



**.hk Domain Name Dispute Resolution**  
ARBITRATION PANEL DECISION

Complainant: ETUDE CORPORATION  
Respondent: NEW TOWN COSMETICS TRADING COMPANY  
Case Number: DHK-1300088  
Disputed Domain Name: etude.com.hk  
Panel Member: Peter Bullock (Sole Panelist)

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**1. Parties and Disputed Domain Name**

The Complainant is Etude Corporation with a registered address at 4F West Wing, Signature Tower 100 Cheonggyecheon-ro, Jung-gu Seoul, Korea.

The Respondent is New Town Cosmetics Trading Company with a registered address at 5/F, Posco Building, 165 Un Chau Street, Kowloon, Hong Kong.

The Disputed Domain Name is "etude.com.hk" which was registered with Hong Kong Internet Registration Corporation Ltd. ("HKIRC") on 5 September 2002.

**2. Procedural History**

A complaint in this matter was filed with the Hong Kong International Arbitration Centre (the "HKIAC") on 11 January 2013 (the "**Complaint**") pursuant to HKIRC Domain Name Dispute Resolution Policy (the "**Policy**") Rules of Procedure. The HKIAC notified the registrar of the Disputed Domain Name of the proceedings by email on 11 January 2013. On 22 January 2013 the registrar notified the HKIAC that the proper respondent to the dispute is the Respondent.

The HKIAC sent notification of commencement of proceedings and the Complaint, along with its exhibits to the Respondent by email on 1 February 2013 to two separate email addresses of the Respondent. Process has been duly served and no response was submitted by the Respondent on or before the prescribed deadline of 27 February 2013 and the HKIAC informed the Respondent of the same by email on 4 March 2013.

On 6 March 2013 the HKIAC informed the parties by email that a sole panelist, Peter Bullock, had been appointed to the Panel.

### 3. **Factual Background**

#### 3.1 For the Complainant

The Complainant is a Korean company incorporated in 1976, specialising in cosmetics and skincare products. In January 1994, the Complainant began to export its products to Hong Kong. The Complainant registered the trade mark "Etude" (the "**Trade Mark**") in Hong Kong in 1995 and adopted the current name, Etude Corporation, in August 1997.

Within nine years, the Complainant's annual exports increased tenfold from approximately USD1million in 1998 to approximately USD10million in 2007. The Complainant launched its 100th brand shop in Korea by April 2007 and its 200th brand shop in Korea by April 2009. By the end of 2009, the Complainant was operating brand shops in Singapore, Philippines and Taiwan and home shopping in Japan.

In 2010, the Complainant opened its 100th overseas branch and was awarded the top honor of First Brand Korea. A number of brand shops were opened in Myanmar, Brunei and Tokyo between 2010 and 2011. The Complainant's first brand shop in Hong Kong opened in November 2012.

The Complainant asserts that their brand has been used extensively around the world in respect of a wide range of products, including but not limited to cosmetics, skincare and personal hygiene products. Different variations of the Complainant's brand and logos have been registered in multiple jurisdictions such as China, Japan, Indonesia, United States of America, Australia, and Thailand.

#### 3.2 The Respondent

The Respondent registered the Disputed Domain Name on 5 September 2002. Internet users who access the website using the Disputed Domain Name (the "**First Website**") are automatically directed to another website, "etudehouse.com.hk" (the "**Second Website**") that sells the Complainant's branded products. The Panel accepts that separate complaints have been filed for these two domain names. For the purposes of the present dispute, the Panel will attribute features and products of the Second Website to the First Website.

The Complainant's legal representatives sent a cease and desist letter on 25 October 2012 to the Respondent's address according to the HKIRC. Four days later, Mr. Wong of RAMBoxs Technology Limited claimed to have received the cease and desist letters at his office address, which happens to be the same address as the Respondent. Mr. Wong informed the Complainant that he has been working at this company at this address for the past five years and has not heard of the Respondent.

The Complainant sent a cease and desist letter on 29 October 2012 to the administrative and technical contact of the Disputed Domain Name, namely "Yesbeauty.com Ltd".

Another cease and desist letter was sent to the email address "edmond67@netvigator.com" on 25 and 29 October 2012 but an error message was received each time due to "security policies".

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

##### **4.1 The Complainant**

The Complainant asserts the following:

- The Disputed Domain Name "etude.com.hk" contains a mark which is identical to the Complainant's Trade Mark.
- The Respondent has no rights or legitimate interests in respect of the Disputed Domain Name on the grounds that the Respondent: (i) has never been authorised to sell products or to operate an online store; (ii) has neither acquired trade mark nor service marks in the Disputed Domain Name; (iii) has not made a legitimate non-commercial or fair use of the Disputed Domain Name; and (iv) has no connection or affiliation with the Complainant and has received no license or consent, whether express or implied, from the Complainant to use the Trade Mark.
- The Respondent has used the Disputed Domain Name in bad faith in order to (i) lead the public into the mistaken belief that the Second Website is an official website of the Complainant; and (ii) intentionally attract, for commercial gain, internet users to the Respondent's Second Website by creating a likelihood of confusion with the Complainant's brand.

##### **4.2 The Respondent**

The Respondent did not file a response within the stipulated time.

#### **5. Findings**

According to Paragraph 4(a) of the 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; and
- (iii) the Disputed Domain Name has been registered and is being used in bad faith; and
- (iv) if the Disputed Domain Name is registered by an individual person, the Registrant does not meet the registration requirements for that individual category of Domain Name.

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

The Complainant has produced evidence to demonstrate that it has rights in the Trade Mark as early as 1995. The Panel accepts this evidence adduced by the Complainant and finds that the Complainant has trade mark rights in the Trade Mark.

The Trade Mark has been registered in many countries including but not limited to Hong Kong. The Disputed Domain Name incorporates the name "Etude" in its entirety, which is identical the Complainant's Trade Mark, with the use of ".com.hk" as opposed to ".hk" used in the Complainant's official Hong Kong domain name. On that basis, the Disputed Domain Name suggests a relationship to the Complainant, which does not exist and causes confusion.

The fact that the Disputed Domain Name uses ".com.hk" does not assist in distinguishing the Disputed Domain Name from the Complainant's Trade Mark and cannot be taken into consideration. The case of *The Forward Association, Inc., v. Enterprises Unlimited* (NAF case FA0008000095491, October 3, 2000), expressly stated that neither the beginning of the URL nor the top-level domain (.com) have any significance in determining whether a domain name is identical or confusingly similar.

In conclusion, the Panel is satisfied that the requirement of paragraph 4(a)(i) of the Policy is met.

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

Pursuant to paragraph 4(d) of the Policy, the Respondent may establish rights to or legitimate interests in the Disputed Domain Name by demonstrating any of the following:

- the Respondent's use of, or demonstratable preparations to use, the domain name or a name corresponding to the domain name in connection with a bona fide offering of goods or services in Hong Kong; or
- the Respondent has been commonly known by the domain name the Respondent is holding; or

- the Respondent is making a legitimate non-commercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trade mark or service mark at issue.

A complainant must establish a *prima facie* case that a respondent lacks rights or legitimate interests (*Croatia Airlines d.d. v. Modern Empire Internet Ltd.*, WIPO Case No. D2003-0455). The burden of proof shifts to the respondent once the complainant shows *prima facie* evidence that the respondent lacks rights or legitimate interests (*De Agostini S.p.A. v. Marco Cialone*, WIPO Case No. DTV2002-0005).

The Complainant alleges the Respondent does not have legitimate interests because the Respondent is not affiliated with the Complainant in any way and is not authorised, licensed or otherwise permitted to use the Trade Mark. As the Complainant puts it, it cannot be a mere coincidence that the Second Website sells the same products as the Complainant. Intentionally trading on the fame of a mark cannot constitute bona fide offering of goods or services (*Madonna v Parisi*, WIPO Case No. D2000-0847).

The Panel accepts the evidence demonstrating that the Complainant registered the Trade Mark in Hong Kong in 1995. The Complainant has maintained their presence for a number of years before the registration of the Disputed Domain Name in 2002. On the other hand, the Respondent has not adduced any evidence to show they have been commonly known by the Disputed Domain Name, which was created to link to the Second Website for the purposes of selling the Complainant's branded goods. It can be inferred that the Respondent is likely to have known about the Complainant's brand when registering the Disputed Domain Name.

The Complainant contends that the Disputed Domain Name was an illegitimate use of the Trade Mark intended to mislead the public. By way of illustration, the First Website automatically directs users to the Second Website that sells the Complainant's products. Screenshots of the Second Website display the Complainant's brand prominently and an advertisement and product images obtained from the Complainant's official website. The Panel takes the view that the Respondent is deliberately exploiting the confusion caused by the similarity to divert internet users away from the Complainant's official website to the Second Website.

After considering the evidence and given that the Respondent did not provide any defence to the Complainant's allegation, the Panel finds that the Complainant has established a *prima facie* case. Therefore, the Complainant has satisfied the requirement of paragraph 4(a)(ii) of the Policy.

### **(3). Bad faith**

For the purposes of paragraph 4(a)(iii) of the Policy, paragraph 4(b) of the Policy sets out four non-exhaustive circumstances which shall be evidence of registration and use of a domain name in bad faith. These are as follows:

- the domain name was acquired or registered for the purpose of selling, renting, or otherwise transferring the domain name registration to the Complainant or to a competitor of the Complainant, for valuable consideration in excess of the Respondent's documented out-of-pocket costs directly related to the domain name; or
- the Respondent has registered the domain name in order to prevent the owner of the trade mark or service mark from reflecting the mark in a corresponding domain name, provided that the Respondent has engaged in a pattern of such conduct; or
- the Respondent has registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- by using the 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 of a product or service on the Respondent's web site or location.

Given the international recognition of the Trade Mark, the evidence suggests that the Respondent attempts to capitalise on the fame of the Complainant and its Trade Mark by creating the First Website and Second Website purely in order to sell the Complainant's products for commercial gain. The image on the home page had been used on the Complainant's website around 20 August 2012 and product images are identical to those on one of the Complainant's official websites. Overall it is inevitable that anyone accessing the First Website and directed to the Second Website would immediately assume it was associated with the Complainant and the Trade Mark.

On the evidence, the sale of the Complainant's products on the Second Website with traffic partially diverted from the First Website is using the Disputed Domain Name in bad faith. The panel in *Kaspersky Lab Zao v. Jan Zeleznak* (WIPO Case No. DIE2010-0001) found bad faith where the respondent directed internet users to a website selling products of the complainant's competitors. As applied to the present case, the Respondent took predatory advantage of the Complainant's name and mark to redirect internet traffic to the Second Website, selling the Complainant's products without authorisation and in direct competition with the Complainant.

At the same time, the Respondent's failure to respond to this Complaint is another incident of bad faith and can result in unfavorable inferences. Shortly after the cease and desist letters were sent, the First Website and Second Website were both taken down which goes to suggest that the Respondent was aware of the Complaint.

A further illustration tending to reinforce the conclusion of bad faith registration is the Respondent's inaccurate contact details at the HKIRC. The Panel in *Microsoft Corporation v Momm Amed Ia* WIPO Case No. D2001-1545 observed that "[i]t is, of course, the Respondent's responsibility to provide accurate addresses" with the registrar. Whether the Respondent has never been at the registrant's address or has merely failed to update the address is not relevant because the Respondent should ensure the information at the Registrar remains accurate at all times. In any case, failure to provide accurate contact information for at least five years is unreasonable and amounts to bad faith.

In light of the evidence presented, the Panel is satisfied that the Respondent has registered and used the Disputed Domain Name in bad faith, satisfying the element in paragraph 4(a)(iii) of the Policy.

**(4). If the Disputed Domain Name is registered by an individual person, the Registrant does not meet the registration requirements for that individual category of domain name**

This requirement is not applicable to the present case since the Disputed Domain Name is not registered by an individual person.

**6. Conclusion**

In light of the foregoing paragraphs, the Panel concludes that the Disputed Domain Name contains a mark identical to the Trade Mark; the Respondent has no right to or legitimate interest in the Disputed Domain Name; and the Disputed Domain Name was registered and used in bad faith.

Disputed domain names are generally transferred back to the Complainant if a Complaint is successful. However a Hong Kong registered company is required to hold a .com.hk domain name. In the present case the Complainant is not a commercial entity registered in Hong Kong, so it cannot be the owner of the Disputed Domain Name pursuant to the applicable regulations (Article 3.6 of the Domain Name Registration Policies, Procedures and Guidelines). The Complainant has understandably requested to transfer the Disputed Domain Name to a Hong Kong company, AMOREPACIFIC GLOBAL OPERATIONS LIMITED (CR No. 1466543).

The Panel relies on the same reasoning in *Golla Oy v. Yica International Group Co. Ltd* (WIPO DHK-1200075), in which it was concluded that the panel may transfer a disputed domain name to a Hong Kong agent nominated by a complainant registered outside of Hong Kong. The Complainant has satisfied the requirements under the Policy in order to claim ownership of the Disputed Domain Name. It would be

inequitable for the Panel to cancel the Disputed Domain Name since the Complainant may be confronted with another abusive registration.

Therefore the Panel accepts the Complainant's nomination of a Hong Kong company and orders the Disputed Domain Name to be transferred to AMOREPACIFIC GLOBAL OPERATIONS LIMITED to prevent a third party from registering the Disputed Domain Name for improper purposes.

Dated 26/3/13



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Peter Bullock