

ASIAN DOMAIN NAME DISPUTE RESOLUTION CENTRE (HONG KONG OFFICE)

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Decision Submission

English

Print

Decision ID DE-0600075 Case ID HK-0600080

Disputed Domain Name www.hennessy-cn.com

Case Administrator Dennis CAI Submitted By Michael Hwang

Participated Panelist

Date of Decision 11-04-2006

The Parties Information

Claimant Societe Jas Hennessy & Co.

汕头市潮南区嘉柔化妆品有限公司 Respondent

Procedural History

1. On 16th February 2006, the Hong Kong Office of the Asian Domain Name Dispute Resolution Centre ("ADNDRC") received a copy of the Complaint in Chinese filed by Societe Jas Hennessy & Co. ("Complainant") with regard to the use of the domain name hennessy-cn.com ("The Disputed Domain Name") by Jiarou Cosmetic Industry Co. Ltd ("Respondent").

- 2. The Complainant has elected the matter to be tried before a sole Panelist.
- 3. The details of the Complainant are as follows:

Societe Jas Hennessy & Co. Rue de la Richonne 16100 Cognac (Charente) France

Email: jgarnier@hennessy.fr

4. The details of the Respondent are as follows:

Jiarou Cosmetic Industry Co Ltd Liannan Industrial Estate Liannan Road Shantou, Chaonan District Guangdong Province, 515144 People's Republic of China

- 5. On 16th February 2006, the Hong Kong Office of ADNDRC informed Beijing Innovative Linkage Technology Ltd, who is the Registrar of the Disputed Domain Name, that it had received a complaint with respect to the Disputed Domain Name.
- 6. On 20th February 2006, the Hong Kong Office of ADNDRC sent an email to the Respondent, with a copy of the Complaint attached, to inform them that administrative proceedings had been commenced with respect to the Disputed Domain Name. On the same day, the Hong Kong Office of ADNDRC received an automated reply from an email address interlin@yongtu.net purportedly signed by one Lin Jun Chung that the email sent by the Hong Kong Office of ADNDRC had been received.

- 7. On 23rd February 2006, the Respondent received a copy of the Complaint from ADNDRC by way of courier from the Hong Kong Office of ADNDRC.
- 8. On 29th March 2006, the Hong Kong Office of ADNDRC informed the Parties that Mr Michael Hwang S.C had been appointed the sole Panellist in this matter.
- 9. The details of the Mr Michael Hwang S.C ("The Panel") are as follows:

One Marina Boulevard #25-00 Singapore 018189

Email: michael@mhwang.com

- 10. The following rules will be taken into account in deciding this matter:
- (a) ICANN Uniform Domain Name Dispute Resolution Policy ("The Policy");
- (b) ICANN Rules for Uniform Domain Name Dispute Resolution Policy ("The Rules");
- (c) ADNDRC Supplemental Rules to the ICANN Uniform Domain Name Dispute Resolution Policy and the Rules for the Uniform Domain Name Dispute Resolution Policy ("The Supplemental Rules").
- 11. In exercise of the discretion given to the Panel under Rule 11 of the Rules, the Panel has chosen the English language to be the language of the administrative proceedings.
- 12. The Panel notes that the Respondent has failed to make responsive submissions to the Complaint within the 20 day time period set under Rule 5(a) of the Rules and Article 6 of the Supplemental Rules.

Factual Background

For Claimant

- 13. The following information is derived from the Complaint. Brief Factual Background of the Complainant
- 14. The Complainant is a company incorporated in France in 1765. The Complainant was set up by one Richard Hennessy. The name 'Hennessy' has been used since 1765 as a brand name in the manufacture and distribution of cognac and related alcoholic products ("Hennessy Products"). Hennessy Products were first sold in France before being subsequently sold throughout the world.
- 15. Around the 1860s, the Complainant has been marketing its alcoholic products to China and Hong Kong under the 'Hennessy' name.
- 16. The Complainant has had a worldwide good sales record. For the years 2003, 2004 and 2005, the sales of Hennessy Products reached 3,816,000, 3,988,000 and over 4 million cartons respectively.
- 17. In the People's Republic of China, sales revenue from the sale of Hennessy products has been steadily increasing. For the years 2003, 2004 and 2005, the revenue obtained from the sale of Hennessy Products reached RMB\$731,000,000, RMB\$927,000,000 and RMB\$1,170,000,000 respectively.

Use of "Hennessy" as a brand name

- 18. The Complainant has been actively promoting 'Hennessy' as a brand name worldwide through the use of various promotional means, such as advertisements in print media, television and cinema advertisements, road shows, and other forms of mass displays.
- 19. "Business Week" has placed the Hennessy brand name among the top 100 brands in the world for the years 2003 to 2005. In its Global Brand Scoreboard, the Hennessy brand name was ranked 82nd in 2003, 83rd in 2004 and 86th in 2005.
- 20. In March 2005, the Complainant participated in the World Spirits Competition held in San Francisco, which is the most prestigious competition in the United States for the alcoholic beverages industry. The outcome of the Complainant's participation was that Hennessy Products won the 'Best Cognac' and the 'Best Brandy' awards.

The use of the "Hennessy" mark as a Trademark

- 21. The 'Hennessy' and 'HENNESSY' marks (collectively referred to as "The Hennessy Mark") have been registered as a trademark for use in over 150 jurisdictions. These jurisdictions, amongst others, include: United Kingdom, Ireland, Germany, Italy, Switzerland, Greece, Denmark, Finland, Norway, Spain, Italy, Russia, China, Japan, Thailand, Vietnam, Singapore, Philippines, Malaysia, Hong Kong, Macau, Taiwan, Canada, Austria, United States, Argentina, Chile, Brazil and Egypt.
- 22. The 'Hennessy' mark has been registered in relation to many different classes of goods and services for trademark purposes, which include classes 3, 14, 18, 21, 24, 25, 26, 28, 29, 30, 31, 32, 33, 34, 41, 42 and 43.
- 23. The Complainant has been aggressive in safeguarding the use of the 'Hennessy' mark. The Complainant has taken steps to register the 'Hennessy' mark as a trademark in many jurisdictions, and has also registered many generic top level domain names and country code top level domain names using the 'Hennessy' mark.
- 24. Accordingly, the Complainant seeks a order from the Panel that the Disputed Domain Name be transferred from the Respondent to the Complainant.

For Respondent

25. No submissions were tendered by the Respondent in response to the Complaint.

Parties' Contentions

Claimant

- 26. The Complainant's submissions is divided into the following 3 headings.
- (i) The Disputed Domain Name is identical or confusingly similar to a trademark or service mark in which the Complainant has rights.
- (ii) The Respondent has no rights or legitimate interests in respect of the Disputed Domain Name.
- (iii) The Disputed Domain Name has been registered and is being used in bad faith.

The Disputed Domain Name is identical or confusingly similar to a trademark or service mark in which the Complainant has rights

- 27. The Disputed Domain Name includes the 'Hennessy' mark. The 'Hennessy' mark has been used by the Complainant since the year 1870, and is currently used in over 150 countries.
- 28. The Complainant submits that, with respect to Paragraph 4(a)(i) of the Policy, as long as the Disputed Domain Name contains the distinctive portions of the Complainant's mark, a finding that the Disputed Domain Name is confusingly similar will follow. The Complainant relies on the case of Adaptive Molecular Tech., Inc. v Woodward (WIPO D2000-0006) for this submission.
- 29. Furthermore, the Complainant submits that, in reliance of the case of UDomain Web Hosting Company v Lei Soi Iong and Au Siu Tong (ADNDRC, HK-0500068), the suffix "cn" added after a domain name adds nothing to the distinction between the Disputed Domain Name and the "Hennessy" mark that would be sufficient to avoid a finding of confusing similarity.
- 30. Therefore, the Complainant invites the Panel to find that the Disputed Domain Name is confusingly similar to the 'Hennessy' mark held by the Complainant.

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

- 31. The Respondent has not obtained any permission from the Complainant to use the "Hennessy" mark.
- 32. The Complainant is aware that, on 11th November 2003, one Lin Chu Qiang, who is a director and shareholder of the Respondent, submitted an application to the Trademark Office of the Peoples' Republic of China for registration of the 'Hennessy' mark for use in relation to Class 3 of the Trademark Classification for Goods. This application for registration would directly clash with the Complainant's registration of the 'Hennessy' mark in relation to Class 3. However, the Respondent's application was rejected on 22nd November 2005.
- 33. The Complainant is not aware if the Respondent later re-submitted its application.

34. For the reasons given, the Complainant submits that the Respondent has no rights or legitimate interests in respect of the Disputed Domain Name.

The Disputed Domain Name has been registered and is being used in bad faith

- 35. In support of its Complaint that the Disputed Domain Name has been registered and is being used in bad faith, the Respondent relies on the following 5 reasons, each of which the Complainant submits is sufficient in itself to constitute an act of bad faith.
- 36. First, the Respondent is currently hosting a commercial website selling perfume and other cosmetic products using the Disputed Domain Name as the website address. The Respondent's website has an English and Chinese version. The 'Hennessy' mark has been put on perfume bottles which are displayed on the Respondent's website. This amounts to an infringement of the Complainant's intellectual property rights.
- 37. The Complainant further alleges that, by exploiting the confusing similarity between the Disputed Domain Name and the 'Hennessy' mark, the Respondent has misled internet users as to the source, sponsorship, affiliation and endorsement of the Respondent's website and the products contained therein. The Complainant submits that this demonstrates that the Respondent's ulterior motive is to divert web traffic to its own website for commercial benefit.
- 38. Second, on 23rd June 2005, a letter of demand was sent to the Respondent by the Complainant's solicitors, with the demand that the Respondent cancel their registration of the Disputed Domain Name and pay HK\$50,000 to the Complainant as compensation. However, the Respondent has made no response to this letter of demand. Furthermore, the Complainant notes that the Respondent has, on 12th August 2005, renewed its registration for the Disputed Domain Name for a further period of 5 years.
- 39. Third, on 27th February 2004, Liu Chu Qiang, a director and major shareholder of the Respondent, and one other person incorporated a company in Hong Kong known as "France Hennessy International Group Limited". The Complainant has given no permission for the 'Hennessy' mark to be used by Liu Chu Qiang nor France Hennessy International Group Limited.
- 40. In response, on 5th December 2005, the Complainant filed a Writ of Summons in the High Court of the Hong Kong SAR against France Hennessy International Group Limited, Liu Chu Qiang, and the Respondent, amongst others. One of the reliefs sought for by the Complainant is an injunction restraining the named defendants from exploiting the 'Hennessy' mark.
- 41. Fourth, the Complainant alleges that, on 12th April 2005, the Shantou Chaonan District Administration of Industry and Commerce ("AIC") conducted an administrative enforcement action against the Respondent at its factory premises at Liannan Road, Liannan Village, Xiashan Town, Shantou, People's Republic of China.
- 42. During the course of the administrative enforcement action,
- (i) Liu Chu Qiang falsely represented that the Respondent had obtained rights from 'France Hennessy Company' to use the 'Hennessy' mark on their products;
- (ii) A total of 30,000 pieces of perfume products and packaging materials bearing the 'Hennessy' mark or the label 'Manufacture by France Hennessy International Group Co. Ltd" were confiscated by the AIC.
- 43. The Complainant alleges that, in concert with Liu Chu Qiang and France Hennessy Company, the Respondent is engaged in a conspiracy to infringe the intellectual property rights of the Complainant and damage the reputation of the Complainant.
- 44. Fifth, as mentioned above, the Respondent had attempted to register the 'Hennessy' mark as a trademark in the People's Republic of China, but to no avail. Notwithstanding this, in September 2004, the Respondent, through Liu Chu Qiang, attempted to register the mark '轩尼诗'(Chinese version of the 'Hennessy' mark). If the Respondent succeeds in getting initial approval from the Trademark Office, the Complainant has indicated that it will file a protest.
- 45. For the above reasons, the Complainant submits that the Disputed Domain Name should be transferred to the Complainant.

Respondent

46. As indicated above, the Respondent has failed to submit written submissions in response to the Complaint.
47. In order for the Complainant to succeed in getting a transfer of the Disputed Domain Name from the Respondent, the Complainant must prove the matters listed in all 3 limbs of Paragraph 4(a) of the Policy. In other words, the Complainant must show that:

- (i) The Disputed Domain Name must be identical or confusingly similar to a trademark or service mark in which the Complainant has rights;
- (ii) The Respondent must have no rights or legitimate interests in respect of the Disputed Domain Name;
- (iii) The Disputed Domain Name has been registered and is being used in bad faith.
- 48. Although the Panel notes that the Respondent has failed to file written submissions, the Complainant still has the burden of proving all 3 limbs of Paragraph 4(a) of the Policy. However, the Respondent's failure to deny any of the Complainant's allegations and evidence entitles the Panel to accept the Complainant's allegations and evidence as true if they appear credible and to draw the appropriate inferences. This course of action was taken in the matter of www.santonprene.com (HKIAC Decision DE-0600069), where the respondent had also failed to file written submissions in response to the complaint.
- 49. Further support for this course of action can be found in Rule 14 of the Rules:

Rule 14 Default

- (a) In the event that a Party, in the absence of exceptional circumstances, does not comply with any of the time periods established by these Rules of the Panel, the Panel shall proceed to a decision on the complaint.
- (b) If a Party, in the absence of exceptional circumstances, does not comply with any provision of, or requirement under, these Rules or any request from the Panel, the Panel shall draw such inferences therefrom as it considers appropriate.
- 50. Hence, the Panel will take the matters stated in the Complaint as true and the documents as exhibited in the Annexes to the Complaint as authentic and correct as to the matters contained in those documents.
- 51. The Panel will proceed to deal with each of the 3 limbs under Paragraph 4(a) of the Policy in turn.

Findings

Identical / Confusingly Similar

- 52. The Panel has to determine the two issues under this heading:
- (i) Does the Complainant have a trademark or service mark right to the word 'Hennessy'?
- (ii) If so, is the Disputed Domain Name identical or confusingly similar to the Complainant's trademark or service mark?
- Issue (i): Does the Complainant have a trademark or service mark right to the word 'Hennessy'?
- 53. The Panel finds that the Complainant has sufficiently established that it possesses the right to use the 'Hennessy' mark as a trademark.
- 54. This finding is based on the fact that the Complainant has taken steps to register the 'Hennessy' mark in many jurisdictions. This has been adequately demonstrated by the Complainant in Annexes 10 to 12 of the Complaint.
- 55. Although the Complainant has not adduced the registration documents of the 'Hennessy' mark from every jurisdiction that it claims the 'Hennessy' mark has been registered in, the Panel will nevertheless draw the inference that the Complainant's assertions are correct, as it is entitled to do so under Rule 14(b) of the Rules in the absence of a response from the Respondent.
- Issue (ii): If so, is the Disputed Domain Name identical or confusingly similar to the Complainant's trademark or service mark?
- 56. As to whether the Disputed Domain name is identical or confusingly similar to the 'Hennessy' mark, the Panel finds that the Disputed Domain name is confusingly similar to the 'Hennessy' mark.
- 57. The Panel notes the similarity in the facts of the present case to the facts in Adaptive Molecular Tech., Inc v Woodward (WIPO D2000-0006). In Adaptive Molecular Tech., Inc v Woodward, the complainant owned the trademarks 'MILITEC (& design)' and 'MILITEC-1'. The respondent registered its domain name as militec.com.
- 58. On whether the respondent's domain name was confusingly similar to the complainant's trademarks, the panel held:

- "It is beyond dispute that Complainant has satisfied the first requirement. While the domain 'militec' is not identical to Complainant's MILITEC (& Design) and MILITEC-1 trademarks, as Complainant would have this panel believe…, it undoubtedly is confusingly similar, in that is it the primary, distinctive element of both of Complainant's trademarks." (references to complaint omitted)
- 59. In the present case, the Panel is persuaded by the observations in Adaptive Molecular Tech., Inc v Woodward, and finds that the addition of the term '-cn' to the Complainant's 'Hennessy' mark fails to distinguish the Disputed Domain Name sufficiently from the 'Hennessy' mark, so as to avoid a finding of confusing similarity.
- 60. In addition, the Panel thinks further support for this finding can be found in the case of UDomain Web Hosting Company v Lei Soi Iong and Au Siu Tong (ADNDRC HK-0500069). It is sufficient to cite the following extract from the panel's decision:
- "It would seem 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."
- 61. While the term "-cn" is not a domain name suffix, the Panel thinks that the observations in UDomain Web Hosting Company v Lei Soi Iong and Au Siu Tong apply with full force. The Panel thinks that, as long as a suffix is added to the end of a complainant's registered trademark, it matters not whether the suffix is a domain name suffix or a plain suffix. The visual impact on a reasonable internet user is the same in both instances.
- 62. Hence, the Panel finds that Paragraph 4(a)(i) of the Policy has been satisfied by the Complainant.

Rights and Legitimate Interests

- 63. The Panel has to determine two issues under this heading:
- (i) Whether the Respondent has a right to use the 'Hennessy' mark?
- (ii) Whether the Respondent has a legitimate interest in using the 'Hennessy' mark?
- Issue (i) Whether the Respondent has a right to use the 'Hennessy' mark?
- 64. Given the Panel's finding above that the Complainant possesses the right to the 'Hennessy" mark, and its assertions that the Complainant has not granted the Respondent any right to use the 'Hennessy' mark, the Panel finds that the Respondent has no right to use the 'Hennessy' mark' with respect to its registration of the Disputed Domain Name.
- Issue (ii) Whether the Respondent has a legitimate interest in using the 'Hennessy' mark?
- 65. In determining whether the Respondent has a legitimate interest, the Panel takes note of the following non-exhaustive criteria listed under Paragraph 4(c) of the Policy:
- "....Any of the following circumstances, in particular but without limitation, if found by the Panel to be proved based on its evaluation of all evidence presented, shall demonstrate your rights or legitimate interests to the 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 trademark 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."
- 66. The Panel does not think that Paragraph 4(c)(ii) and 4(c)(iii) apply to the facts of this case. Hence, the only criterion left for consideration is whether Paragraph 4(c)(i) applies.
- 67. The Panel does not consider that the Respondent has satisfied Paragraph 4(c)(i) for the following reasons.
- (a) The Panel is persuaded that the 'Hennessy' mark has a high level of brand recognition amongst consumers of alcoholic beverages by the ranking of the 'Hennessy' mark by "Business Week" as one of the top 100 brands in the

world from the years 2003 to 2005 (see Annex 5 of the Complaint). In addition, the Panel finds further support for this finding from the fact that the Complainant has been using the 'Hennessy' mark in marketing its products since the 1860s, as evidenced by the marketing material used by the Complainant, found in Annexes 2, 4, 7 and 8 of the Complaint.

- (b) The Panel finds that the word 'Hennessy' is not a generic word which is commonly used in everyday conversation.
- (c) Hence, it is unlikely that the Respondent would be unaware of the 'Hennessy' mark when it made its application for registration for the Disputed Domain Name.
- (d) As the Respondent has not made submissions before the Panel to justify its use of the Disputed Domain Name, the Panel exercises its right under Rule 14(b) of the Rules to make an inference that, on the basis of sub-paragraphs (a) (c) above, the Respondent knew that the 'Hennessy' mark was already well in use by another company in promoting alcoholic products when the it applied for registration of the Disputed Domain Name.
- (e) Therefore, the Panel does not think that the Respondent was using the Disputed Domain Name in a bona fide offering of goods and services.
- 68. As there are no other circumstances which the Panel is aware of that would give the Respondent a right or a legitimate interest in using the 'Hennessy' mark when it registered the Disputed Domain Name, the Panel finds that the Respondent had no rights or legitimate interests in the 'Hennessy' mark when it applied for registration of the Disputed Domain Name.

Bad Faith

- 69. The Panel finds that the Complainant has proved that the registration of the Disputed Domain Name by the Respondent was done in bad faith.
- 70. In reaching its finding on the issue of bad faith, the Panel took the following facts into account.
- (a) After the Respondent's factory premises were raided by the AIC on 27th February 2004, and an Administrative Penalty imposed on the Respondent as a result of the findings of the raid, the Respondent would have known or have been put on notice that it was infringing the intellectual property rights of a third party when it used the 'Hennessy' mark on its products.
- (b) Despite a letter of demand having been sent to the Respondent on 23rd June 2005 containing a demand that the Respondent cancel their registration for the Disputed Domain Name containing the 'Hennessy' mark, the Respondent made no efforts to do so.
- (c) On 4th August 2005, the Respondent renewed its registration for the Disputed Domain Name for a further period of 5 years, despite having knowledge that the Respondent did not have the legal right to use the 'Hennessy' mark.
- (d) Despite a Writ of Summons having been issued against the Respondent and its director and majority shareholder Liu Chu Qiang in the High Court of the Hong Kong SAR on 5th December 2005, the Respondent had not yet made any efforts to cancel their registration of the Disputed Domain Name.
- (e) The Respondent has been using the Disputed Domain Name for the commercial purpose of promoting its own line of cosmetic products bearing the 'Hennessy' mark.
- 71. Paragraph 4(b) of the Policy provides as follows:

"Evidence of Registration and Use in Bad Faith

For the purposes of Paragraph 4(a)(iii), the following circumstances, in particular but without limitation, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith:

- ···.Paragraphs (b)(i) (iii) omitted···.
- (iv) by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your web site or other on-line location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of your web site or location or of a product or service on your web site or location."
- 72. The Panel finds Paragraph 4(b)(iv) to have been satisfied on the basis of the facts as found under this heading.
- 73. Hence, the Panel finds that the Respondent has registered and used the Disputed Domain Name in bad faith.

Status

www.hennessy-cn.com

Domain Name Transfer

Decision

- 74. The Panel has concluded that:
- (a) The Disputed Domain Name is confusingly similar to the Complainant's rights and trademark in the mark "Hennessy";
 (b) The Respondent have no rights nor legitimate interests in the Disputed Domain Name;
- (c) The Respondent has registered and used the Disputed Domain Name in bad faith.
- 75. Accordingly, in pursuance of Paragraph 4(i) of the Policy and Rule 15 of the Rules, the Panel ORDERS that the domain name "hennessy-cn.com" be transferred from the Respondent to the Complainant.

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