



ASIAN DOMAIN NAME DISPUTE RESOLUTION CENTRE (HONG KONG OFFICE)

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Decision Submission

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Version
 Decision ID DE-0900214
 Case ID HK-0800223
 Disputed Domain Name www.沃尔玛中国.net
 Case Administrator Dennis CAI
 Submitted By David Kreider
 Participated Panelist

Date of Decision 31-03-2009

Language Version : English

The Parties Information

Claimant (1) Wal-Mart Stores, Inc. (2) Wal-Mart China Co., Ltd.
Respondent Chenliang Co., Ltd.

Procedural History

On 12 November 2008, the Complainant submitted a Complaint in the English language to the Hong Kong Office of the Asian Domain Name Dispute Resolution Center (the ADNDRC), and elected this case to be dealt with by a one-person panel, in accordance with the Uniform Domain Name Dispute Resolution Policy (the Policy) approved by the Internet Corporation for Assigned Names and Numbers (ICANN), the Rules for Uniform Domain Name Dispute Resolution Policy (the Rules), and the ADNDRC Supplemental Rules for Uniform Domain Name Dispute Resolution Policy (the ADNDRC Supplemental Rules). On 12 November 2008, the ADNDRC sent to the Complainant by email an acknowledgement of the receipt of the Complaint and reviewed the format of the Complaint for compliance with the Policy, the Rules and the ADNDRC Supplemental Rules. All correspondence to and from the HKIAC described herein was in the English language.

On 13 November 2008, the ADNDRC transmitted by email to the Registrar, Web Commerce Communications Limited d/b/a Webnic.cc, a request for registrar verification in connection with the Disputed Domain Name. Later the same day, the Registrar transmitted by email to the ADNDRC its verification response, confirming that the Respondent is listed as the registrant and providing the Registrant's contact details, as referenced above.

On 5 December 2008, the ADNDRC transmitted the Complaint to the Respondent and notified the Respondent of the commencement of the action by email. The Respondent failed to submit a Response within the specified period of time. Accordingly, on 30 December 2008, the ADNDRC notified the Respondent's default.

Since the Respondent defaulted and did not mention the Panel selection in accordance with the time specified in the Rules, the ADNDRC Supplemental Rules, and the Notification, the ADNDRC informed the Complainant and Respondent that the ADNDRC would appoint a one-person panel to proceed to render the decision.

Having received a Declaration of Impartiality and Independence and a Statement of Acceptance, the ADNDRC notified the parties that the panel in this case had been selected, with Mr. David KREIDER (“Panel”), acting as the sole panelist. The Panel determines that the appointment was made in accordance with the Rules and the ADNDRC Supplemental Rules.

On 18 March 2009, the Panel received the file from the ADNDRC and should render the Decision within 14 days, i.e., on or before 1 April 2009.

Pursuant to Paragraph 11 (a) of the Rules, unless otherwise agreed by the Parties, or specified otherwise in the Registration Agreement, the language of the administrative proceeding shall be the language of the Registration Agreement, subject to the authority of the Panel to determine otherwise, having regard to the circumstances of the administrative proceeding. The language of the current disputed domain name Registration Agreement is English, thus the Panel determines English as the language of the proceedings.

Factual Background

For Claimant

There are two Complainants in this case. The 1st Complainant is Wal-Mart Stores, Inc., a corporation registered in the United States. The registered address is 702 S.W. 8th Street, Bentonville, Arkansas 72716-0520, United States of America. The 2nd Complainant is Wal-Mart China Co. Ltd. The registered address is 12/F, Tower 3, SZITIC Square, 69 Nonglin Road, Futian District, Shenzhen, Guangdong Province 518040, China. The 2nd Complainant is and was an affiliate of the 1st Complainant. Both Complainants shall be referred to in this Complaint as “the Complainant” .

For Respondent

The Respondent, Chenliang Co., Ltd., is the current registrant of the disputed domain name <沃尔玛中国.net> according to the Whois information. The registered address is Xinjingjiayuan #33-10, Zhongyang Road, Nantong, China.

Parties' Contentions

Claimant

A. Complainant

The Complainant’ s contentions may be summarized as follows:

As indicated on the WHOIS database search record, the Registrar and the Registration Service Provider for the Disputed Domain Name is Web Commerce Communications Limited.

In accordance with Paragraph 4(a) of the Policy, the Respondent is required to submit to a mandatory administrative proceeding because:

- (a) the Disputed Domain Name is identical or confusingly similar to trade marks or service marks in which the Complainant has rights; and,
- (b) the Respondent has no rights or legitimate interests in respect of the Disputed Domain Name; and,
- (c) the Disputed Domain Name was registered and is being used in bad faith.

The Complainant is the world’ s largest and most well-known retailer and the operator of “WAL-MART” department stores worldwide under the Trade Mark. The first WAL-MART store was opened in

Rogers, Arkansas, USA in 1962. Since 1962 the Complainant's business and the number of WAL-MART stores has grown exponentially worldwide. The Complainant has been listed as the number one Fortune 500 company every year from 2002 until 2008, with the exception of 2006 when the Complainant placed second on the Fortune 500 list. The Complainant currently operates more than 6,800 stores and employs more than 1.9 million employees worldwide in the USA, Canada, China, Japan, Mexico, Argentina, Brazil, Germany, Puerto Rico, Costa Rica, Nicaragua, Guatemala, Honduras, El Salvador and the United Kingdom. The Complainant exceeded US\$374 billion in global sales in the 2007-2008 US financial year. More than 180 million customers per week visit the Complainant's WAL-MART stores worldwide.

The Complainant owns and operates WAL-MART department stores in China under the trade marks "WAL-MART" and "沃尔玛" (WAL-MART in Chinese). The Complainant is the largest and most well-known retailer in Guangdong Province, China and one of the largest and most well-known retailers throughout China. The Complainant opened the first WAL-MART store in Shenzhen, China in 1996. Since 1996, the number of WAL-MART stores in China has grown exponentially.

The Complainant has registered numerous Domain Names worldwide comprising the Trade Marks (collectively, "the Domain Names"), and operates its various "WAL-MART" and "沃尔玛" websites, which are accessible via the Internet worldwide and to which these Domain Names resolve.

The Wal-Mart Trade Mark is one of the most well-known trade marks in the world and in China. The Trade Marks are invented trade marks associated by members of the public worldwide, including in Greater China, solely with the Complainant and its famous business. The 沃尔玛 Trade Mark has been recognized as a "famous" trade mark in China, by the Shenzhen People's Intermediate Court, in its decision dated 22 June 2004.

The Complainant spends in excess of US\$1 billion annually on advertising and promotional expenses worldwide, including in Greater China.

The Respondent's Domain Name is identical with or confusingly similar to the Complainant's Marks in which the Complainant has rights

The Complainant has numerous registrations for the Trade Marks. WIPO Panel decisions have held that registration of a mark is prime facie evidence of validity, which creates a rebuttable presumption that the mark is inherently distinctive. The Respondent has the burden of refuting this assumption (EAuto LLC v Triple S. Auto Parts d/b/a King Fu Yea Enterprises, Inc., ICANN Case No. D2000-0047).

The Respondent's registration of the Disputed Domain Name postdates the Complainant's registration priority dates for the Trade Marks.

The Disputed Domain Name comprises the word "沃尔玛" in its entirety, which is identical or confusingly similar to the 沃尔玛 Trade Mark. ICANN panels have consistently held that domains are identical or confusingly similar to a trade mark for purposes of the Policy "when the domain name includes the trade mark, or a confusingly similar approximation, regardless of the other terms in the domain name" (Wal-Mart Stores, Inc. v MacLeod d/b/a For Sale, WIPO Case No. D2000-0662).

沃尔玛 is the Chinese phonetic equivalent of Wal-Mart. 沃尔玛 is how the Wal-Mart Trade Mark is written in Chinese characters and pronounced in the Chinese language. Accordingly, the Disputed Domain Name comprising the word "沃尔玛" is also confusingly similar to the Wal-Mart Trade Mark (PCCW-HKT DataCom Services Ltd v Yingke, Case No. HK-0500065; Kabushiki Kaisha Toshiba d/b/a Toshiba Corporation v Liu Xindong, WIPO Case No. D2003-0408; Wal-Mart Stores, Inc v Weiqiu Zhong, Case No. HK-0400051).

The addition of the generic word "中国" meaning "China", and the use of the TLD ".net", is not sufficient to negate the confusing similarity between the Disputed Domain Name and the Trade Marks and does not serve to distinguish the Disputed Domain Name in any way. The mere addition of a TLD, or letters representing the same, to a trade mark does not negate the otherwise identical nature of the two terms (VAT Holding AG v vat.com, WIPO Case No. D2000-0607; Wal-Mart Stores, Inc. v East Treasure Trading Co

LLC, HKIAC Case No. HK-0800195). The addition of a generic word such as “中国” does not negate any confusing similarity between the Disputed Domain Name and the Trade Marks (Microsoft Corporation v Sergei Letyagin, WIPO Case No. D2004-0046). The addition of a place name generally does not alter the trade mark to which it is added (Wal-Mart Stores, Inc. v East Treasure Trading Co LLC, HKIAC Case No. HK-0800195). For the purposes of assessing similarity of the Disputed Domain Names to the Trade Marks, these letters should not therefore be taken into account.

Generally a user of a mark “may not avoid likely confusion by appropriating another’ s entire mark and adding descriptive or non-distinctive matter to it” (J. Thomas McCarthy, McCarthy on Trade marks and Unfair Competition (4th ed. 1998)), Electric Company v CPIC NET and Hussain Syed, WIPO Case No. D2001-0087 (2 May 2001), PCCW-HKT DataCom Services Limited v Yingke, HKIAC Case No. 0500065 (12 August 2005).

Accordingly, the Complainant submits that the Disputed Domain Name is identical or confusingly similar to the Complainant’ s Marks in which the Complainant has rights or interests under Paragraph 4(a)(i) of the Policy.

The Respondent has no rights or legitimate interest in respect of the Disputed Domain Name

The Complainant submits that the Respondent does not have any rights or legitimate interests in respect of the Disputed Domain Name based on the following grounds:

The Respondent does not hold any registered trade mark rights in respect of the Trade Marks. The Complainant has conducted online registration searches in all classes for China and Hong Kong. The search results did not reveal any registrations by the Respondent for any “WAL-MART” or “沃尔玛” trade marks in Hong Kong or China at all.

The Complainant has prior rights in the Trade Marks, which precede by many years the Respondent’ s registration of the Disputed Domain Name. The Complainant operates under the Wal-Mart Trade Mark in over 15 countries and is extremely well known throughout the world and in Greater China, where the Respondent is based. The Respondent could not therefore have been in ignorance that trade mark rights were vested in the Trade Marks, and that any use of the same without the consent of the trade mark owner is prohibited.

The Complainant has not authorized, licensed, endorsed or otherwise permitted the Respondent to register or use the Disputed Domain Name or to use the Trade Marks in relation to its business as a business name or otherwise. The Complainant has not in any way acquiesced to the Respondent’ s registration or use of the Disputed Domain Name or the use of the Trade Marks or similar marks in relation to the Respondent’ s business or otherwise.

The Respondent’ s use of the Trade Marks, or confusingly similar marks, is infringing. Such unlawful use of the Disputed Domain Name cannot be considered bona fide (G.D Searle & Co. v Entertainment Hosting Services. Inc., NAF Case No. FA00110783 (3 June 2002) (the respondent’ s use of the disputed domain name to solicit orders without licence or authorization to use the complainant’ s mark was not a bona fide offering of goods).

The Trade Marks are invented words, and as such are not words traders would legitimately choose unless seeking to create an impression of an association with the Complainant.

The Disputed Domain Name does not reflect the Respondent’ s common name.

There is no evidence that the Respondent has ever had any bona fide interest in establishing any legitimate business or activities under the Disputed Domain Name or any variant thereof.

There can be no valid suggestion that the Respondent is making a legitimate non-commercial or fair use of the Disputed Domain Name (see Paragraph 4(c)(iii) of the Policy). The evidence establishes clearly that the Disputed Domain Name is being used to sell competing products via the <lx9shui.china.mainone.com >

website.

Finally, it is well established that, where the Complainant contends the Respondent has no rights or legitimate interests in a disputed domain name, the burden of proof shifts to the Respondent to come forward with proof to the contrary (Clerical Med. Inv. Group Ltd. v Clericalmedical.com, WIPO Case No. D2001-1228; Do The Hustle, LLC v Tropic Web, WIPO Case No. D2000-064). Absent a showing to the contrary by the Respondent, the Complainant has therefore established that the Respondent has no rights or legitimate interests in the Disputed Domain Name.

For the reasons stated above, the Complainant submits that the Respondent has no rights or legitimate interest in respect of the Disputed Domain Name under Paragraph 4(a)(ii) of the Policy.

The Disputed Domain Name was registered and is being used by the Respondent in bad faith.

The Complainant submits that the Disputed Domain Name was registered and is being used by the Respondent in bad faith, on the following grounds:

(a) The Reputation and the Respondent' s Knowledge of the Complainant' s Trade Marks

The Complainant is famous worldwide, including in Greater China, and the Trade Marks are used globally to designate the Complainant' s products. The Trade Marks carry substantial goodwill throughout the world and in Greater China. It is inconceivable that the Respondent did not have knowledge of the Trade Marks before the Respondent registered the Disputed Domain Name.

Such knowledge of the Complainant' s rights and the Respondent' s blatant willingness to profit therefrom underscores the Respondent' s bad faith registration and use of the Disputed Domain Name (Samsonite Corp. v Colony Holding, FA 94313 (Nat. Arb. Forum May 27, 2003, Yachin, Arb.).

Registration of a domain name containing a famous mark is strong evidence of bad faith (Barney' s Inc. v BNY Bulletin Board, WIPO Case No. D2000-0059).

(b) Direct link to Competitor' s Website

The Disputed Domain Name is directly hyperlinked and automatically resolved to the <lx9shui.china.mainone.com> website, (" the Website "), which offers for sale various beverages and alcoholic beverages in direct competition with the Complainant. The Complainant offers for sale beverages via its <www.walmart.com> website. By resolving the Disputed Domain Name by direct link to the Website, the Respondent has intentionally attempted to attract, for commercial gain, Internet users to the Respondent' s website, by creating a likelihood of confusion with the Trade Marks as to the source, sponsorship, affiliation, or endorsement of the Website location or the location of a product or service on the Website or location (Schneider Electric SA v Ningbo Wecans Network Technology Co Ltd, WIPO Case No D2004-0554).

In addition to the registration and widespread use of the Trade Marks by the Complainant, since the Complainant already owns various top level and second level domain names containing the Trade Marks, persons accessing the Website are highly likely to think that the Disputed Domain Name has a connection with the Complainant or is otherwise associated or affiliated with, authorized, sponsored or approved by the Complainant. There is a high risk of confusion, as a consumer may think that the Disputed Domain Name directly refers to the Complainant' s products. As a result of the Respondent' s actions, consumer expectations are frustrated as they are either unable to purchase genuine or licensed Wal-Mart products (including, in particular, beverage products), or mistakenly purchase competing products believing them to be genuine or licensed goods.

(c) Disruption of Business of the Complainant

The Respondent is clearly a direct competitor of the Complainant with respect to the production and sale of beverages. The Website offers for sale such goods in direct competition with the Complainant. The Website

is accessible to persons in Hong Kong, China and worldwide. The Respondent has therefore registered the Disputed Domain Name with the intention of disrupting the business of the Complainant (EthnicGrocer.com, Inc v Unlimited Latin Flavors, Inc., Case No. FA 94385 (Nat Arb Forum, 7 July 2000; United Consumers Club, Inc. v Rico Dekker, WIPO Case No. 2007-0058).

(d) Breach of Registration Agreement

Under Clause 10 of the Registration Agreement between the Respondent and Web Commerce Communications Limited attached at Annex 5, the Respondent has expressly represented, warranted, and guaranteed, inter alia, that:

(i) the Respondent understands that use of the Disputed Domain Name may be subject to applicable laws, including those concerning trademarks and other types of intellectual property; (ii) to the best of the Respondent's knowledge and belief, neither the registration of the Disputed Domain Name nor the manner in which it is to be directly or indirectly used infringes the intellectual property rights of another party... (iv) the Respondent does register and will use, display, or exploit the Disputed Domain Name in good faith, in accordance with international, federal, and state laws and regulations, and will not use the Disputed Domain Name in any way which may violate a subsisting right of any party.

The Respondent has therefore breached the Registration Agreement. Breach of a registration agreement has been held to constitute bad faith under the UDRP (Google, Inc. v www.google.com and Jimmy Siavesh Behain, D2000-1240).

(e) The Respondent has no prior right to and no authorization from the Complainant

As shown above, the Respondent has no prior right to the Trade Marks and no authorization to use the Trade Marks in any form. The Respondent knows that the Trade Marks are famous marks. It is highly likely that the primary intention of the Respondent was to exploit the potential confusion with the Trade Marks to attract business to the Website and make unjustified gains by diverting customers away from the Complainant's products and towards its own competing products. Thus, the registration of the Disputed Domain Name was not made with a bona fide intention.

For the reasons stated above, the Complainant submits that the Respondent has registered and is using the Disputed Domain Name in bad faith under Paragraph 4(a)(iii) of the Policy.

Respondent

B. Respondent

The Respondent failed to submit a Response to the Complaint within the specified time period.

Findings

Paragraph 15(a) of the Rules instructs the Panel as to the principles the Panel is to use in determining the dispute: "A Panel shall decide a complaint on the basis of the statements and documents submitted in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable." Paragraph 4 (a) of the Policy requires that the Complainant should prove each of the following three elements to obtain an order that a domain name should be cancelled or transferred:

- i. the domain name registered by the Respondent must be identical or confusingly similar to a trademark or service mark in which 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.

Identical / Confusingly Similar

The Complainant, first established in 1962, is one of the largest retailers worldwide. The evidence submitted by the Complainant shows that the Complainant has registered the trademark "WAL-MART" worldwide

since 1962. The evidence also shows that the Complainant has obtained the trademark “沃尔玛” registration in China as early as of 1994. Accordingly, the Panel finds that the Complainant enjoys the indisputable prior rights and interests in the trademark “沃尔玛”. The Policy does not require the registration of trademarks in all jurisdictions for the protection of such rights. In this case, the registration of the trademark “沃尔玛” in China alone (not in the USA) would suffice to establish the Complainant’s rights and legitimate interests in the trademark.

The disputed domain name is <沃尔玛中国.net>. The addition of the generic word “中国” meaning “China”, and the use of the TLD “.net”, does not negate the confusing similarity between the Disputed Domain Name and the Trade Marks. Accordingly, the Panel has no difficulty whatsoever in finding that the disputed domain name <沃尔玛中国.net> is identical to the Complainant’s trademark “沃尔玛”. Wal-Mart Stores, Inc., and Wal-Mart China Co. Ltd. v. Chiu Tien Fu, ADNDRC Case Number HK-0800213 (8 December 2008); Wal-Mart Stores, Inc., and Wal-Mart China Co. Ltd. v. KeBin Bai, ADNDRC Case Number HK-0800229 (18 February 2009).

The Panel therefore holds that the Complaint fulfills the condition provided in Paragraph 4 (a)(i) of the Policy.

Rights and Legitimate Interests

The Complainant contends that the Respondent does not have rights to or legitimate interests in the Disputed Domain Name. The Complainant’s assertion is sufficient to establish a prima facie case under Policy 4 (a) (ii), thereby shifting the burden to the Respondent to present evidence of its rights or legitimate interest. The Respondent has failed to show that the Respondent has any rights or legitimate interest in respect of the Disputed Domain Name and has defaulted in these proceedings.

The Panel therefore finds that the Complaint fulfills the conditions provided in Paragraph 4 (a)(ii) of the Policy.

Bad Faith

The Complainant has been continuously using the trademark “WAL-MART” since 1962 and “沃尔玛” in China since 1994. “沃尔玛” is a uniquely coined name, not a name commonly used in trade. Indeed, The Trade Marks are invented words, and as such are not words traders would legitimately choose unless seeking to create an impression of an association with the Complainant.

Through years of use and promotion, the Complainant’s trademark “沃尔玛” has achieved a strong reputation, synonymous with one of the largest and well-known retailers worldwide. As such, the public has come to recognize and associate the Complainant’s trademark “沃尔玛” as originating from the Complainant and no other. The fact that the website of the disputed domain name contains the trademark “沃尔玛” is obvious to all that the Respondent is aware of the existence of the Complainant and its trademark. The action of registering the Disputed Domain Name, therefore, constituted bad faith, per se, as the learned Panelist found in Wal-Mart Stores, Inc., and Wal-Mart China Co. Ltd. v. Chiu Tien Fu, supra.

Additionally, the Disputed Domain Name is hyperlinked to the Respondent’s website, which offers for sale various alcoholic and non-alcoholic beverages in direct competition with the Complainant. Through this means, the Respondent has intentionally and in bad faith created a likelihood of confusion with the Complainant’s Trade Marks as to the source, sponsorship, affiliation or endorsement of the products sold through the website and a high risk that customers will erroneously conclude that the Disputed Domain Name refers to the Complainant’s beverage products, for its own commercial gain.

In conclusion, the Panel finds that the Respondent has registered and used the domain name in bad faith. Accordingly, the Panel finds that the Complaint satisfies the condition provided in Paragraph 4 (a) (iii) of the Policy.

Status

www.沃尔玛中国.net

Domain Name Transfer

Decision

Having established all three elements required under the ICANN Policy, the Panel concludes that relief should be granted. Accordingly, it is ordered that the <沃尔玛中国.net> domain name should be TRANSFERRED from the Respondent to the Complainant.

David KREIDER
Sole Panelist