

亞洲域名爭議解決中心
ASIAN DOMAIN NAME DISPUTE RESOLUTION CENTRE
(Hong Kong Office)

Administrative Panel Decision
Case No. HK-0500068

Complainant: Udomain Web Hosting Company

Respondent: Lei Soi Iong
Au Sio Tong (“Co-Respondent”^{*})

Domain Names: udomain.com
udomain.org
youdomain.net

Registrar: udomain.com: Tucows Inc.
udomain.org & youdomain.net: Web Commerce Communications Ltd

Panelist: Karen Mills

Procedural Matters:

Complainant filed a complaint, dated 1 August 2005, with the Hong Kong International Arbitration Centre (“HKIAC”) office of Asian Domain Name Dispute Resolution Centre (“ADNDRC”), through its counsel, Lovells of Hong Kong, seeking transfer to Complainant of captioned domain names. In its complaint, the Complainant opted for a sole panelist but did not nominate one.

On 20 August, 2005 HKIAC/ADNDRC requested by email the undersigned, Karen Mills, to indicate ability to act as sole panelist and if so to confirm ability to act independently and impartially. On the same date the undersigned responded in the affirmative on all points.

The Respondent filed its response, dated 28 August, 2005. In its response the Respondent made three nominations for possible panelist, not including the undersigned.

On 13 and 14 September, 2005, HKIAC/ADNDRC confirmed the appointment of the undersigned as sole Panelist and provided a website address and passcode to obtain details. Despite some difficulty obtaining the file at the outset, eventually all submissions, with exhibits, were received by this Panel, in hard copy and thereafter, at the request of each of the parties, respectively: from Complainant a Reply to Respondent’s Response dated 27 September, 2005 and from Respondent a Summary Response to Complainant’s Reply received on 13 October,

^{*} The Co-Respondent was not named in the Complainant’s Complaint, but was joined by the Respondant.

2005, both electronically. ADNDRC requires a panel to render its award within 14 days of final submission, and therefore the deadline for delivery of this award is 27 October, 2005.

Both parties confirmed that no legal proceedings have been commenced by the parties in conjunction with or relating to the domain names which are the subject of this dispute. However, both parties mentioned a prior application made by Complainant with the CPR Institute for Dispute Resolution in respect of the disputed domain names on 4 October, 2000. In that case the panelist declined to order a transfer of the domain names in question on the ground that the complaint had named the wrong respondent, *Newsbook Limited*, which, according to its response, was not the registrant of the disputed domain names. A copy of the award of the CPR panel was provided to this Panel.

Factual Background Summary (Based upon the submissions of the Parties):

Complainant registered the domain name <udomain.com.hk> on 18 November 1998, and incorporated its company, Udomain Web Hosting Company, on 20 November, 1998 as a limited company incorporated in Hong Kong with the principal business in internet services, including: web hosting, infrastructure, facility management and domain name registration and reseller services in Hong Kong, China and Taiwan. The Complainant subsequently registered other, similar, domain names incorporating “udomain” or “youdomain” and set up its website through which it markets its services and provides information in December, 1999. The Complainant has been providing such services actively since such date, all under the name “udomain” in combination with various suffixes.

Respondents and their group of individuals and companies provide similar, competing, internet services under other trade names, including, at one time or another, *Newswood Limited*, *Times Agency*, *Newsbook Limited*, *All Best Centre*, *2000fun.net* and *Asi afacility.com*. Complainant and Respondent knew each other and are both members of the same web hosting association and the Respondent was aware of the Complainant’s business under the “udomain” name.

In March of 2000 Complainant received a letter from one Greg Krajewski, stating that he had registered the domain name “udomain.com” and enquiring whether Complainant was interested to purchase it. The price quoted was well in excess of the costs involved in registering the domain name and the Complainant declined. Subsequent to this, various other parties, at least some, and possibly all, of which appear to be members of the Respondents’ group, made offers of increasing dimension to Complainant to sell the domain name to it.

There is some confusion as to who was the registrant of the domain name “udomain.com” at any point in time, with the submissions indicating various owners at various stages. Indeed the registration history of this domain name is not clear.

Complainant filed its complaint with CPR, as mentioned above, on 4 October, 2000. On 5 October the Respondent sought to register the trademark “udomain Udomain uDomain” in Hong Kong. His application was not accepted and was then withdrawn. On 10 October, 2000 Co-Respondent applied to the United States Patent and Trademark Office to register the servicemark “Udomain”. The registration was effective on 11 December, 2001.

On 12 October, 2000 Complainant applied to register the trademark “udomain” in Hong Kong and this application was accepted.

According to the complaint, Respondent’s “udomain.com” ceased business on 24 September, 2004, but on 16 July, 2005 it commenced once again as a self-proprietorship, and on 12 August, 2005 Co-Respondent registered the business “udomain.com”.

Respondents’ websites under the domain names in dispute all show a pop-up window message, stating in both Chinese and English that they are not operational due to an alleged criminal attack. According to the complaint and attachments thereto this has caused considerable confusion and consternation among Complainant’s clients and damage to their reputation and their business.

Jurisdictional Issue:

Although no formal challenge to the jurisdiction of this Panel has been made, and therefore no ruling nor award is called for on the point, nonetheless the Respondants have suggested that the award of the CPR panel referred to above should serve in some manner to bar this Panel from revisiting the question of what party is rightfully entitled to the domain names in question.

This issue, and the CPR award itself, lead to some interesting jurisdictional questions, which this Panelist will take the liberty briefly to discuss later, as a commentary to this award.

However, in response to Respondent’s suggestion, it must be pointed out at the outset that the award in the CPR case did not deal with the merits of the application at all. That panel declined to order transfer of the domain names at that time solely on the ground that it found that the wrong party was named as Respondent, whereas in the instant application, Respondents have confirmed that the correct Respondents are involved. As no determination was made on the merits in the CPR case, the question as to whether the ruling of that panel could be binding on this one does not arise.

But one may also consider whether the identity of a registrant is relevant to the determination under a domain name dispute, as long as natural justice is respected and the actual registrant is in fact notified of the complaint and has an opportunity to present its case. In the CPR case, the respondent did submit a substantive response. Furthermore, by Respondents’ own statements in their Response in the instant case, it appears that whatever party was the actual registrant at the time of the CPR case, such party was a member of the Respondents’ group, as Respondents repeatedly state in their submissions: “we won the case”, the “we” identifying the Respondents in this case with the respondent in the CPR case.

Findings of the Panel:

In determining the dispute, the Panel is instructed, under Article 15 (a) of the Rules for Uniform Domain Name Dispute Resolution Policy (the “Rules”), to decide a complaint on the basis of the statements and documents submitted and in accordance with the Uniform Domain Name Dispute

Resolution Policy (the “Policy”), the Rules and such rules and principles of law that it deems applicable.

Article 4(a) of the Policy sets out the criteria upon which the findings of the Panel shall be based. In order to establish its rightful ownership of a domain name in dispute, a complainant must satisfy the panel that:

- (i) the domain name registered by the Respondent is identical or confusingly similar to a trademark or service mark in which the Complainant has rights; and
- (ii) that the Respondent has no rights nor legitimate interests in respect of the domain name; and
- (iii) that the domain name has been registered and is being used in bad faith.

Based upon the submissions by the parties and exhibits thereto, this Panel finds as follows:

- (i) Are the domain names registered by the Respondents identical or confusingly similar to the trademark or service mark in which the Complainant has rights?

It would seem quite evident that the domain names: “udomain.com” and “udomain.org” are identical or confusingly similar to “udomain”. The suffix after a domain name, be it regional or institutional in nature, does not affect the intellectual property rights (“IPR”) in the name itself. The name “udomain” used with any standard suffix or combination thereof, is clearly if not identical, at least confusingly similar to the name: “udomain” used with any other suffix or combination. This has been confirmed in most cases in which the question arose, and need not be debated at any great length. The name “udomain” has been registered as a trademark or servicemark by the Complainant and has been used as its primary business name since 1998.

The name “youdomain” not only sounds like and is a longer version of “udomain”, but “u” is often used as a short form to mean “you” in abbreviated electronic communications. The Complainant has reserved this as a trademark, according to its submission, in order to ensure that such name cannot be used by another party to seek to confuse internet users by its similarity to “udomain”.

Thus this Panel finds that the three domain names in question are either identical or confusingly similar to the trademarks or service marks in which the Complainant has rights.

- (ii) Does the Respondent have any interest or legitimate rights in the domain names in question?

It is clear from the submissions and exhibits that the Respondent registered a trademark/servicemark “udomain” in the United States subsequent to the time that the Complainant brought its first application to CPR, and with full knowledge that the name was

used by Complainant in its business. It does not appear that the registration of this name as a trademark by Respondents was done for any purpose other than to try to establish a right to use the name in order to defeat Complainant's application. There is no indication that the trademark/servicemark was ever used by the Respondent or any of its group in its business, nor does the Respondent so claim. Mere registration of a trademark does not of itself indicate that the registrant has a universal right or legitimate interest in such name, any more than mere registration of a domain name would confer such right. And just as a domain name may be registered in bad faith, so may a trademark.

Those who establish legitimate interests would be those who create or invest time, effort and/or funds in or, in the case of a name, are known by or do business under it. The only party actively operating a business under the domain name "udomain" is the Complainant.

A visit to the websites of the domain names in question shows a façade as though offering some services, but no such service can be obtained nor business done with this site. Instead it contains notices that it is currently not operational due to some criminal attack, not specified. Whether or not the Respondents' setting up the webpage in this manner was intended to harm the business of the Complainant and throw doubt upon the name "udomain" will be discussed below. However, if this is the only manner in which the Respondent is using the name, it can certainly not be deemed to confer a legitimate interest. Therefore this Panel concludes that neither the Respondent nor any of its business group has a right or legitimate interest in the name "udomain", nor therefore in the domain names: "udomain.com" nor "udomain.org".

The same reasoning holds true for the name "youdomain.net", except that Respondent not only has not used this name but has not even effected registration of the trade or service mark "youdomain", and therefore clearly has no right nor legitimate interest in such name.

Nor has Complainant authorised, licensed, franchised, consented or otherwise permitted the Respondents to register or use the disputed domain names.

Therefore this Panel finds that the Respondent does not have any right nor legitimate interest in the disputed domain names.

(iii) Were the domain names in question registered and used in bad faith?

The Policy provides guidance for determining whether there is bad faith, listing four circumstances that could constitute evidence that the registration and use of a domain name is done in bad faith. These are:

- (a) circumstances indicating that registrant did so primarily for the purpose of selling, renting or otherwise transferring the domain name to the complainant who is the owner of the relevant trademark/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 involved;

- (b) the registrant did so to prevent the owner of the relevant 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;
- (c) the registrant did so for the purpose of disrupting the business of a competitor; or
- (d) by using the domain name in question, the registrant intentionally attempted to attract, for commercial gain, internet users to the registrant's website, by creating confusion with the complainant's mark as the source, sponsorship, affiliation, or endorsement of the registrant's website or of a product or service on the registrant's website.

From the facts as related in the submissions, it would appear that all of these circumstances are present in this case.

(a) Many offers were made to sell the domain names in dispute to the Complainant by various parties, all, except possibly the first, seemingly related to Respondents, each time at a more highly inflated price, all of which prices were in excess of registrants' documented out-of-pocket costs directly related to the domain name involved.

(b) Respondents and their group appear to have a pattern of conducting what is known as "cyber-squatting". We have reviewed the award in the Lycos case (Case No. 0107-0002 HKIAC), a copy of which was submitted by Complainant, in which similar conduct was present. In both that and this case, such conduct prevented the relevant complainant from registering and using the domain names under dispute when such complainant had been operating its business under such name.

(c) Whether or not the Respondents' intended purpose in registering the disputed domain names was to disrupt the business of Complainant, its competitor, may be known only to the Respondents. Nonetheless the result of such registration and the subsequent posting of the aforementioned pop-up messages has in fact proved disruptive to Complainant's business. One is normally deemed to intend the consequences of one's actions.

(d) Although Respondents effected registration of the disputed domain names outside of Hong Kong, and registered the trademark in the United States, their businesses, under other names, are carried on in Hong Kong, where they compete with Complainant in the provision of internet services for third parties. Their potential market is the same as that of Complainant and by posting a website using the disputed domain names which are the same name as the business under which Complainant operates, "udomain", while Respondent does no business under that name itself, would certainly seem to be intended to confuse potential and actual users of Complainant's business. The pop-up menu alone, which one sees on opening any page in these sites, would indicate such intention. Evidence has been presented that it has in fact caused such confusion, to the detriment of Complainant's business.

Respondents and their group seem to have gone to a surprisingly great effort, creating an elaborate network of companies, registrations and transfers, just in order to try to retain control over the disputed domain names, in particular "udomain.com", while they apparently have no business use for it on their own behalf, nor on behalf of any of their clients. Nor do they

conduct, nor have they conducted, any business themselves under these names, nor utilised the websites to which they link for any purpose other than to discourage business. Considering also that Respondents have engaged in this kind of conduct in at least one notable instance in the past, this Panel can only conclude that the registration and use by Respondents of the domain names in dispute has been in bad faith.

Award

Based upon the Policy, the submissions and the above analysis, this Panel finds that the domain names registered by the Respondents are identical or confusingly similar to a trademark or service mark in which the Complainant has rights; that the Respondent has no rights nor legitimate interests in respect of the domain names; and that the domain names have been registered and are being used in bad faith.

Therefore, this Panel hereby directs that the disputed domain names: www.udomain.com, www.udomain.org and www.youdomain.net, be forthwith transferred to the Complainant and that the respective registries take such action accordingly.

Comment on prior application to CPR:

There has is much discussion in the submissions, particularly by the Respondent, of the outcome of the 2000 application made by the Complainant to CPR. In that case the panel declined to order transfer of the domain names on the basis that the wrong party was named as respondent, effectively determining that it had no jurisdiction over such respondent. This brings up some interesting jurisdictional questions which, although beyond the scope of this award, are worthy of identification.

The first question that arises is whether a domain name adjudication panel is vested with jurisdiction to determine its own jurisdiction. Or is this power reserved to the administering institution, in the previous case CPR and in this case ADNDRC, while the panelists must assume that the question has already been examined and it has already been determined that they do have the mandate to render an award on the merits over the domain name?

This leads to the second question, of exactly what is the scope of the panel's, and for that matter the institution's, jurisdiction. It appears to this Panelist that what is conferred upon the institution, and by the institution upon the panel, can be viewed to be in the nature of *in rem* jurisdiction over the domain name only. In registering a domain name, the registrants agree that any dispute regarding rights in that domain name shall be resolved in accordance with the ICANN Policy and Rules. No other jurisdiction is vested in, and no other asset made subject to, a domain name panel's determination. Even when the respondent appears, the panel does not actually have *in personam* jurisdiction over such respondent. No costs, fines, damages or other sanctions may be ordered against a respondent. The jurisdiction is limited to the domain name itself. A panel, once it has been appointed and has accepted such appointment, has the power and the responsibility to dispose of the domain name in question in accordance with the

submissions, the Policy and the Rules, whether or not the current registrant appears or makes a submission at all, as long as it is given adequate notice and opportunity to do so.

A third interesting question suggested by Respondents' Response is whether, or to what extent the determination of one panel relating to a domain name has *res judicata* effect with respect to that domain name. There has been some writing on this question, and no doubt shall be more as the number of domain name dispute adjudications continues to increase. Fortunately there was no need to examine this question in the instant case since there had been no prior award on the merits, and thus it is beyond the scope of this enquiry.

Submitted to ADNDRC/HKIAC by email on 17 October, 2005

by Sole Panelist:

Karen Mills

J.D. F.CI Arb, F.HKI Arb., F.SI Arb.

Chartered Arbitrator

KarimSyah Law Firm

Jakarta