WHOIS database as “[edmond67@netvigator.com](mailto:edmond67@netvigator.com)”). The *Notification* gave the Respondent fifteen (15) business days to file a Response (i.e. on or before 22 February 2013)

On 26 February 2013, the HKIAC through an email informed the Complainant with a copy to the Respondent that the Respondent failed to submit a Response within the required period of time (i.e. on or before 22 February 2013)

The Panel, comprising of Mr. Christopher To as a single panelist, was appointed by the HKIAC on 6 March 2013. Papers pertaining to the case were delivered to the Panel by email on 6 March 2013, followed by a hard copy on 12 March 2013.

In accordance with Rule 15(a) of the HKDNR Domain Name Dispute Resolution

Policy Rules of Procedure, the Panel is of the view that it shall decide the Complaint on the basis of the statements and documents submitted.

Also, according to Rule 15(d) of the HKDNR Domain Name Dispute Resolution Policy Rules of Procedure and section 67 of the Hong Kong Arbitration Ordinance (Cap. 609) of the Laws of Hong Kong, this Panel shall issue a reasoned award.

### **3. Factual Background**

#### **For the Complainant**

The Complainant is a company specialising in cosmetics and skincare products.

On 3 May 1976, the Complainant was incorporated in Korea and began to launch exports to Hong Kong in 1994.

As early as 1995, the Complainant had obtained registrations of the marks incorporating “etude” or “etude house” in respect of various goods and services in countries worldwide, including in Australia, China, Japan, Macao, Malaysia, Philippines, Singapore, Taiwan and the United States of America.

In August 1997, the Complainant’s current name, Etude Corporation, was adopted.

In 1998, the Complainant’s annual exports surpassed USD 1 million and reached a sum of USD 5 million in 2003.

In August 2005, Etude House Seoul was launched.

In April 2007, the Complainant’s 100<sup>th</sup> brand shop was launched.

On 19 May 2007, the Disputed Domain Name “[etude.hk](http://etude.hk)” was registered by the Respondent, namely Mr. Man Chi Chiu, with the Hong Kong Domain Name Registration Company Limited (“HKDNRC”).

In November 2007, the Complainant’s annual exports surpassed USD 10 million.

In April 2009, the Complainant's 200<sup>th</sup> brand shop was launched and by the end of 2009, the Complainant had opened brand shops in other Asia-Pacific regions, such as Taiwan, Singapore, Philippines as well as launching home shopping in Japan.

According to the Complaint Form (Form A) filed on 21 January 2013 by the Complainant, the Complainant sent cease and desist letters to the Respondent's email address "[edmond67@netvigator.com](mailto:edmond67@netvigator.com)" on 25 and 29 October 2012 but received the error message "*Your message wasn't delivered because of security policies*" each time.

On 30 October 2012, according to the said Complaint Form (Form A) filed on 21 January 2013 by the Complainant, the Websites, namely "[www.etudehouse.com.hk](http://www.etudehouse.com.hk)" and "[www.etude.com.hk](http://www.etude.com.hk)" had been taken down.

On 2 November 2012, the Complainant opened its newest branch in Mong Kok, Hong Kong.

The Complainant is the owner of Hong Kong trademark registration number 199708993 ("*Trade Mark*") with an actual registration date of 9 September 1997. The Trade Mark relates to a mark made up of letters "etude" in bold. The Trade Mark is currently registered in class 3:

*"perfumes, cosmetic creams, cosmetic lotions, massage creams, cleansing creams, essential oils, lipsticks, mascara, eye shadow, nail colors, make-up powder, make-up foundation, face powder sold in compacts, hair lotions, hair oils, soaps, and shampoos"*

The Complainant is also the owner of Hong Kong trademark registration number 200207740 ("*Trade Mark*") with an actual registration date of 20 June 2002. The Trade Mark relates to a mark made up of letters "ÉTUDE" in bold. The Trade Mark is currently registered in class 3:

*"face powders sold in compact, eyeshadows, nail manicure preparations, face powders, lipsticks, mascaras, lip liners, make-up bases, foundation creams, eye liners; all included in Class 3"*

Furthermore, the Complainant is the owner of Hong Kong trademark registration number 300719109 (“*Trade Mark*”) with an actual registration date of 1 March 2007. The Trade Mark relates to a mark made up of letters “ETUDE HOuSe”. The Trade Mark is currently registered in class 3:

*“Eyebrow pencils, lavender water; sachets for perfuming linen; lipsticks; mascara; beauty mask; varnish-removing preparations; hair colorants; hair waving preparations; color-removing preparations for hair; badian essence; antiperspirants [toiletries]; bath salts, not for medical purposes; aromatics [essential oil]; saffron; sunscreen lotions; sunscreen preparations; sun-tanning preparations [cosmetics]; shaving preparations; nail polish; citron (essential oils of -); after shave lotions; ethereal essences; eau de cologne [cologne water]; deodorants for personal use; cosmetic preparations for slimming purposes; moustache wax (depilatory -); depilatory preparations; beard dyes; neutralizers for permanent waving; potpourri perfumes; skin whitening creams; perfumes; hair lotions; hair spray; heliotropine; make-up power; hydrogen peroxide for cosmetic purposes; greases for cosmetic purposes; petroleum jelly for cosmetic purposes; astringents for cosmetic purposes; pencils (cosmetic -); dyes (cosmetic -); colorants for toilet purposes; cleansing milk for toilet purposes; talcum powder for toilet use; pomades for cosmetic purposes; cosmetics; cosmetic creams; eyelashes (false-); lotions for cosmetic purposes; make-up preparations; nail care preparations; skin care (cosmetic preparations for - ); toilet water; gaultheria oil; lavender oil; bergamot oil; ionone perfumery; jasmine oil; rose oil; geraniol; mint for perfumery; musk (perfumery); essential oils; perfumery; dry-cleaning preparations; shaving soap; soap for foot perspiration; deodorant soap; cleaning waste pipes (preparations for -); shampoos; soap for brightening textile; oils for cleaning purposes; disinfectant soap; almond soap; medicated soap; windscreen cleaning liquids; soap.”*

The Complainant submits that it has acquired substantial reputation and goodwill for the Trade Mark in Hong Kong and around the world.

### **For the Respondent**

The Respondent is an individual. The Respondent has not responded to the HKIAC within the stipulated timeframe (“on or before 22 February 2013”) as set out in an email of 29 January 2013 from the HKIAC to the Respondent. As such the Respondent has not contested the allegations of the Complaint and is in default.

### **4. Parties’ Contentions**

#### **The Complainant**

The Complainant addressed the issue of “identical and confusingly similar” to the Panel.

The Complainant submits that it had obtained registrations of the Trade Mark and other marks incorporating “etude” worldwide since 1995, and in Hong Kong since September 1997, “ÉTUDE” since June 2002 and “ETUDE HOuSe” since March 2007.

The Complainant further submits that the only component of the Disputed Domain Name is “etude” and it is ***identical*** and ***confusingly similar*** to the trademark or service mark registered by the Complainant.

Subsequently, the Complainant addressed the issue of “Registered and used the Disputed Domain Name in bad faith” to the Panel.

According to the Complaint Form (Form A) filed on 21 January 2013 by the Complainant, the Complainant submits that the Respondent has linked the Disputed Domain Name to another domain name, “[etudehouse.com.hk](http://etudehouse.com.hk)”, so that when Internet users type the Disputed Domain Name through the Internet browser, the browser will direct the user to “[etudehouse.com.hk](http://etudehouse.com.hk)” automatically. At “[etudehouse.com.hk](http://etudehouse.com.hk)” (“*Respondent’s Website*”), a website selling the Complainant’s products was operating.

The Complainant further submits that “*On the Website, the Complainant’s brand*

name “Etude House” is displayed prominently” ... the photos used on the homepage of the Website came from the Etude House brand advertisement used since around 20 August 2012, and the product photos came from the Complainant’s website at [www.etudehouse.com](http://www.etudehouse.com)”. The Complainant contends that it has never authorised the Respondent to use its photos on the Website.

The Complainant’s submits that cease and desist letters were sent to the Respondent and the registrants of “[etudehouse.com.hk](http://etudehouse.com.hk)” and “[etude.com.hk](http://etude.com.hk)”. In the Complaint of 21 January 2013, the Complainant submitted that it discovered that the Respondent’s Website had been taken down on 30 October 2013. On this basis, the Complainant alleged that the Respondent has registered the Disputed Domain Name in bad faith considering that the Respondent took down the Website without responding to the Complainant cease and desist letters.

The Complainant further submits that the Respondent has deliberately linked the Disputed Domain Name to a website that uses the name of “Etude House” and selling “Etude House” products. The Complainant is of the view that this “*cannot be a mere co-incidence*”.

In the meantime, the Complainant addressed the issue of “Rights or Legitimate interests in respect of the Disputed Domain Name” to the Panel.

The Complainant submits that its Group companies has **NEVER** authorized, licensed or otherwise permitted the Respondent to use the marks of “etude” or “Etude House” or any other name or mark of the Complainant’s Group.

As previously stated, the Complainant contends that the Respondent’s Website uses the name of “Etude House” as well as the Complainant’s advertising photos of Etude House products without the Complainant’s authorization.

In the Complaint of 21 January 2013, the Complainant contends that there is no evidence suggested that the Disputed Domain Name is the name of the Respondent or that the Respondent has been commonly known by the Disputed Domain Name. Based on the submissions above, the Complainant contends that the Respondent has no right or legitimate interests in respect of the Disputed Domain Name.

## **The Respondent**

The Respondent is an individual. The Respondent has not responded to the HKIAC within the stipulated timeframe (“on or before 22 February 2013”) as set out in an email of 29 January 2013 from the HKIAC to the Respondent. As such the Respondent has not contested the allegations of the Complaint and is in default.

## **5. Findings**

### **A. The Language of the Proceedings**

The Hong Kong Domain Name Registration Company Limited (“*HKDNR*”), Domain Name Dispute Resolution Policy (“*Policy*”) and Rules of Procedure (“*Rules*”), Paragraph 11(a) provides that:

*“Unless otherwise agreed by the Parties, the language of the arbitration proceedings shall be in English for English .hk domain name, and in Chinese for Chinese .hk domain name or .香港 domain name, subject always to the authority of the Arbitration Panel to determine otherwise, having regard to all the circumstances of the arbitration proceeding.”*

In the present case, the Parties had not agreed a particular language for these proceedings. As this is an “English .hk domain name”, namely “etude.hk”, then in accordance with Paragraph 11(a) of the Rules, the proceedings “*shall be in English*”. In these circumstances, the Panel considers that it would be appropriate (and without prejudice to any of the parties) for the present proceedings to be conducted in English.

### **B. Discussion and Findings**

Having considered all the documentary evidence before me, and the Respondent’s non-participation in these proceedings after being afforded every opportunity to do so in accordance with Paragraph 5(e) of the Rules, the Panel is of the view that it should proceed to decide on the Disputed Domain Name, “etude.hk” based upon the Complaint and evidence as adduced by the Complainant.



Paragraph 5(e) of the Rules provides that:

*“If a Respondent does not submit a timely Response, in the absence of exceptional circumstance as determined by the Provider at its sole discretion, the Arbitration Panel shall decide the dispute based upon the Complaint and evidence submitted therewith.”*

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

- (i) the Disputed Domain Name 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 Name; and
- (iii) the Disputed Domain Name has been registered and is being used in **bad faith**.
- (iv) the Disputed Domain Name **does not meet the registration requirements** for that **individual category** of Domain Name. [*as the Disputed Domain Name is not registered in the category of “individual” domain name, the Panel will not consider this factor within its decision*]

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

Paragraph 4(a)(i) of the Policy requires the Complainant to prove that the Disputed Domain Name is identical or confusingly similar to a trade mark or service mark in Hong Kong in which the Complainant has right.

In the case of Martin Steven Lewis v Client Connection Limited [2011] EWHC 1627 (Ch) (“Martin Steven Lewis”), the English Court, which has persuasive authority in Hong Kong, endorsed the European Court of Justice decision in LTJ Diffusion [2003] ETMR 83, where it defines “identical” at paragraph [8] as follows:

*“8. ... a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains **differences so insignificant that they may go unnoticed by an average consumer**”*

In the case of Martin Steven Lewis, the Court went further and asked “By reference to whom is confusion to be assessed?” Norris J at paragraph [10] states that:

*“10. By reference to the average consumer who is deemed to be **reasonably well informed and reasonably observant and circumspect**, but taking into account the fact that such **an average consumer will only rarely have the chance to make a direction comparison between the different marks, but must place his or her trust in the imperfect picture of them kept in the consumer’s mind**: Lloyd Schuhfabrik [1999] ETMR 690 at paragraph [26].”*

His Lordship at paragraph [11] went further and defined “likelihood of confusion” as:

*“11. ... That question is also answered by the Lloyd Case ... establishing the principle that likelihood of confusion on the part of the public must be **appreciated globally, taking into account all factors relevant to the circumstances of the case**.”*

Subsequently, Norris J in Martin Steven Lewis endorsed the observation of Jacob LJ in Reed Executive v Reed Business Information Limited [2004] RPC 40 at paragraph [82], where it stated that:

*“82. Whichever approach one uses, one is essentially doing the same thing – forming an overall (“global”) assessment as to **whether there is likely to be significant consumer confusion**. It is **essentially a value judgment to be drawn from all the circumstances**. Further conceptual over elaboration is apt to obscure this and is accordingly **unhelpful**”*

His Lordship at paragraph [13] of Martin Steven Lewis also noted that:

*“13. I must, however, note that amongst those factors is that the consideration that the more distinctive the registered mark then the greater will be the likelihood of confusion, so that marks with a highly distinctive character (either per se or because of the recognition they possess in the market) enjoy broader protection than marks with a less distinctive character: (L’Oreal SA Case C-235/05 at paragraph [36])”*

Also, in the case of Intel Corporation Inc v CPM United Kingdom Ltd [2009] RPC 15, (“Intel Corporation Inc”) the European Court of Justice (“ECJ”) at paragraphs [41] and [42] noted that:

*“41. The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case.*

*42. The factors include:*

- *the degree of similarity between the conflicting marks;*
- *the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between goods or services, and the relevant section of the public;*
- *the strength of the earlier mark’s reputation;*
- *the degree of the earlier mark’s distinctive character, whether inherent or acquainted through use;*
- *the existence of the likelihood of confusion on the part of the public”*

By applying the principle in Martin Steven Lewis and Intel Corporation Inc above, this Panel has to consider whether the Disputed Domain Name is likely to create *significant consumer confusion* and has a *highly distinctive character*.

In the present case, the Complainant is the owner of the Hong Kong trademark registration number 199708993 (“*Trade Mark*”) with a registration date of 9 September 1997. The Trade Mark relates to a mark made up of the letters of “*etude*” in bold. The Trade Mark is currently registered in class 3.

The Complainant is also the owner of the Hong Kong trademark registration number

20027740 (“*Trade Mark*”) with a registration date of 20 June 2002. The Trade Mark relates to a mark made up of the letters of “ÉTUDE” in bold. The Trade Mark is currently registered in class 3.

Furthermore, the Complainant is also the owner of the Hong Kong trademark registration number 30071909 (“*Trade Mark*”) with a registration date of 1 March 2007. The Trade Mark relates to a mark made up of the letters of “ETUDE HOuSe”. The Trade Mark is currently registered in class 3.

Apparently, the trademark “etude” or “etude house” is the same and it is a *distinctive* part of the Disputed Domain Name in question. In saying so, the Panel is also of the view that the Disputed Domain Name does have a *highly distinctive character* as it is referring to “etude”, a trademark that has been registered by the Complainant since 1997 in Hong Kong. On this basis, the Panel is of the view that **“the more distinctive the registered trademark then greater will be the likelihood of confusion, so that marks with a highly distinctive character (either per se or because of the recognition they possess in the market) enjoy broader protection”**.

Thus, it is the view of this Panel that the Complainant has discharged its burden of proof to establish the element of identical and confusingly similar mark under Paragraph 4(a)(i) of the Policy.

## **(2). Rights or Legitimate Interests of Respondent**

In a Hong Kong Court case of Menfond Electronic Art & Computer Design Co Ltd v Wong Wang Tat Victor and Another., Unreported, HCA 293/2011 (“Menfond Electronic”), the Court of Appeal adopted the view in Reckitt & Coleman Products Ltd v Borden Inc [1991] 1 WLR 491, where Lord Oliver at paragraph [499] stated that:

*“499. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First, **he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying ‘get-up’** (whether it consists simply of a brand*

*name or a trade description, or the individual features of labeling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognized by the public as distinctive specifically of the plaintiff's or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not international) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff ... Thirdly, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff'*

On this basis, the Panel is of the view that the three elements as prescribed thereon, namely, *goodwill or reputation*, *misrepresentation* and *damages*, is worth mentioning.

The Court of Appeal in Menfond Electronic defined “*Goodwill or Reputation*” at paragraph [76], where it said:

*“76. Goodwill is broadly defined as ‘the benefit and advantage of the good name, reputation, and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes and old established business from new business at its first start’: see *The Commissioners of Inland Revenue v Muller & Co's Margarine Ltd* [1901] AC 217 at 223 per Lord Macnaghten”*

Moreover, the Court went further at paragraph [84] and defined “*Misrepresentation*” as:

*“84. The distinctiveness or otherwise of a word or name is a question of fact, to be determined taking into account factors such as whether the word or name is prima facie in the nature of a fancy word or name and ‘its history, the nature of its use. Overall, the Court considers whether there is ‘a reasonable probability of deception’ from the perspective of persons who are ordinary sensible members of the public representative of consumers of the goods or*

services in question: Burberrys v JC Cording & Ltd (1909) 26 RPC 693 per Parker J (as he then was)”

The Court of Appeal then clarified the meaning of “**Damage**” at paragraph [90], where it noted that:

“90. ... as held in *Bulmer (HP) Ltd v J Bollinger SA [1978] RPC 79 per Buckley LJ:-*

*‘It is well settled that the plaintiff in a passing-off action does not have to prove that he has actually suffered damage by loss of business or in any other way. A probability of damage is enough, but actual or probable damage must be damage to him in his trade or business, that is to say, damages to the goodwill in respect of that trade or business’*

Subsequently, the Court of Appeal at paragraph [91] endorsed the view of Professor Christopher Wadlow in *Wadlow on the Law of Passing Off: Unfair Competition by Misrepresentation (4<sup>th</sup> Edition, Sweet & Maxwell, 2011)* at paragraph [4-024], where it says:-

“91. As to what is meant by probability of damage, ‘if the claimant stands to lose sales to the defendant then damage will normally be inferred. If not, the major head of damage to consider is general damage to goodwill ... In practice, damage still tends to be assumed the case is on the borderline of what would traditionally have been regarded as passing-off; or the defendant’s conduct has persisted openly for such a length of time and that actual damage, had any occurred, would be easy to prove’: *Wadlow on the Law of Passing Off (4<sup>th</sup> ed) at § 4-024*”.

In gist, the Court of Appeal adopted the view of Aldous LJ in *British Telecommunication Plc v One in a Million Ltd [1999] 1 WLR 903* at paragraph [920], where it is noted that:

“920. In my view ... Whether any name is an instrument of fraud will depend upon all the circumstances. A name which will, by reason of its similarity to the

***name of another, inherently lead to passing off is such an instrument ... The court should consider the similarity of the names, the intention of the defendant, the type of trade and all the surrounding circumstances. If it be the intention of the defendant to appropriate the goodwill of another or enable others to do so, I can see no reason why the court should not infer that it will happen, even if there is a possibility that such an appropriate would not take place***

By applying the rationale in Menfond Electronic and given the indications found by the Panel above, the Panel is of the view that the Complainant's goodwill with its business of specializing in cosmetics and skincare products under the name of "Etude" or "Etude House" is **INDISPUTABLE**.

In the present case, the Respondent's Website uses the name of "Etude House" as well as the Complainant's advertising photos of Etude House products without the Complainant's authorization.

The word "etude", is a *distinctive* part of the Disputed Domain Name, does not in any way reflect the Respondent's name ("Mr. Man Chi Chiu") nor has the Respondent registered a company name or business name reflecting "etude" or "etude house". Thus, there is **NO** evidence suggested that "Etude" or "Etude House" is the Respondent's legal name. Likewise, there is **NO** evidence suggested that the Respondent ***is commonly known*** to the name of "Etude" or "Etude House". In fact, the Complaint submits that its Group companies has **NEVER** authorized, licensed or otherwise permitted the Respondent to use the marks of "Etude" or "Etude House" or any other name or mark of the Complainant's Group.

Also, the Respondent has **NEVER** asserted any rights or legitimate interests in the Disputed Domain Name or replied to the Complainant on the matter. Furthermore, by soliciting "*the Complainant's brand name 'Etude House'*" and publishing "*the photo used on the homepage of the Website came from the Etude House brand advertisement used since around 20 August 2012, and the product photos came from the Complainant's website at [www.etudehouse.com](http://www.etudehouse.com)*" **WITHOUT** a license or authorization of the Complainant cannot be considered as "*bona fide*" use, subject to Paragraph 4(d)(i) of the Policy.

Given that there is no evidence from the Respondent (notably the absence of a Response) on its right and/or interest in the Disputed Domain Name, the Panel is of the opinion that there is *a probable damage* towards the Complainant's *goodwill in respect of that trade or business* and a *reasonable probability of deception from the prospective of person who are ordinarily sensible members of public representative of consumers of the goods or service in question*. As such, this Panel concludes that the Respondent has no right and/or legitimate interests in respect of the Disputed Domain Name.

**(3). Bad faith**

Paragraph 4(b) of the HKDNR Domain Name Disputed Resolution Policy ("**Policy**") sets down four (4) factors in which the Panel will need to examine to determine whether the Respondent has registered or used the Disputed Domain Name in bad faith. The four (4) factors are as follows:

***"Evidence of Registration and Use in Bad Faith. For the purposes of Paragraph 4(a)(iii), the following circumstances, in particular but without limitation, if found by the Arbitration Panel to be present, shall be evidence of the registration and use of a Domain Name in bad faith:***

- (i) circumstances indicating that the Registrant has registered or has 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 the Registrant's documented out-of-pocket costs directly related to the Domain Name; or*
- (ii) the Registrant has 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 the Registrant has engaged in a pattern of such conduct; or*
- (iii) the Registrant has registered the Domain Name primarily for the*



*purpose of disrupting the business of a competitor; or*

- (iv) *by using the Domain Name, the Registrant has intentionally attempted to attract, for commercial gain, Internet users to the Registrant's website 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 Registrant's web site or location or of a product or service on the Registrant's web site or location"*

In the case of Stichting BDO Limited v Banco De ORO Unibank Inc., Unreported HCA 1162/2009 ("BDO Limited"), the Hong Kong Court of Appeal endorsed the view in Intel Corporation Inc. Suffiad J at paragraph [235] noted that:

*"235. It is now clear from the judgment of Intel Corporation Inc v CPM United Kingdom Ltd [2009] RPC 15 that to succeed on a claim for section 18(4) [of the Trade Marks Ordinance (Cap. 559)] infringement based on alleged detriment to the distinctive character of the registered trade mark, the plaintiff is required to adduce evidence of a change of economic behavior of average consumer of the goods or services for which that trade mark was registered consequent on the use of the alleged infringer's mark as was said in Intel Corporation case ..."*

His Lordship at paragraph [251] had also noted that:

*"251. I am of the view that ... the defendants had to show more than just good faith or for honest commercial reasons. What the defendant had to show, apart from good faith and honest commercial reasons, was that there was also a good cause/justifiable reason for a defendant to use the alleged infringing sign"*

The Respondent has linked the Disputed Domain Name to another domain name "etudehouse.com.hk" so that when internet users type the Disputed Domain Name, internet users will be directed to "etudehouse.com.hk" automatically. This behavior helps the Respondent solicit business by using "*the Complainant's brand name 'Etude House'*" and publishing "*the photo used on the homepage of the Website came from*"

*the Etude House brand advertisement used since around 20 August 2012, and the product photos came from the Complainant's website at [www.etudehouse.com](http://www.etudehouse.com)* **WITHOUT** a license or authorization of the Complainant. Thus, the Panel is of the view that the Respondent acquired the Disputed 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.*

It is fair to assume that a purchaser of Complainant's product in Hong Kong would use "Etude Hong Kong" to search for the Complainant's representatives or sales offices in Hong Kong. The Complainant submits that when Internet users type the Dispute Domain Name through the Internet browser, the browser will direct the user to "[etudehouse.com.hk](http://etudehouse.com.hk)" automatically. At "etudehouse.com.hk" ("*Respondent's Website*"), a website selling the Complainant's products was visible and in operation.

The Respondent's use of Trade Mark and trademarks registered by the Complainant create a likelihood of confusion as to the source, sponsorship, affiliation or endorsement of the Disputed Domain Website and intentionally attempt to attract, for commercial gain, Internet users, *inter alia* the cosmetic or skin care industry, to the Disputed Domain Website.

The mere explanation of what has happened is that the Respondent's motive in registering and using the website ("*etude.com.hk*") seems to be, as the Complainant says "*with an intention to cause confusion to the public that the Respondent and/or the Respondent's website is related to the Complainant's brand*". These all constitute evidence of registration and use in bad faith in accordance with Paragraph 4(b) of the Policy.

On this basis, the Panel is of the view that the Respondent has **NO** *good cause or justifiable reasoning* of using the Disputed Domain Name. For the reasons given above, the Panel is of the view that the Respondent registered and used the contested domain name in bad faith.

## 6. Conclusion

The Complainant has proved its case. It has a registered Hong Kong trademark in the name “etude” to which the contested domain name is confusingly similar.

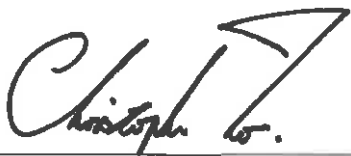
The Respondent has shown no rights or legitimate interest in the Disputed Domain Name.

The Complainant has proved that the Respondent registered and used the Disputed Domain Name in bad faith.

For the foregoing reasons and in accordance with Paragraph 4 of the Policy, the Panel concludes that the relief requested by the Complaint be granted and do hereby order the Disputed Domain Name “etude.hk” be transferred to the Complainant.

Dated 8<sup>th</sup> April 2013

In the Hong Kong Special Administrative Region of the People’s Republic of China

A handwritten signature in black ink, appearing to read "Christopher To.", is written over a horizontal line. The signature is stylized and cursive.

Christopher To