



ASIAN DOMAIN NAME DISPUTE RESOLUTION CENTRE (HONG KONG OFFICE)

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Decision Submission

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Version
Decision ID DE-0900193
Case ID HK-0800166
Disputed Domain Name www.singervalves.com
Case Administrator Dennis CAI
Submitted By Lyons Debrett G.
Participated Panelist

Date of Decision 08-01-2009

Language Version : English

The Parties Information

Claimant Singer Valve Inc.
Respondent Singer Valves Corporation Limited

Procedural History

The Complaint was filed with the Hong Kong office of the Asian Domain Name Dispute Resolution Centre (the "Centre") on May 20, 2008. On November 3, 2008 the Centre transmitted by email to Tucows, Inc. a request for registrar verification in connection with the domain name at issue. That same day Tucows transmitted by email to the Centre its verification response confirming that the Respondent is listed as the registrant and providing the contact details. The Centre verified that the Complaint satisfied the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the 'Policy'), the Rules for Uniform Domain Name Dispute Resolution Policy (the 'Rules'), and the Centre's Supplemental Rules.

In accordance with the Rules, the Centre formally notified the Respondent of the Complaint, and the proceedings commenced on November 5, 2008. In accordance with the Rules, the due date for Response was November 26, 2008. The Respondent filed a Response on November 25, 2008.

The Centre appointed Debrett G. Lyons as the sole panelist in this matter on December 24, 2008. The Panel finds that it was properly constituted and has acted impartially in reaching its conclusion.

Factual Background

For Claimant

1. Both parties are manufacturers of mechanical valves.
2. The Complainant does business under the trade marks 'SINGER' and 'SINGER VALVE', the latter being registered in Canada and in the United States of America.
3. The Complainant has, through local intermediaries, sold its goods in Hong Kong and China since 1994.
4. The Complainant has not licensed or otherwise permitted the Respondent to use the trade mark or to register or use any domain name incorporating the trade mark.
5. The Complainant petitions the Panel to transfer the disputed domain name from the Respondent to the Complainant.

For Respondent

1. Both parties are manufacturers of mechanical valves.
2. The Respondent was incorporated on March 13, 2002.
3. The Respondent registered the disputed domain name on December 4, 2002.
4. The Complainant has not licensed or otherwise permitted the Respondent to use the trade mark or to register or use any domain name incorporating the trade mark.

Parties' Contentions

Claimant

The Complainant asserts trade mark rights and states that the disputed domain name is either identical, or confusingly similar to, the trade mark. The Complainant alleges that the Respondent has no rights or legitimate interests in the disputed domain name.

The Complainant alleges that the Respondent registered and used the disputed domain name in bad faith.

The detail of the Complaint is included where necessary in Part 5 of this decision.

Respondent

The Respondent broadly denies the allegations that it has no rights or legitimate interests in the domain name and registered / used the domain name in bad faith. The Respondent also challenges the Complainant's claim to trade mark rights.

The detail of the Response is included where necessary in Part 5 of this decision.

Findings

According to paragraph 4(a) of the Policy, the Complainant must prove that:

- (i) the domain name 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 domain name; and
- (iii) the domain name has been registered and is being used in bad faith.

Having considered the Complainant's case and the available evidence, the Panel finds the following:

Identical / Confusingly Similar

The Complaint states that "Complainant's predecessor, Singer Valve Co. Ltd., was first founded in 1956, subsequent to which it underwent a re-organization and 2 name changes".

The Complainant alleges continuous use of the trade mark SINGER VALVE since 1956 and lays claim to an international reputation in the trade mark.

Based on the evidence provided, the Panel is not inclined to find support for unregistered rights in the trade mark. There is none of the usual evidence necessary to show a common law reputation, merely a number of unsupported assertions that the Complainant and its trade mark are well-known. The Panel is reminded of what was said in *Weatherford Int'l, Inc. v. Wells*, FA 153626 (Nat. Arb. Forum May 19, 2003):

Although Complainant asserts common law rights in the WELLSERV mark, it failed to submit any evidence indicating extensive use or that its claimed mark has achieved secondary source identity . . . [Complainant's claim that it is well known] is a finding that must be supported by evidence and not self-serving assertions.

The World Intellectual Property Organisation (WIPO) is also responsible for decisions under the UDRP. In addition to publishing its decisions under the Policy, some years ago WIPO has published a so-called "Overview of WIPO Panel Views on Selected UDRP Questions". That Overview poses a number of Q&As, one of which has relevance to the discussion here:

1.7 What needs to be shown for the complainant to successfully assert common-law or unregistered trademark rights?

Consensus view: The complainant must show that the name has become a distinctive identifier associated with the complainant or its goods and services. Relevant evidence of such "secondary meaning" includes length and amount of sales under the mark, the nature and extent of advertising, consumer surveys and media recognition. The fact that the secondary meaning may only exist in a small geographic area does not limit complainant's rights in a common law trademark.

Unregistered rights can arise even when the complainant is based in a civil law jurisdiction.

Relevant decisions:

Uitgeverij Crux v. W. Frederic Isler D2000-0575, Transfer
Skattedirektoratet v. Eivind Nag D2000-1314, Transfer
Amsec Enterprises, L.C. v. Sharon McCall D2001-0083, Denied
Australian Trade Commission v. Matthew Reader D2002-0786, Transfer
Imperial College v. Christophe Dessimoz D2004-0322 among others, Transfer

Moreover, the Panel is not prepared to treat the limited evidence of sales of goods bearing the trade mark as representative of sales that might have occurred over a period since 1956 for the reason that there is real uncertainty as to whether the Complainant carries on the lineage of the business established in 1956. Certainly, a company by the name of Singer Valve Company Limited was incorporated in British Columbia, Canada, in January 1956. Nonetheless, as the Respondent points out, the company extract in evidence shows that company was dissolved in June 1989. In January 1986 a shelf company incorporated in British Columbia changed its name to Singer Valve (1985) Inc. and in March 1993 that company again changed its name to Singer Valve Inc.. All that can be said is that the Complainant can trace its legal identity to 1985. This is no evidence of assignment of goodwill or rights in the trade mark from the 1956 company and no explanation for its dissolution.

Nevertheless, the Complainant is possessed of certain registered rights. In particular it is the owner of US Trademark Registration No. 3,279,449 for the trade mark SINGER VALVE & Device. That application was filed on October 14, 2005 and was registered on August 14, 2007. It claims a date of first use in commerce of the trade mark of November 2005. It is well established that a US Federally registered trade mark is sufficient to prove a complainant's rights to a trade mark. As a general rule, and to address an argument raised by the Respondent, that remains the case even when the same trade mark might be registered to third parties in another jurisdiction (see *State Farm Mutual Automobile Insurance Company v. Periasami Malain*, NAF Case No. FA 705262 (Nat. Arb. Forum June 19, 2006) ("Complainant's registrations with the United States Patent and Trademark Office of the trademark STATE FARM establishes its rights in the STATE FARM mark pursuant to Policy ¶ 4(a)(i)."); see also *Mothers Against Drunk Driving v. phix*, NAF Case No. FA 174052 (Nat. Arb. Forum Sept. 25, 2003) (finding that the complainant's registration of the MADD mark with the United States Patent and Trademark Office establishes the complainant's rights in the mark for purposes of Policy ¶ 4(a)(i)).

The Panel addresses at this point a further issue raised by the Respondent. It is to be observed that the disputed domain name was registered in December 2002, well before both the date of filing of any of the Complainant's trade mark applications in evidence and well before the claim to first use of the trade mark in commerce stipulated in the US trade mark application. The Panel endorses the consensus view of former panels applying paragraph 4(a)(i) of the Policy in so far as the "rights" to a trade mark are assessed in a manner abstracted from any rights which might have accrued to a respondent; the question of relative timing of trade mark / domain name registrations, for example, is one properly considered under paragraph 4(a)(ii) or (ii) of the Policy.

Applying the principles now broadly accepted under the Policy, the Panel finds the disputed domain name to be identical to the Complainant's trade mark. The disputed domain name wholly incorporates the Complainant's trade mark. The addition of the gTLD, ".com", is trivial and does nothing to defeat the Complainant's claim of identity of domain name and trade mark (see, for example, *Rollerblade, Inc. v. McCrady*, WIPO Case No. D2000-0429 finding that the top level of the domain name such as ".net" or ".com" does not affect the domain name for the purpose of determining whether it is identical or confusingly similar; *Wal-Mart Stores, Inc. v. MacLeod d/b/a For Sale*, WIPO Case No. D2000-0662 holding confusing similarity when the domain name includes the trademark, or a confusingly similar approximation, regardless of the other non-distinctive terms in the domain name).

Likewise, it has been held that the omission of spacing between two words and the pluralisation of a term are equally trivial differences and do not avoid a finding of legal identity (see *Diesel v. LMN a/k/a L. M. Nordell*, FA 804924 (Nat. Arb. Forum Nov. 7, 2006) (finding <vindiesel.com> to be identical to complainant's mark because "simply eliminat[ing] the space between terms and add[ing] the generic top-level domain ("gTLD") '.com' ... [is] insufficient to differentiate the disputed domain name from Complainant's VIN DIESEL mark under Policy ¶ 4(a)(i)"))

The Panel finds that the Complainant has satisfied the first element of the Policy.

Rights and Legitimate Interests

The Complainant has the burden to establish that the Respondent has no rights or legitimate interests in the domain name. Nevertheless, it is well settled that the Complainant need only make out a prima facie case, after which the onus shifts to the Respondent to demonstrate rights or legitimate interests. See *Do The Hustle, LLC v. Tropic Web*, WIPO Case No. D2000 0624; *Hanna Barbera Prods., Inc. v. Entm't Commentaries*, NAF Case No. 741828; *AOL LLC v. Gerberg*, NAF Case No. 780200.

In this case, the Complaint makes no attempt to address paragraph 4(c) of the Policy and simply states that:

"As the Respondent was at no time the owner of the registration of the mark "SINGER" and its incorporation was the name "SINGER VALVES INCORPORATION LIMITED" (sic.) was clearly based on bad faith as seen in the context aforesaid, it has no rights or legitimate interests in respect of the Disputed Domain Name."

It would be open to this Panel to dismiss the Complaint for failure to do enough to make a prima facie case against the Respondent and another panel may have well done so. Nonetheless, given that the Respondent has joined in the debate about legitimate interests, the Panel has considered this aspect of the claim fully.

The Respondent spent much energy on matters peripheral to the application of the Policy. First, it was concerned to show that its valves were functionally different from the Complainant's valves and were therefore targeted at a different market. Even accepting that to be true, it is an irrelevant consideration and the Panel disregards it. Secondly, the Respondent was keen to show that it had registered the trade mark "SVC" in Hong Kong for use in relation to its business. Again, use or registration of another trade mark "SVC" does nothing to show rights or a legitimate interest in the disputed domain name. Thirdly, the Respondent argued that it had expended time and resources developing its valves and, to use its words, it "therefore has legitimate interests in the [goods] and in respect of the domain name in issue". That assertion points to the Respondent's erroneous belief that because it might have developed a new and separate product line through its own endeavor, it somehow legitimized a claim to use of the domain name. This is certainly not the case if the Respondent can show no independent right to use the trade mark that essentially forms the domain name.

It is at this point that the legitimacy of the Respondent's use of the trade mark requires closer scrutiny since it has already been noted that the Respondent registered the domain name some time before the Complainant proved its trade mark rights. Clearly, in the ordinary course of events, it would be difficult to find a respondent lacked a right to, or legitimate interest in, a domain name which it registered before a complainant itself had rights to that name. Equally, a complainant would struggle to show bad faith on the part of such a respondent.

The Complainant alleges that in 1996 it appointed a Kong company, Yue Hing Machine Factory Limited ("Yue Hing"), to act as its exclusive distributor for the territories of China and Hong Kong. The Complainant states that the arrangement with Yue Hing was terminated in 2003 for China and in 2006 for Hong Kong.

The Respondent replied by stating that "the alleged dealings between Yue Hing Machine Factory Limited and the Complainant do not concern the Respondent, and the Respondent is not in a position to respond further".

On the face of the matter, the Respondent's comment can be understood however the Complainant's evidence shows another layer of complexity. The Response was prepared and signed by Yu Shu Chung, a director of the Respondent company. A marriage certificate supplied by the Complainant shows Yu Shu Chung's father as Yu Chit Hing. Company extracts show Yu Chit Hing to be a director of Yue Hing. Email correspondence between the Complainant and Yue Hing show a falling out over discovery of the disputed domain name and the incorporation of the Respondent company, both using the Complainant's trade mark.

The matter is made less easy by the Complainant's claim that it appointed Yue Hing its exclusive distributor in 1996. Not only does the Complainant in its email correspondence with Yue Hing describe their business relationship as "an informal arrangement", but the company extract for Yue Hing shows that it was not incorporated until December 21, 2005.

The Complainant does not seek to explain this inconsistency however the Panel notes from copy invoices and shipping papers that the Complainant was selling its goods to local agents from as early as 1994, first to a company by the name of Arnhold & Co., in Hong Kong and then from about 1996 to Yue Hing Machine Factory (Hong Kong) Co., having the same address as Yue Hing.

Company extracts show Yu Chit Hing to be a director of another company, Best Duty International Limited ("Best Duty"). The Panel observes that Best Duty and Yue Hing share a common registered business address. Best Duty was incorporated on May 28, 1992 in Hong Kong. In May 2001 Best Duty applied to the Hong Kong Trade Marks Office for the mark SINGER. In May 2006, the resulting registration was assigned to Yue Hing and in May 2007 the registration was assigned to a British Virgin Islands company, Rich Thousand International Limited.

The Respondent was incorporated in Hong Kong on March 13, 2002 under the name Singer Valve Corporation Limited. On January 8, 2003 it amended its name to Singer Valves Corporation limited.

Paragraph 4(c) of the Policy states that any of the following circumstances which if found by the Panel to be proved based on its evaluation of the evidence, demonstrate rights or legitimate interests to a domain name for purposes of paragraph 4(a)(ii):

- (i) before any notice to you of the dispute, your 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; or
- (ii) you (as an individual, business, or other organization) have been commonly known by the domain name, even if you have acquired no trade mark or service mark rights; or
- (iii) you are making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

Paragraph 4(c)(iii) has no application to the facts of this case since the Respondent's business is clearly a commercial enterprise. For the purposes of paragraph 4(c)(ii), there is no actual evidence that the Respondent is commonly known by the name "Singer Valves" and by its own evidence, the Respondent attempts to distance itself from that name by referring to its use of the registered trade mark "SVC".

Paragraph 4(c)(i) is all that might come to the Respondent's aid and it requires use of the domain name or a name corresponding to the domain name in connection with a bona fide offering of goods or services before the Respondent had any notice of the dispute.

The first matter for the Panel is to determine when the Respondent first had notice of the dispute. One clear date is November 5, 2008, the date on which Complaint was communicated to Respondent. Nevertheless, the relationship between the Complainant and Yue Hing had broken down in 1986 and there is in evidence an email from the Complainant to Yue Hing dated September 20, 2006 demanding that Yue Hing assign the disputed domain name to the Complainant within 30 days. It seems clear that by this stage the Complainant was aware of the relationship between the Respondent and Yue Hing and was treating them as one enterprise. The Panel is in this case prepared to impute the Respondent with the knowledge of Yue Hing. That said, whilst there are indications of disenchantment between the parties from a time before September 20, 2006, the Panel could not elevate anything from an earlier point in time to being notice to the Respondent of the dispute.

The question before the Panel therefore resolves to whether what was done by the Respondent prior to September 2006 amounted to use, or preparations for use, of the disputed domain name in connection with a bona fide offering of goods or services.

Numerous prior decisions under the Policy have held that there is no bona fide offering in circumstances where the goods or services are supplied in breach of a complainant's trade mark rights. That thinking could be applied here however the simpler position is that in the Response there is a repeated insistence that the Respondent's business is known by the "SVC" name and that its goods are sold by reference to that name. It would be inconsistent for the Panel to find that the Respondent had offered goods or services under the SINGER VALVES name and so bring itself under paragraph 4(c)(i) of the Policy.

Accordingly, the Panel finds that the Respondent has no rights or legitimate interests in the domain name and so the second limb of the Policy is established.

Bad Faith

Paragraph 4(b) of the Policy sets out the circumstances which shall be evidence of the registration and use of a domain name in bad faith. They are:

- (i) circumstances indicating that you have registered or you have acquired the domain name 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 your documented out of pocket costs directly related to the domain name; or

(ii) you have 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 you have engaged in a pattern of such conduct; or

(iii) you have registered the domain name primarily for the purpose of disrupting the business of a competitor; or

(iv) by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your website 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 your website or location or of a product or service on your website or location.

What is noteworthy about paragraphs 4(b)(i)-(iv) is that they are cases of both registration and use in bad faith. Paragraph 4(b) is not exhaustive and other instances of bad faith might be in evidence but, in those instances, the Panel must be able to find both bad faith registration and bad faith use. It is therefore logical for the Panel to test the Respondent's behaviour against paragraphs 4(b)(i)-(iv).

There is no clear evidence that paragraphs 4(b)(i) or (ii) apply to the facts. Paragraphs 4(b)(iii) and (iv) might be applicable but the Complainant did not advance any convincing arguments based on those grounds. Accordingly, the Panel looks for both bad faith registration and bad faith use based on the evidence.

Once more, the Panel returns to the apparent conundrum posed by the fact that the Respondent registered the domain name many years before the Complainant acquired trade mark rights. Nonetheless, that has not always stood in the way of a finding of bad faith use or registration. The WIPO Overview previously referred to touches on this issue at 2 points – first it asks at Qn 1.4:

1.4 Does the complainant have UDRP-relevant trademark rights in a mark that was registered, or in which the complainant acquired unregistered rights, after the disputed domain name was registered?

Consensus view: Registration of a domain name before a complainant acquires trademark rights in a name does not prevent a finding of identity or confusing similarity. The UDRP makes no specific reference to the date of which the owner of the trade or service mark acquired rights. However it can be difficult to prove that the domain name was registered in bad faith as it is difficult to show that the domain name was registered with a future trademark in mind.

Relevant decisions:

Digital Vision, Ltd. v. Advanced Chemill Systems D2001-0827 , Denied

AB Svenska Spel v. Andrey Zacharov D2003-0527 , Transfer

Iogen Corporation v. Iogen D2003-0544 , Denied

Madrid 2012, S.A. v. Scott Martin-MadridMan Websites D2003-0598 among others, Transfer

.....and later at Qn 3.1,

3.1 Can bad faith be found if the disputed domain name was registered before the trademark was registered/common law trademark rights were acquired?

Consensus view: Normally speaking, when a domain name is registered before a trademark right is established, the registration of the domain name was not in bad faith because the registrant could not have contemplated the complainant's non-existent right.

Relevant decisions:

John Ode dba ODE and ODE - Optimum Digital Enterprises v. Intership Limited D2001-0074 , Denied

Digital Vision, Ltd. v. Advanced Chemill Systems D2001-0827 , Denied

PrintForBusiness B.V v. LBS Horticulture D2001-1182 , Denied

However: In certain situations, when the respondent is clearly aware of the complainant, and it is clear that the aim of the registration was to take advantage of the confusion between the domain name and any potential complainant rights, bad faith can be found. This often occurs after a merger between two companies, before the new trademark rights can arise, or when the respondent is aware of the complainant's potential rights, and registers the domain name to take advantage of any rights that may arise from the complainant's enterprises.

Relevant decisions:

ExecuJet Holdings Ltd. v. Air Alpha America, Inc. D2002-0669 , Denied

Kangwon Land, Inc. v. Bong Woo Chun (K.W.L. Inc) D2003-0320 , Transfer

Madrid 2012, S.A. v. Scott Martin-MadridMan Websites D2003-0598 among others, Transfer

General Growth Properties, Inc., Provo Mall L.L.C. v. Steven Rasmussen/Provo Towne Center Online D2003-0845 , Transfer

More recent cases which have considered the issue include Dreamgirls, Inc. v. Dreamgirls Entertainment, WIPO Case No. D2006-0609 and Opera Software ASA v. Mike Morgan, WIPO Case No. D2006-0752.

In the Opera Software case, the panel held :

"As to the question of bad faith, the Complainant's OPERA MINI product was launched on the Norwegian market on 10 August 2005. There was an amount of interest in the product within the industry and the launch received coverage on a number of prominent websites on the same date. Later that day, the domain name was registered.

In the absence of a Response or explanation as to why the domain name <operamini.com> was chosen, and registered, on the very day of the Complainant's product launch, it is more than probable that the domain name was registered in order to take advantage of the goodwill associated with the Complainant's OPERA MINI trademark, and the publicity associated with its launch.

While on the day that the domain name was registered, the Complainant's OPERA MINI product was only available to the Norwegian market, there was world-wide publicity afforded to the product launch. Due to the nature of the product, and the importance of the launch, the Complainant established an almost immediate goodwill and reputation in the OPERA MINI mark when the product was initially launched on the Norwegian market on August 10, 2005.

According to the English language translation of S. 2 of the Norwegian Trademarks Act, as provided to the Panel by the Complainant, Norwegian law provides that in addition to rights acquired by registration, "[t]he exclusive right to a trademark may also be acquired without registration when the trademark is established by use. A trademark is considered to be established by use when it is well known within the circle of trade concerned in this country as a distinctive sign for someone's goods."

There was a major product launch of this product in Norway early on the morning of August 10, 2005. On the balance of probabilities it would appear that the registrant became aware of the Complainant's product launch and decided to take unfair advantage of the product launch by registering the domain name.

By the time the Respondent registered the domain name, the Complainant's unregistered trademark rights in OPERA MINI had been (albeit very quickly) established by use as it had become "well known within the circle of trade concerned in [Norway] as a distinctive sign for someone's goods."

Since then the domain name has been used as the address of a website that contains links to products that are in direct competition to the Complainant's OPERA MINI mobile browser product. On the evidence therefore, the Respondent has intentionally attempted to attract, for commercial gain, Internet users to his website by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of his website and of certain products on his website.

On the evidence therefore, this Panel is satisfied that the domain name in issue was registered and is being used in bad faith."

The Opera Software case is one example where a panel has found registration in bad faith when the respondent acted opportunistically in registering the domain name, even though there had been no chance for the complainant to establish its rights in the trademark. Other examples might include public announcements of company mergers where the merged company will have a new or combined name, or prominently publicized new ventures under a company name or trading style.

In the present case, the Complainant has been distributing its goods in Hong Kong and China since 1994. Since 1996 it been doing so through a company (Yue Hing

and Yue Hing Machine Factory (Hong Kong) Co.) which shared a director with a company registered to the same address (Best Duty), which company then made a clandestine registration in Hong Kong of the Complainant's trade mark. It subsequently assigned that trade mark registration to Yue Hing and then to an off-shore company.

During this same period when Yue Hing was the local distributor, the son of one of its director's incorporated the Respondent company, again it would seem, without notice to the Complainant. Afterwards, that company registered the disputed domain name in the knowledge of the relationship between trade mark owner and distributor.

All these actions took place at a time when the Complainant was using the trade mark in relation to goods it had manufactured and exported to Hong Kong and in respect of which it was the rightful trade mark owner adjudged by the trade mark jurisprudence of most common law countries.

On these facts, the Panel finds bad faith use and registration and so finds that the Complainant has satisfied the third and final limb of the Policy.

Status

www.singervalves.com

Domain Name Transfer

Decision

For all the foregoing reasons, in accordance with paragraphs 4(i) of the Policy and 15 of the Rules, the Panel orders that the domain name <singervalves.com>, be transferred to the Complainant.

Debrett G. Lyons
Sole Panelist

Date: January 7, 2009