

IN THE MATTER OF

The Domain Name Dispute Resolution Policy, adopted by the Hong Kong Domain Name Internet Registration Corporation Limited ("HKIRC") on 22 February 2011 (the "Dispute Resolution Policy");

The HKIRC Domain Name Dispute Resolution Policy Rules of Procedure, approved by the HKIRC on 22 February 2011 (the "Rules of Procedure"); and

The HKIAC Supplemental Rules effective from 1 March 2011 (the "Supplemental Rules").

Complainant: Paul Frank Industries, Inc.
Respondent: Xianggangshengshitouzi Co., Ltd
Case Number: DHK-1100068
Disputed Domain Name: paulfrank.hk
Panel Member: Peter Bullock

1. Parties and Contested Domain Name

The Complainant is Paul Frank Industries, Inc. with a registered address at 10100 Santa Monica Blvd., Suite 600, Los Angeles, California 90067, U.S.A. The Respondent is Xianggangshengshitouzi Co. Ltd with a registered address at Pengnianguangchang 32 Lou No.2002 Jiabin Road Luohu Di Xianggang 518002, China. The contested domain name is "paulfrank.hk" which was created on 20 May 2010.

2. Procedural History

A complaint in this matter was filed with the Hong Kong International Arbitration Centre (the "HKIAC") dated 14 April 2011. The HKIAC notified the registrar of the Disputed Domain Name of the proceedings by email on 15 April 2011. On the same day, the registrar notified the HKIAC that the proper respondent to the dispute is the Respondent.

The HKIAC sent a notification of commencement of proceedings, the complaint along with its exhibits to the Respondent by email on 18 April 2011 to the email address shown on the contact information on the website (info@paulfrank.hk) and the email address that was registered as the billing contact with the registrar (domain@now.net.cn). On the same day, the HKIAC attempted to send the complaint by facsimile to the facsimile address as shown on the administrative and technical contact information for the Disputed Domain Name that is listed on the registrar. The facsimile did not go through despite the HKIAC's attempts to re-send the facsimile through, as shown on the facsimile record.

Though the facsimile did not go through to the Respondent's listed facsimile address, the email submission of the complaint to the Respondent constitutes valid service of these proceedings upon the Respondent pursuant to paragraph 2(a) of Rules of Procedure.

No response from the Respondent was filed with the HKIAC on or before the prescribed deadline (13 May 2011).

On 18 May 2011, the HKIAC informed the parties by email that the Panelist had been appointed.

3. Factual Background

3.1 For Complainant

The Complainant is a company founded in Huntington Beach California in 1995. The company is best known by the character figure, "Julius", which is featured on the company's products. On 7 September 1998, the Complainant registered its official website www.paulfrank.com.

The Complainant has registered a variety of trade marks comprising the mark "Paul Frank" in various jurisdictions including the People's Republic of China ("China"), Hong Kong, and the United States. Further, the Complainant has registered a number of trade marks comprising the "Julius" mark and the Julius character figure device mark in the said countries.

A wide range of products are offered by the Complainant including but not limited to clothing, accessories, and furniture. The company has opened a number of shops worldwide. In Hong Kong, the Complainant has two authorised shops to sell Paul Frank products.

The Complainant's claim is based on the contention that the Disputed Domain is identical to their trade mark.

3.2 For Respondent

The Respondent registered the Disputed Domain (or, possibly, renewed a registration in respect of the Disputed Domain) on 20 May 2010.

4. Parties' Contentions

4.1 For Complainant

The Complainant asserts the following:

- The domain name "paulfrank.hk" is identical to the trade mark applied for or registered by the Complainant.
- 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 the Paul Frank products or to operate an online store; (ii) has neither acquired trade mark nor service marks rights 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 licence or consent, express or implied from the Complainant to use its 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 website of the Disputed Domain Name is an official website of the Complainant; and (ii) intentionally attract, for commercial gain, Internet users to the Respondent's website by creating a likelihood of confusion with the Complainant's marks.

4.2 For Respondent

The Respondent did not file a response.

5. Discussion and Findings

Paragraph 4(a) of the Dispute Resolution Policy sets out the grounds that Complainant must demonstrate in order to succeed in its complaint:

- (i) the domain name is identical or confusingly similar to a trade mark or service mark in which the Complainant has rights; and
- (ii) why the Respondent should be considered as having no rights or legitimate interests in respect of the domain name that is the subject of the Complaint; and
- (iii) why the domain name should be considered as having been registered and being used in bad faith.

(1) Identical / Confusingly Similar

The Complainant contends that the Disputed Domain Name is identical to the "Paul Frank" word trade mark. The Panel agrees with the Complainant on its contention as the Disputed Domain Name wholly incorporates the Complainant's trade mark. It is a well-established principle that if the disputed domain name wholly incorporates the complainant's registered marks, it would be sufficient to establish the identity or confusing similarity requirement of the Dispute Resolution Policy (*AT&T Corp. v. William Gormally*, WIPO Case No. D2005-0758). Thus, the Panel finds the Complainant has satisfied the first condition under paragraph 4(a) of the Dispute Resolution Policy.

(2) Rights and Legitimate Interests

Paragraph 4(d) of the Dispute Resolution Policy sets out the way in which the Respondent can prove it had rights or legitimate interests in the Disputed Domain Name, *inter alia*:

- The Respondent's use of, or demonstrable 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 (as an individual, business, or other organisation) has been commonly known by the domain name, even if no trade mark or service mark rights has been acquired in Hong Kong; or
- The Respondent has trade mark or service mark rights that the mark is identical to 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.

The Complainant submitted that the Respondent has never been authorised to sell the Complainant's trade mark products nor were they authorised to operate an online store to sell such products. With that reasoning, the Complainant asserts that the Respondent is not legitimately or fairly using the Disputed Domain Name for non-commercial reasons, but rather, it is using the Disputed Domain Name with the intent for commercial gain by misleadingly diverting consumers.

The Respondent registered the Disputed Domain Name and has used the Disputed Domain in a way that misleads the public. On the website, there are a number of areas that would lead the public to think that it is an authorised website of the Complainant. For example, in the title of the website, it proclaims that the website is the "*official website for Paul Frank*". Furthermore, the design and graphics of the website display many of the Complainant's copyrighted characters, which may lead a consumer to believe that it is purchasing from an authorised dealer of "Paul Frank" products.

As the mark "Paul Frank" is a registered trade mark of the Complainant, the Respondent clearly has no legitimate interest in that mark. The Complainant has been widely known by its trade mark for a number of years and the Respondent has not adduced any evidence to show its legitimate interest in the use of the trade mark. Moreover, the Respondent has not responded to the Complainant's allegation nor has it adduced any evidence to prove its right or authority to use the trade mark or any of the "Paul Frank" products.

After considering the evidence and given that the Respondent did not provide any defence to contradict the Complainant's claims, the Panel finds the Respondent to be using the Disputed Domain Name illegitimately with the intent of commercial gain to mislead consumers.

(3) Bad Faith

In paragraph 4(b) of the Dispute Resolution Policy, a number of circumstances were illustrated as evidence of registration and use of domain name in bad faith. The instances to evidence this were the following:

- any circumstances indicating that the domain name was registered or acquired primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the Complainant who is the owner of the trade mark or service mark, or to a competitor of that Complainant, for valuable consideration in excess of the Respondent's documented out-of-pocket costs directly related to the domain name; or
- the Respondent 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 or of a product or service on the Respondent's web site or location.

The Complainant has presented adequate evidence to demonstrate the Respondent's bad faith in pursuant to paragraph 4(b) of the Dispute Resolution Policy.

The Respondent registered the Disputed Domain Name and has used the Disputed Domain in a way that misleads the public. On the Disputed Domain, the Complainant's trade mark and its trade mark device is used throughout the website and there are a number of areas on the website claiming that it is the official website of the Complainant's trade mark.

In addition, of the two addresses listed on the Disputed Domain, one of the addresses is the Complainant's authorised shop's address, which is being used without consent of the Complainant. The other address listed on the Disputed Domain points to a non-existent unit number as evidenced by the Complainant.

That said, the Respondent's use of a fake address on a webpage is evidence of the Respondent's bad faith. (*Caixa d'Estalvis I Pensions de Barcelona v. Steve Martins* WIPO Case No. D2004-0515). Further, the use of the Complainant's trade mark without the Complainant's authorisation and the proclamation of the website being the trade mark's "official website" is also a strong indication of the Respondent's bad faith.

In light of this, it is obvious that the Respondent is attempting to attract internet users to its website. In misleading these users to believe that its website is the official website for the Complainant's trade mark, the Respondent is using the Disputed Domain Name for illegitimate commercial gain in bad faith.

Additionally, according to the evidence, the Disputed Domain has now become a website that automatically diverts to a secondary website with the address "paulfrank.tv" which is registered with a different registrar with entirely differently contact details. In addition, the contents of this secondary website are identical to the contents that were in the Disputed Domain. According to a WHOIS search, the secondary website was registered on 5 March 2011, which was the day after the Complainant, through its solicitors, posted its warning letter (dated 4 March 2011) to the Respondent warning of its infringement. With this development, it is possible to infer that the Respondent is expecting the Disputed Domain to be transferred to the Complainant, and thus decided to set up a secondary website to maintain its activities. This persistence for illegitimate commercial gain from infringing the Complainant's trade mark undoubtedly shows the Respondent's determination to benefit from the Complainant's success and thus using the Disputed Domain Name in bad faith.

In light of the above, the Panel finds the Complainant has provided sufficient evidence in showing the Respondent has registered and used the Disputed Domain Name in bad faith in accordance to 4(b) of the Dispute Resolution Policy.

6. Decision

In light of all the foregoing findings and in accordance with paragraph 4(a) of the Disputed Resolution Policy, the Panel holds that the Disputed Domain Name "paulfrank.hk" is identical to the Complainant's registered trade mark "Paul Frank"; the Respondent has no right or legitimate interest with regard to the Disputed Domain Name; and the Disputed Domain Name was registered and subsequently used in bad faith by the Respondent.

Finally, the Panel decides that the domain name "paulfrank.hk" be transferred to the Complainant.

Dated: 25th May, 2011.

Hong Kong



Peter Bullock