



## ASIAN DOMAIN NAME DISPUTE RESOLUTION CENTRE (HONG KONG OFFICE)

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### Decision Submission

[English](#)
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Decision ID	DE-0600079
Case ID	HK-0600084
Disputed Domain Name	www.asiabase.com
Case Administrator	Dennis CAI
Submitted By	Peter Bullock
Participated Panelist	Peter Bullock
Date of Decision	27-06-2006

### The Parties Information

<b>Claimant</b>	Asia Base A/S
<b>Respondent</b>	Wah Ching Kwok

### Procedural History

A Complaint in this matter was filed with the Hong Kong International Arbitration Centre ("HKIAC"), the Hong Kong Office of the ADNDRC, dated 7 April 2006 in the prescribed form, received by HKIAC on 10 April 2006.

The HKIAC notified the Registrar of the Disputed Domain of the proceedings by email on 20 April 2006. The Registrar acknowledged this notification by email of the same day confirming its registration of the Disputed Domain and including its WHOIS information.

The Complaint was served upon the Respondent in the following ways:

- by the HKIAC by email on 20 April 2006 to the addresses info@jobsearcher.com and info@asiabase.com provided by the Respondent as its contact email as Administrative Contact (according to the Registrar's WHOIS details updated at 20 April 2006) as well as a known email address used by the Respondent;
- by the HKIAC by TNT Express Post to the Respondent's address in Hong Kong, sent on 20 April 2006 and delivered the following day.

This constitutes valid service of these proceedings upon the Respondent.

A Response was filed with the HKIAC on 12 May 2006.

The Panel was appointed on 9 June 2006, with papers being delivered to the Panelist the following day.

### Factual Background

#### For Claimant

The Complainant was founded in 1994 and registered with the Danish Commerce and Companies Agency the following year. It is a Danish company but trading in China as a management consultant specialising in market and legal research. Under the leadership of Peter Rasmussen the Complainant has forged a sizeable consulting business in the China market, having conducted over 600 client projects. At the time the Respondent registered the Disputed Domain (2002) the Complainant had turnover of approximately DDK6.7 million. By 2004 this had increased to DDK11.6 million. The Complainant clearly regards its brand name "Asia Base A/S" and associated logo ("Mark") as valuable property. It

has produced, and presumably adheres to, a comprehensive branding guide to describe the manner in which its brand is to be applied to documents, promotional material and stationery. It has not, however, registered its brand as a trade mark in any jurisdiction.

The Complainant's claim is based on the contention that it has made substantial, consistent and prior use of its unregistered trade mark and that the Disputed Domain is confusingly similar to the Mark. The Complainant has registered 11 domain names containing 'asiabase' or 'asia-base'.

### For Respondent

The Respondent registered the Disputed Domain on 05-Jul-2002. He claims to have made legitimate use of the website "www.asiabase.com" notwithstanding that nearly 4 years on it remains 'under construction'.

### Parties' Contentions

#### Claimant

The Complainant asserts that the Disputed Domain (asiabase.com) is identical or confusingly similar to the Complainant's Mark (ASIA BASE). The Complainant claims rights in the trade mark ASIA BASE and correctly states that paragraph 4 a.(i) of the Rules does not require that those rights need to be registered. The Complainant relies on samples of its reports, feasibility studies, opinions, name cards, stationery and various traded products and materials, plus media articles and the 11 "asiabase" domain names in support of its unregistered trade mark rights. It justifies these rights by reference to the position under Danish law.

The Complainant further alleges that the Respondent has no rights or legitimate interests in respect of the Disputed Domain because:

- the Complainant has not authorised, licensed, endorsed or otherwise permitted the Respondent to register or use the Disputed Domain or to use the Complainant's ASIA BASE trade mark in relation to a business name or otherwise;
- the Respondent is not commonly known as 'ASIA BASE'; nor is the Respondent commonly known by the Disputed Domain as the Disputed Domain name does not resolve to a web site or other on-line location; and
- the Respondent has not at any time used the Disputed Domain nor shown any demonstrable preparations to use the Disputed Domain.

Finally, the Complainant alleges that the Disputed Domain has been registered and used in bad faith. In support the Complainant relies on the following:

- the fact that the Disputed Domain has no substantial function and has never been activated. The Complainant relies inter alia on Telstra Corporation Limited - v- Nuclear Marshmallows (D2000-0003);
- the fact that the Respondent asked US\$100,000 for the disputed domain name (by email of 7 May 2003) suggests the Respondent acquired the Disputed Domain primarily for the purpose of selling, renting or otherwise transferring it to the Complainant for a consideration for in excess of the Respondent's costs directly related to the Disputed Domain. The Complainant relies on paragraph 4 b.(i) of the Policy;
- an incident which, the Complainant claims, involved an emailed threat by the Respondent to spam certain of the Complainant's email addresses, in the following terms:

"Hi all,

Over the past few months, we had received thousands of email which should be address to your company. Please take all necessary action to prevent such email problems. If situation still remain unchanged, we will forward those emails to the above email address and send complain to relented internet organization.

Regards,  
Patrick"; and

- there is no evidence, from the WHOIS report or otherwise, that the Disputed Domain is the name of the Respondent or the Respondent has been commonly known by the Disputed Domain, and there is no reason why the Respondent might reasonably be said to have any rights or legitimate interests in registering or using the Disputed Domain.

## Respondent

The Respondent made the following arguments:

- in respect of his "right and legitimate interests" in the Disputed Domain, whilst admitting its website remains "under construction", the Respondent offered no evidence other than to assert that it used the Web Identity service "which cost much higher than the Domain Parking service". He also relies on the fact that he had also set up email addresses for the Disputed Domain (which also explained why they had received emails wrongly or accidentally sent to "asiabase.com");
- in respect of the claims of bad faith he argued:
  - maintaining an "under construction web site and receive emails everyday should [not] be found to constitute bad faith itself";
  - he had not initiated the offer to sell the Disputed Domain and had no knowledge of the Complainant before being contacted by them with a request to purchase the Disputed Domain; and
  - in response to the spamming allegation "we received thousands of emails because of their human resource department had failed adequately to publicise its real email addresses "hr@asia-base.com"".

## Findings

### Identical / Confusingly Similar

#### Discussion and Findings

According to Paragraph 4a of the Policy which is applicable hereto, the Complainant has the burden of proving that:

- (i) the Disputed Domain is identical or confusingly similar to a trade mark or service mark 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 has been registered and is being used in bad faith.

#### Identical/confusing similarity

The Disputed Domain is identical to the Mark (ASIA BASE) – given that the ".com" suffix is to be ignored (Arthur Guinness Son & Co (Dublin) Limited – v- Dejan Macesic (D2000-1698)). It is also confusingly similar to the Mark if the Mark is to be better described as "ASIA BASE A/S" – the letters A/S being a standard abbreviation designating a Danish limited company.

The Panel finds that the Complainant has satisfied its burden (under the first condition under Paragraph 4(a) of the Policy) of demonstrating its rights in the unregistered mark ASIA BASE, by reason of the consistent use which it has made of the Mark on its business materials, deliverables and stationery, together with the recognition of the brand in the Chinese and Danish media.

### Rights and Legitimate Interests

In its Response the Respondent denies not having legitimate interests in the Disputed Domain, but fails to put forward any positive interest that it relies on.

The Respondent claims no sphere of influence beyond Hong Kong. A search of the Hong Kong Government Intellectual Property Department website reveals no entries for trade marks under the search "ASIA BASE".

The only glimpse of the history of the Respondent's acquisition and interest in the Disputed Domain comes from the email exchange leading to the offer of sale for US\$100,000. On 5 May 2003 the Respondent wrote:

"The domain name, asiabase.com we bought two years ago is part of our project which is on hold because of the bad economic climate. We will consider to sell it if your offer is attractive to us."

Although the initiated "project" may have been in contemplation at the time the Respondent acquired the Disputed Domain, it would seem that the Respondent acquired the Disputed Domain at least in part with an eye to possible sale.

The Respondent has acquired no trade mark rights in the Mark or other proprietary interests relevant to support its claim

to the Disputed Domain.

The occasional use of email accounts incorporating the Disputed Domain does not constitute a legitimate use in connection with a bona fide offering of services such as to defeat a domain name complaint. By analogy the Panel refers to the decision in *Multimatic, Inc. - v- Heinz Jakob / Effekfa*, eResolution decision, AF-0264, which dealt with other marginal use by a respondent.

Accordingly, the Panel finds that the Complainant has satisfied the second condition under Paragraph 4(a) of the Policy.

### Bad Faith

Even allowing for the possibility, which the Panel does, that the Respondent acquired the Disputed Domain in ignorance of the Complainant's rights in the Mark, the inference of the Respondent's contemplation of selling the Disputed Domain for a profit, and the Respondent's subsequent dealings demonstrate no intention to make legitimate use of the Disputed Domain, and rather evidence a clear desire to "cash in" on the value of the Disputed Domain to the Complainant. The Respondent's bad faith is shown on two levels:

#### Passivity

A passive or unexplained holding can constitute bad faith, as explained in the decision *Telstra Corporation Limited - v- Nuclear Marshmallows* WIPO Case No. D2000-0003. The decision contained the following:

"... the relevant issue is not whether the Respondent is undertaking a positive action in bad faith in relation to the domain name, but instead whether, in all the circumstances of the case, it can be said that the Respondent is acting in bad faith. The distinction between undertaking a positive action in bad faith and acting in bad faith may seem a rather fine distinction, but it is an important one. The significance of the distinction is that the concept of a domain name "being used in bad faith" is not limited to positive action; inaction is within the concept. That is to say, it is possible, in certain circumstances, for inactivity by the Respondent to amount to the domain name being used in bad faith.

7.10 This understanding of paragraph 4(a)(iii) is supported by the actual provisions of the Uniform Policy. Paragraph 4(b) of the Uniform Policy identifies, without limitation, circumstances that "shall be evidence of the registration and use of a domain name in bad faith", for the purposes of paragraph 4(a)(iii). Only one of these circumstances (paragraph 4(b)(iv)), by necessity, involves a positive action post-registration undertaken in relation to the domain name (using the name to attract custom to a web site or other on-line location). The other three circumstances contemplate either a positive action or inaction in relation to the domain name. That is to say, the circumstances identified in paragraphs 4(b)(i), (ii) and (iii) can be found in a situation involving a passive holding of the domain name registration. Of course, these three paragraphs require additional facts (an intention to sell, rent or transfer the registration, for paragraph 4(b)(i); a pattern of conduct preventing a trade mark owner's use of the registration, for paragraph 4(b)(ii); the primary purpose of disrupting the business of a competitor, for paragraph 4(b)(iii)). Nevertheless, the point is that paragraph 4(b) recognises that inaction (eg. passive holding) in relation to a domain name registration can, in certain circumstances, constitute a domain name being used in bad faith. Furthermore, it must be recalled that the circumstances identified in paragraph 4(b) are "without limitation" - that is, paragraph 4(b) expressly recognises that other circumstances can be evidence that a domain name was registered and is being used in bad faith.

7.11 The question that then arises is what circumstances of inaction (passive holding) other than those identified in paragraphs 4(b)(i), (ii) and (iii) can constitute a domain name being used in bad faith? This question cannot be answered in the abstract; the question can only be answered in respect of the particular facts of a specific case. That is to say, in considering whether the passive holding of a domain name, following a bad faith registration of it, satisfies the requirements of paragraph 4(a)(iii), the Administrative Panel must give close attention to all the circumstances of the Respondent's behaviour. A remedy can be obtained under the Uniform Policy only if those circumstances show that the Respondent's passive holding amounts to acting in bad faith."

#### Offer to sell Disputed Domain

The Respondent offered to sell the Disputed Domain to the Complainant for US\$100,000, notwithstanding that the Respondent was making no business use of it at the time, nor would it do so in the future. Whilst this does not fall squarely within the first stated example of bad faith under Paragraph 4(b)(i) of the Policy, it is certainly capable of being combined with surrounding facts and circumstances to justify a finding of bad faith for the purposes of Paragraph 4(a)(iii).

Following *Telstra* and applying its reasoning to the circumstances of this particular Complaint, the Panel has concluded that the unsubstantiated circumstances of acquisition and passive holding of the Disputed Domain by the Respondent, the inference of a contemplation of a sale, plus the later offer of sale for US\$100,000, together amount to the Respondent acting in bad faith in its registration and using the Disputed Domain in bad faith. The particular circumstances of this case which lead to this conclusion are:

(1) the Complainant has valuable (albeit unregistered) trade mark rights in the Mark which is identical to the Disputed Domain;

(2) the Respondent has provided no evidence whatsoever of any actual or contemplated good faith use by it of the Disputed Domain; and

(3) the Respondent has demanded US\$100,000 to transfer the Disputed Domain to the Complainant.

The Panel makes no finding of bad faith in respect of the alleged threat to spam the Complainant's email addresses.

### Status

www.asiabase.com

Domain Name Transfer

### Decision

Based on the above analysis, the Panel decides that: (1) the Disputed Domain is confusingly similar to a mark in which the Complainant has rights; (2) the Respondent has no right or legitimate interest in respect of the Disputed Domain; and (3) the Respondent has registered and has used the Disputed Domain in bad faith. Accordingly, pursuant to Paragraph 3 (c) of the Policy, and at the Complainant's request, the Panel decides that the Disputed Domain asiabase.com should be transferred to the Complainant.

[Back](#)

[Print](#)