

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

Complainant: (1) EATALY S.R.L.; (2) EATALY DISTRIBUZIONE S.R.L.;
(3) EATALY NET S.R.L.

Respondent: (1) ANDRE CHENG; (2) WALTER CHENG

Case Number: DHK-1500123

Contested Domain Name: <eataly.hk>

Panel Member: GABRIELA KENNEDY

1. Parties and Contested Domain Name

The Complainants are Eataly S.R.L. of Cuneo, Italy, Eataly Distribuzione S.R.L. of Torino, Italy and Eataly Net S.R.L. of Cuneo, Italy, represented by Emily Yip & Co of Hong Kong.

The Respondents are Andre Cheng and Walter Cheng of Hong Kong and Canada.

The disputed domain name <eataly.hk> (“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 (“HKIAC”) on June 2, 2015. On the same day, HKIAC transmitted by email to the Registrar a request for registrar verification in connection with the Disputed Domain Name. On June 3, 2015, the Registrar transmitted by email to HKIAC its verification response confirming the first Respondent (Andre Cheng) as the registrant and provided contact details.

HKIAC verified that the Complaint satisfied the formal requirements of the Hong Kong Internet Registration Corporation Limited (“HKIRC”) Domain Name Dispute Resolution Policy (the “Policy”), the HKIRC Domain Name Dispute Resolution Policy Rules of Procedure (the “Rules”), and the HKIAC Domain Name Dispute Supplemental Rules (the “Supplemental Rules”).

In accordance with the Rules, HKIAC formally notified the Respondents of the Complaint, and the proceedings commenced on June 10, 2015. The Respondents were

informed that the due date for Response was July 2, 2015. On June 24, 2015, the first Respondent acknowledged the Complaint and, on July 2, 2015 requested an extension to the deadline by which to submit a Response. The Complainants agreed to extending the deadline to July 9, 2015. However, the Respondents did not submit any Response in time. Accordingly, HKIAC notified the Respondents' default on July 10, 2015.

HKIAC appointed Gabriela Kennedy as the sole panelist in this matter on July 14, 2015. The Panel finds that it was properly constituted.

3. Factual Background

For the Complainants

The Complainants are associated companies within the Eataly group of companies. They operate a global Italian food and wine marketplace and are the holders of the trade mark "EATALY" (the "EATALY Trademark"), with registrations all over the world, including in Hong Kong, under Registration Number 301218681, registered on 10 October 2008.

To date, the Complainants operate an online shop and have 27 stores globally, including in Italy, Japan and the United States. A Hong Kong store is due to open in the near future.

The Complainants (via their legal representatives) put the Respondents on notice, via a letter sent to the Respondents on August 16, 2013 ("Notice"), of the Complainants' rights in the EATALY Trademark, and notified the Respondents that their registration and use of the Disputed Domain Name infringed the Complainants' rights. The Notice demanded that the Respondents immediately cease using the Disputed Domain Name and transfer it to the Complainants. Although the first Respondent engaged the Complainants in a dialogue regarding the Disputed Domain Name, the Respondents made no attempt to transfer the Disputed Domain Name, as requested in the Notice.

For the Respondents

According to the WhoIs search results and the Registrar's confirmation with regard to the Disputed Domain Name, the registrant's name is Andre Cheng (the first Respondent).

According to correspondence between the Complainants and the Respondents in 2013, and subsequently, following the commencement of these proceedings, in June and July 2015, the Respondents' representative for the purpose of communication regarding the Disputed Domain Name, and the person who has identified himself as the beneficial holder of the Disputed Domain Name, is Walter Cheng (the second Respondent).

The Disputed Domain Name was registered by the Respondents on June 15, 2013.

4. Parties' Contentions

The Complainant

The Complainants' submissions can be summarised as follows:

- (a) The Disputed Domain Name is identical to the EATALY Trademark, which is registered in Hong Kong and around the world.
- (b) The Respondents are not commonly known as 'Eataly' or 'eataly.hk', they do not hold any rights in the EATALY Trademark and they have not been licensed, authorised or given permission to use the EATALY Trademark by the Complainants.
- (c) The Disputed Domain Name does not resolve, and has never resolved to an active website and there has been no use of the Disputed Domain Name in connection with a legitimate offering of any goods or services.
- (d) Given the worldwide reputation of the Complainants, and multiple trademark registrations of the EATALY Trademark around the world, the Respondent should have been well-aware of the reputation and business activities of the Complainants at the time of registering the Disputed Domain Name. Furthermore, the EATALY Trademark is a coined word and its incorporation in the Disputed Domain Name is, therefore, unlikely to be a coincidence.
- (e) The registration of the Disputed Domain Name was made in bad faith and to illicitly divert Internet traffic to the Respondents.
- (f) The Respondents' registration and passive holding of the Disputed Domain Name amount to bad faith.

The Respondent

The Respondents did not submit a Response.

Pursuant to paragraph 5(e) of the Rules, "[if] a Respondent does not submit a timely Response, in the absence of exceptional circumstances as determined by the Provider at its sole discretion, the Arbitration Panel shall decide the dispute based upon the Complaint and evidence submitted therewith." The Panel finds that there are no exceptional circumstances in this case. The Panel will therefore proceed to determine the case based upon the Complaint and the evidence submitted by the Complainants.

5. Findings

According to Paragraph 4(a) of the Policy, which is applicable hereto, the Complainants have 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 Complainants have 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; 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 Complainants have rights in Hong Kong in respect of the EATALY Trademark, based on the Hong Kong trade mark registration number 30121868.

The Disputed Domain Name incorporates the EATALY Trademark in its entirety. Further, it is a well-established principle that in making an enquiry as to whether or not a trade mark is identical or confusingly similar to a domain name, the domain extension, in this case <.hk>, should be disregarded (*China Network Communications Group Corporation v. Zhou Ao*, HKIAC Case No. DHK-0800030).

The Panel therefore finds that the Disputed Domain Name is identical or confusingly similar to the EATALY Trademark, and the Complainants have satisfied paragraph 4(a)(i) of the Policy.

(2). Rights or Legitimate Interests of Respondent

It is widely accepted that once a *prima facie* case is established by the Complainants that the Respondent has no rights or legitimate interest in the Disputed Domain Name, the burden of proof then shifts to the Respondents to establish otherwise (see *Schonbek Worldwide Lighting, Inc. v. Rich Point Hong Kong Development Limited*, HKIAC Case No. DHK-1200077; and *ALDI GmbH & Co. KG v Qinghua Zhou*, HKIAC Case No. DHK-0800038).

The Panel accepts that the Complainants have not authorised the Respondents to use the EATALY Trademark, and there is no relationship between the Complainant and the Respondents which would otherwise entitle the Respondents to use the EATALY Trademark. Accordingly, the Panel is of the view that a *prima facie* case has been established and it is for the Respondents to prove they have rights or legitimate interests in the Disputed Domain Name.

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

- (i) before any notice of the dispute, the Respondents' use of, or demonstrable preparations to use the Disputed Domain Name or a name corresponding to

- the Disputed Domain name in connection with a *bona fide* offering of goods or services; or
- (ii) the Respondents have been commonly known by the Disputed Domain Name, even if it has acquired no trade mark or service mark rights;
 - (iii) the Respondents have trade mark or service mark rights in a mark that is identical to the Disputed Domain Name; or
 - (iv) the Respondents are making a legitimate noncommercial or fair use of the Disputed Domain Name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

There is no evidence to show that the Respondents have become commonly known by the Disputed Domain Name or that they have any trade mark or service marks that correspond with the Disputed Domain Name. The Panel also notes that the Respondents are not currently offering any goods or services under the Disputed Domain Name, but are merely keeping the Disputed Domain Name inactive. Although in his email to the Complainants on July 6, 2015, the second Respondent claimed to be holding the Disputed Domain Name as a gift for his daughter, he failed to provide any evidence to support this claim. Further, the second Respondent had earlier indicated to the Complainants that his plan was to use the Disputed Domain Name to create a website, but no evidence of such has been provided. The Panel therefore finds that the Respondents have failed to show that they have made use of, or demonstrated any preparations to use, the Disputed Domain Name for the *bona fide* offering of goods or services or for a legitimate non-commercial or fair use.

Accordingly, the Panel finds that the Respondents have no rights or legitimate interests in the Disputed Domain Name and that the Complainants have satisfied paragraph 4(a)(ii) of the Policy.

(3). Bad faith

A respondent's awareness of a well-known trade mark at the time of registration of the domain name in question, has been found to amount to evidence of bad faith registration (see *ALDI GmbH & Co. KG v Qinghua Zhou*, HKIAC Case No. DHK-0800038). The Panel accepts that it is likely the Respondents were aware of the Complainants' EATALY Trademark at the time the Disputed Domain Name was registered, due to the following reasons:

- (a) the Complainants enjoy a worldwide reputation in the field of Italian food and wine, and the second Respondent has identified himself as a fan of Italian food in his email to the Complainants' representative on 28 August 2013;
- (b) as submitted by the Complainant, the EATALY Trademark is a coined term, and no explanation has been provided by the Respondents as to the reason why they chose to register a domain name containing the word "eataly"; and

- (c) in the correspondence between the second Respondent and the Complainants' legal representative in August 2013, the second Respondent did not at any time deny having knowledge of the Complainants' EATALY Trademark.

Further, the apparent passive holding of the Disputed Domain Name does not as such prevent a finding of bad faith use (see, for example, *Newegg Trading Limited and Newegg Inc. v. Guccn (Hong Kong) Group Stock Co. Ltd*, HKIAC Case No. DHK-1300097). In *Newegg Trading Limited and Newegg Inc. v. Guccn (Hong Kong) Group Stock Co. Ltd*, HKIAC Case No. DHK-1300097, it was held that in the circumstances where "(i) the Respondent failed to reply to the [Complaint]; (ii) the website of the Disputed Domain Name is inactive and (iii) the Respondent is holding the Disputed Domain Name passively" then these elements amount to bad faith. It was further held that "the Trade Mark is distinctively identifying the Complainants...so that the choice of the Disputed Domain Name cannot be reasonably explained otherwise than as a reference to the Trade Mark of the Complainant". The same reasoning can be applied in this case.

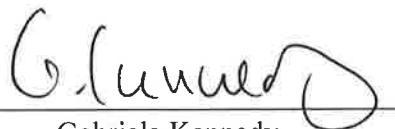
In the circumstances, the Panel finds that the Respondents registered and have been using the Disputed Domain Name in bad faith, and paragraph 4(a)(iii) of the Policy has been satisfied.

- (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**

Paragraph 4(a)(iv) of the Policy is not relevant for the purposes of this decision, as based on paragraph 4(c) of the Policy it only applies in relation to the violation of the eligibility requirements for <.idv.hk>, <.個人.hk> or <.個人.香港> domain names (i.e. domain names registered in the individual domain name categories). Either way, even if paragraph 4(a)(iv) of the Policy did apply, it is clear that the name of the first Respondent (i.e. the registrant), does not correspond with the Disputed Domain Name, and paragraph 4(a)(iv) of the Policy is satisfied.

6. Conclusions

For 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, <eataly.hk>, be transferred to the third Complainant (Eataly Net S.R.L.).



Gabriela Kennedy

Dated 29 July 2015