

## **.hk Domain Name Dispute Resolution**

### **ARBITRATION PANEL DECISION**

Complainant: Twin Disc, Incorporated

Respondents: Twin-Disc (Hk) International Holding Group Co., Limited (雙環(香港)國際控股集團有限公司); and Shuiyuan Chen

Case Number: DHK-1300099

Contested Domain Name: <twindisc.hk>

Panel Member: Gabriela Kennedy

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#### **1. Parties and Contested Domain Name**

The Complainant is Twin Disc, Incorporated of the United States of America ("USA").

The First Respondent is Twin-Disc (Hk) International Holding Group Co., Limited (雙環(香港)國際控股集團有限公司) of Hong Kong, and the Second Respondent is Shuiyuan Chen of the People's Republic of China ("PRC").

The disputed domain name <twindisc.hk> (the "Disputed Domain Name") is registered with Hong Kong Domain Name Registration Company Limited (the "Registrar").

#### **2. Procedural History**

The Complaint was filed with the Hong Kong International Arbitration Centre (the "Centre") on 23 August 2013. On 26 August 2013, the Centre transmitted by email to the Registrar, a request for registrar verification in connection with the Disputed Domain Name. On 27 August 2013, the Registrar transmitted by email to the Centre its verification response confirming that the Respondents are listed as the registrant of the Disputed Domain Name.

On 5 September 2013, the Centre transmitted by email to the Complainant, a request for a confirmation that the Complaint had been served on the Registrar and on the Respondents. On 6 September 2013, the Complainant confirmed that a copy of the Complaint and the annexures have been served on the Registrar and the Respondents.

The Centre verified that the Complaint satisfied the formal requirements of the Domain Name Dispute Resolution Policy for .hk and .香港 domain names (the "Policy") and the Domain Name Dispute Resolution Policy for .hk and .香港 domain names Rules of Procedure (the "Rules").

In accordance paragraphs 2(a) and 4(a) of the Rules, the Centre formally notified the Respondents of the Complaint, and the proceedings commenced on 6 September 2013. In accordance with the Rules, paragraph 5(a), the due date for the Response was 30 September 2013. The Respondent did not submit a formal Response by 30 September 2013.

The Centre appointed Gabriela Kennedy as the sole panelist in this matter on 4 October 2013. The Panel finds that it was properly constituted.

### **3. Factual Background**

#### For the Complainant

The Complainant is based in the USA and is a listed company trading under the National Association of Securities Dealers Automated Quotations ("NASDAQ"). It is an international manufacturer and worldwide distributor of heavy duty off-highway and marine power transmission equipment and related products, and has been in the business for 95 years. The Complainant is the owner of the "TWIN DISC" mark in Hong Kong, and first started using the mark in Hong Kong in 1969.

#### For the Respondents

From the Panel's review of the website that the Disputed Domain Name resolves to (the "Website"), and Annex 6 of the Complaint, the Panel deduces that the First Respondent appear to be a supplier of equipment and spare parts relating to exploration, oilfield, mining and other areas. The First Respondent is a company incorporated in Hong Kong. The Second Respondent is the sole shareholder and director of the First Respondent. The Disputed Domain Name was registered on 18 October 2012.

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

#### The Complainant

The Complainant's contentions can be summarised as follows:

- (a) The Complainant is the registered owner of the "TWIN DISC" trade mark in Hong Kong, and the Disputed Domain Name is identical or confusingly similar to the Complainant's "TWIN DISC" trade mark;
- (b) Despite the company name of the First Respondent, the Respondents do not have any rights or legitimate interests in the Disputed Domain Name;

- (c) The Disputed Domain Name has been registered and is being used in bad faith:
- (i) the Respondents have been advertising the Disputed Domain Name in a Chinese magazine called "Supply Chain International", and in the promotional materials of its related company, Quanzhou Twindisc Trading Development Co., Ltd.
- (d) The Disputed Domain Name is not an <.idv.hk> domain name, and therefore the ground that the Respondents do not meet the registration requirements for an individual category of domain name does not apply.

### The Respondents

The Respondents did not submit a formal Response to the Complainant's contentions.

The fact that the Respondents have not submitted a Response does not automatically result in a decision in favour of the Complainant. However, the failure of the Respondents to file a Response may result in the Panel drawing certain inferences from the Complainant's evidence. The Panel may accept all reasonable and supported allegations and inferences following from the Complaint as true (see *Standard Perpetual Precious Metals Limited v. Jiaren Wu*, HKIAC Case No. DHK-1200080, *Entertainment Shopping AG v. Nischal Soni, Sonik Technologies*, WIPO Case No. D2009-1437 and *Charles Jourdan Holding AG v. AAIM*, WIPO Case No. D2000 0403).

## **5. Findings**

According to Paragraph 4(a) of the HKDNR Domain Name Dispute Resolution Policy (the "Policy") which is applicable to this Complaint, 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 Respondents have 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; 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 Panel accepts that the Complainant has rights in respect of the "TWIN DISC" trade mark on the basis of its trade mark registrations in Hong Kong.

It is a well-established rule 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 (see *VeriSign, Inc. v. Kristopher Kent Harris*, HKIAC Case No. DHK-0700012 and *Rohde & Schwarz GmbH & Co. KG v. Perthshire Marketing, Ltd*, WIPO Case No. D2006-0767).

The Disputed Domain Name is identical to the word element of the "TWIN DISC" trade mark. The Panel accordingly finds that the Disputed Domain Name is identical or confusingly similar to the "TWIN DISC" trade mark in which the Complainant has rights, and that paragraph 4(a)(i) of the Policy is satisfied.

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

The Complainant is required to establish a prima facie case in respect of the lack of rights or legitimate interests of the Respondents in the Disputed Domain Name. The Respondents then bear the burden of proving otherwise, failing which, paragraph 4(a)(ii) of the Policy shall be deemed to have been satisfied (see *Croatia Airlines d.d. v. Modern Empire Internet Ltd.*, WIPO Case No. D2003-0455 and *Accor v. Eren Atesmen*, WIPO Case No. D2009-0701).

Since no Response has been submitted by the Respondents, the Panel will assess the Respondents' rights in the Disputed Domain Name (or lack thereof) based on the Respondents' use of the Disputed Domain Name in accordance with inferences that can be reasonably drawn from the Complainant's evidence and the Website.

The Panel accepts that the Complainant has registered trade mark rights in Hong Kong in the "TWIN DISC" mark, and has been using it in Hong Kong since 1969. The Respondents have not provided any evidence to show that they have been authorised to use the Complainant's "TWIN DISC" marks, nor have they provided any evidence that they have any trade mark rights in respect of the Disputed Domain Name or that they has become commonly known by the Disputed Domain Name.

It appears from the Website and the evidence presented by the Complainant, that the Respondents have been trading off the goodwill attached to the Complainant's mark by selling and offering to sell products that compete with the Complainant's products, and using a mark that is identical to the Complainant's registered "TWIN DISC" marks on both the Website and its promotional materials. Such use of the Disputed Domain Name by the Respondents will likely confuse Internet users into believing that the Website and Disputed Domain Name are somehow affiliated with the Complainant. This therefore cannot be considered a legitimate non-commercial fair use of the Disputed Domain Name, without intent for commercial gain to misleadingly divert consumers, nor can the intentional trading off the goodwill of the

Complainant's mark amount to a bona fide offering of goods or services (*Farouk Systems, Inc. v. QYM*, WIPO Case No. D2009-1572).

Consequently, the Panel finds that the Complainant has satisfied paragraph 4(a)(ii) of the Policy in respect of the Disputed Domain Name.

**(3). Bad faith**

Although the Complainant's submissions on bad faith are very sketchy, the Panel has conducted her own research and consequently is satisfied that the Respondents must have known of the Complainant and its trade mark rights at the time they registered the Disputed Domain Name based on the following:

- (a) the Complainant had been using the "TWIN DISC" trade mark in Hong Kong since 1969, which is over four decades before the Disputed Domain Name was registered in October 2012, and the Complainant is listed on NASDAQ;
- (b) the Respondents are offering goods on the Website, which compete with the Complainant's products; and
- (c) the Respondents' use of a mark on the Website and the promotional materials that is identical to the Complainant's "TWIN DISC" mark.

In view of the Panel's finding that the Respondents have failed to establish any rights or legitimate interests in the Disputed Domain Name, it follows that the Disputed Domain Name was registered in bad faith.

The Panel is also of the view that the Respondents have been using the Disputed Domain Name to trade off the reputation of the Complainant's "TWIN DISC" trade mark, in order to attract Internet users to the Website, for commercial gain, by leading them to believe that the Website and Disputed Domain Name are affiliated with the Complainant, when this is not the case. This falls squarely within the ambit of paragraph 4(b)(iv) of the Policy.

The Respondents' use of the Complainant's "TWIN DISC" mark as part of the First Respondent's company name is further evidence of the Respondents' intention to take a free ride on the Complainant's goodwill in the "TWIN DISC" mark and reputation and is evidence of an intention to confuse the public into believing that the First Respondent, the Website and the Disputed Domain Name are associated with the Complainant, which is not the case. This acts as further evidence of bad faith on the part of the Respondents.

The Panel accordingly finds that the Complainant has satisfied paragraph 4(a)(iii) of the Policy in respect of the Disputed Domain Name.

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

As the Disputed Domain Name does not fall into the individual category of domain name, and the Complainant is therefore not required to satisfy paragraph 4(a)(iv) of the Policy.

## **6. Conclusions**

For all the foregoing reasons, in accordance with paragraphs 4(i) of the Policy and 15 of the Rules, the Panel orders that the Disputed Domain Name be transferred to the Complainant.

Dated: 28 October 2013

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Gabriela Kennedy