

Decisions

ADMINISTRATIVE PANEL DECISION

In the matter of

Volkswagen Group Singapore Pte. Ltd. [Complainant]

And

Webmotion Design [Respondent]

Case No: rca/dndr/2003/01(int)

1. The Parties

The Complainant is Volkswagen Group Singapore Pte. Ltd of Singapore, represented by IP Mirror Pte Ltd of Singapore.

The Respondent is Webmotion Design of Jalan, Petaling Jaya, Malaysia.

2. The Domain Name and Registrar

The disputed domain name <*volkswagen.com.my*> is registered with MYNIC.

3. Procedural History

The Complaint was filed electronically with the Regional Centre for Arbitration Kuala Lumpur, hereinafter referred to as "The Centre", on June 16, 2003 and by hard copy on June 17 2003. The Centre formally acknowledged receipt of the Complaint on June 16, 2003 and requested the Complainant to file the Annexures. The Complainant submitted the Annexures to the Centre on June 20, 2003. The Centre verified that the Complaint satisfied the formal requirements of the MYNIC's (.my) Domain Name Dispute Resolution Policy ("The Policy"), the Rules of the MYNIC's (.my) Domain Name Dispute Resolution Policy ("The Rules") and the Supplemental Rules of the Regional Centre for Arbitration Kuala Lumpur (the "Supplemental Rules").

The Centre transmitted by email to MYNIC a request for verification of the registration details for the domain name at issue on June 17, 2003. The details of the Registrar verification response has not been provided to the Panel. The MYNIC "who is" search result indicates the current registrant of the disputed Domain name is "Webmotion Design".

In accordance with Rule 5.3 of MYNIC's Rules , the Centre formally notified the Respondent of the Complaint, on June 20, 2003 by email, facsimile and A.R. Registered post . The proceedings formally commenced on June 25, 2003 , in accordance with the Rule 5.6 of the Rules and paragraph 5 of the Supplemental Rules. The due date for the Respondent response was July 15, 2003. The Respondent did not submit any response. Accordingly, the Respondent was in default as per Rule 6.7 of the Rules.

The Complainant having elected for a single member Panel, the Centre appointed Ms. Harini Narayanswamy in this matter, on July 31, 2003. The Panel finds that it has been properly constituted. The Panel has submitted a Statement of Declaration of Impartiality and Independence as required by the Centre. In compliance with the Rules the projected date for the decision is indicated as August 20, 2003.

4. **Factual Background**

The facts of the dispute are set out in the Complaint along with the supporting documents in the Annexures to the Complaint. The Panel finds the following facts to have been established:

The Complainant is a private limited company incorporated in Singapore.

The Complaint is based on the trademark "**VOLKSWAGEN**", which is registered with the Trademarks Registry in the Federation of Malaya, registration no. M/27387 in Class 12. (The trademark certificate is filed as Annex [3].)

The trademark "**VOLKSWAGEN**" is an internationally well-known mark.

The disputed domain name <*volkswagen.com.my*> was created by "Willy Marketing" on January 31, 2002 (as per the "who is" report at annex [5]).

The Complainant had sent a cease and desist letter dated November 20, 2002 to the registrant of the domain name [Annex [6]

On December 30, 2002, the domain name was re-registered by "Webmotion Design".

Both Registrants have the same "administrative contact", one Mr. Melvin Lau.

The Respondent has been a passive holder of the domain name and did not link the domain name to a web site. An online search reveals no website is linked to the Domain name. A copy of the passive website is filed as Annex [8].

5. **Parties Contentions**

The Complainant: The Complainant relies on the above stated facts and contends that:

The Domain Name in question is identical to the "**VOLKSWAGEN**" trademark owned and registered by the Complainant.

The Respondent is not commonly known as "**volkswagen.com.my**". The "who is" report shows the Registrant of the domain name is "Webmotion Design". The Complainant relies on the case of *America Online, Inc. v. J.P. Henry* (FA 0201000104112), where the Panel noted that no evidence was provided to demonstrate that it has been or is known by the disputed domain name.

The Complainant asserts that it has no corporate affiliation to the Respondent, and that it has not licensed or otherwise permitted the Respondent to register the domain name incorporating the trademark "**VOLKSWAGEN**". The Respondent is not an authorized agent or licensee of the Complainant's products or services.

The Complainant states that no legitimate use can and should be assumed from the registration of the domain name, which displays an element of bad faith and refers to several domain name case decisions to support this claim. Specific reference is made to the case of *Chase Manhattan Corp. v. Whitely* (WIPO D2000-0346), where the Panel had stated that the "Respondent could only defeat Complainant's trademark rights by showing prior registration and/or use or a license or Complainant's acquiescence."

The Complainant states that Respondent (Mr. Melvin Lau) had made a verbal offer to sell the disputed domain name at RM 10,000, which is indicative of bad faith registration and use of the domain name.

The Complainant asserts that the Respondent ought to have conducted a proper trademark search before registering the Domain Name, and refers to clause in the

"Agreement for Registration of a Domain Name", entered into by the Registrant, where it has been represented and warranted that "the domain name applied for does not infringe any registered or unregistered trademark in Malaysia".

In accordance with Paragraph 12(1) of the Policy, the Complainant requests that the domain name, <volkswagen.com.my>, be transferred.

The Respondent: The Respondent did not file any response. The Panel finds that the Centre in compliance with the Rules has formally notified the Respondent of the commencement of proceedings and has forwarded a copy of the Complaint to Respondent by hard copy and e-mail. The Respondent has not been denied the right to be heard in these proceedings.

6. **Discussions and Findings**

The "Agreement for Registration of a Domain Name", pursuant to which the domain name is registered incorporates the MYDRP Policy. Rule 17 of the MYDRP instructs the Panel to decide the proceeding based on the documents and evidence submitted by the Parties, the Policy and Rules as well as any other rules and principle of law which are applied in Malaysia.

Paragraph 5 of the MYDRP Policy provides that the Complainant must establish BOTH of the following elements in the Complaint:-

- i. The domain name is identical or confusingly similar to a trade mark or service mark to which the Complainant has rights; and
- ii. The Respondent has registered and/or used the domain name in bad faith

Paragraph 7 of the MYDRP Policy sets out the circumstances under which the Respondent can claim rights or legitimate interests in the Domain Name.

Identify or confusingly similar.

The Panel finds the disputed domain name <volkswagen.com.my> incorporates the trademark, with the addition of a gTLD ".com" and a ccTLD ".my". It is well established in domain name decisions that the inclusion of a gTLD such as ".com" is immaterial when determining identity or similarity between trademarks and domain names, see *Ticketmaster Corporation v. Discover Net, Inc.*, WIPO Case No D2001-0252. The addition of a ccTLD ".my" to the domain name is inconsequential when determining whether the domain name is identical or confusingly similar to the trademark. (See *The Channel Tunnel Group Ltd. v. John Powell*, WIPO Case No D 2000- 0038 concerning de minimis additions to domain names). Inclusion of top level domain names, such as gTLD's and ccTLD's are a technical requirement which have no significance when determining the similarity of the domain name to the mark.

The Panel finds the distinguishing and relevant part of the domain name is the term <volkswagen>', which is virtually identical to the trademark. and is without doubt confusingly similar to Complainant's trademark 'VOLKSWAGEN' See *HSBC Holdings Plc Vs domainchronicle* WIPO Case No 2002- 1173 where this Panel had observed "*The distinctive part of the disputed domain name is the trademark*"

The Complainant has established beyond doubt that it has statutory rights in the trademark "VOLKSWAGEN".

Accordingly, the Panel is convinced that the Complaint has satisfied the requirement under paragraph 5(i) of the Policy, and has established that the domain name is confusingly similar to a trade mark to which the Complainant has rights.

Rights and Legitimate Interests

Paragraph 7 of the Policy provides that, if the Panel is convinced, of any of the following circumstances to be present, based on an assessment of the evidence, it shall demonstrate the Respondent's right or legitimate interests in the domain name:

- iii. Before any notice of the Complainant's dispute, the Respondent had used or made preparations to use the domain name or a name corresponding to the domain name in relation to a genuine offering of goods or services or
- iv. The Respondent is commonly known by the domain name even though no trade mark or service mark rights in the same has been acquired.
- v. The domain name is used for legitimate, non commercial and fair purposes with no intention of using the same for profits or to deceive the public.

There is no evidence on record suggesting that the Respondent has rights or legitimate interests in respect of the domain name or that that the Respondent has made any use or preparation to use the domain name in connection with the bona fide offering of goods or services, nor can there be any conceivable bona fide use of adopting a well known trademark. The Respondent is not commonly known by the domain name and is not a licensee of the Complainant or otherwise authorized to use the Complainant's mark. There is, however, sufficient evidence of the registration and use of the trademark by the Complainant. On the balance of probabilities, the Panel concludes that the domain name was chosen for its fame by the Respondent.

Accordingly, the Panel finds that the Respondent has failed to establish any right or legitimate interest in the contested domain name, in terms of Paragraph 7 of the Policy.

Bad Faith

The Complainant has based its case for proving bad faith registration and use under the criteria set out in paragraphs 5 (ii) and 6 of the Policy, and on other norms of 'bad faith' use which have been recognized in domain name dispute decisions such as *Telsra [WIPO Case No D 2000 -0003]* and *Gurlian S.A. v. Peikang (WIPO D2000 - 0055)*

Paragraph 5.2 (ii) of the Policy, requires that the domain name must satisfy the twin criteria of being registered and used in bad faith by the Respondent. For the purposes of paragraph 5.2 (ii), the MYDR Policy sets out, under paragraph 6.1, that any of the following circumstances "among others" if found to be present by the Panel, constitutes bad faith registration and use of the domain name:

- vi. The domain name is used or registered mainly to sell, rent, transfer the domain name for profit to the Complainant, its competitor or the owner of the trademark or service mark or
- vii. The domain name is used or registered to prevent the owner of a trademark or service mark from using the domain name which is identical with its trademark or service mark. Or
- viii. The domain name is used or registered to disrupt the business of the Complainant or
- ix. The domain name is used or registered for the purposes of and with the intention to attract or divert, for commercial gain, internet users to:-
 - a. Website of the Complainant
 - b. A website of the Complainant's Competitor or
 - c. Any other website and or online location.

The Complainant states that the Respondent had made a verbal offer to sell the domain name at RM \$ 10,000 The Complainant adds that it had requested the Respondent to send an e-mail message to this effect, which was not complied with by the Respondent. The Complainant relies on the following decisions, regarding the

abovementioned bad faith use stated in paragraph 6(i) :(*Societe Nationale des Chemins de Fer Francais (SNCF) v. Queilles Philippe - WIPO D2002-0603; Guerlain S.A. v. Peikang - WIPO D200-0055; Wnbridge Inc. v. Youngchul (Michael) Chang and IG Communication Inc. - WIPO D2001 - 0576; Don Cornelius Productions, Inc. v. Bob Williamson d/b/a 1Domains - WIPO D2001 - 1376; The Law Society v. M.A. Sears - WIPO D2000-0342*). The Panel finds in the decisions cited above, the finding of bad faith was based on supporting documentary evidence. In the instant case the deficiency of documentary or other evidence to support the Complainant's contentions does not rule out a finding of 'bad faith' use as per paragraph 6.1(i) of the Policy.

The Panel can draw inference regarding the statement made by the Complainant, in the absence of supporting documentary evidence, and from other circumstances of the case; It is instructive to quote the Panel in *Sabancı v iu*, WIPO Case No. D2003-0498, where the learned Panel has stated that:

"The circumstances of the offer are also relevant. For example, a mere invitation to send an email is not as strong a sign as a actual priced offer on an auction site (see, e.g., *Wal-mart Stores, Inc. v. Yongsoo Hwang, NO-WALMART and NO-WALMART.COM*, WIPO Case No. D2000-0838), especially when the Respondent refuses to discuss the transfer after having been contacted by the Complainant."

While a definitive finding cannot be rendered by the Panel in the absence of tangible evidence, the Panel can however draw inference from the circumstances, that, given the strong reputation of the Complainant's mark, it does seem likely that a well-known mark has been registered to be used by the Respondent for some commercial gain.

The Complainant asserts that the case clearly falls within clause 6.1(ii) of the Policy, where the domain name has been registered and used in bad faith since it does not allow the Complainant to reflect its corresponding trademark in the domain name, and cites the following cases to support this contention [*Uniroyal Engineered Products, Inc. v. Nauga Network Services - WIPO D2000-0503; Strojirny v. Tatu Rautiainen - WIPO D2000-1394*].

The Panel finds the term "VOLKSWAGEN" has no meaning in the English language except as an identifier of Complainant's products. The Panel agrees with the Complainant's contention that the choice of the word "VOLKSWAGEN" by the Respondent in the disputed domain name will prevent the Complainant from reflecting its trademark in the ".my" domain, and as such falls within the purview of clause (ii) of paragraph 6.1 of the Policy.

It is abundantly clear from paragraph 6 of the Policy, that the circumstances enumerated regarding bad faith registration and use of the domain name is not limitative. The Complainant, based on several domain name dispute decisions, claims that the Respondent's behavior in this case has reflected bad faith registration within the meaning of "among others" set out in Paragraph 6.1.

The Complainant states that the Respondent having not made any legitimate or fair use of the domain name reflects 'bad faith' use . A copy of the passive website has been filed as Annex [8]. The Complainant argues that the Respondent had ample time to create a website since January 31, 2002 and has filed the DNS Report [Annex 7] for the domain name, to substantiate its claim that the Respondent has no intention to make fair use, of the domain name, for any non-commercial purpose.

The Panel finds the domain name does not resolve to an active web site. The Complainant has made reference to the "passive-related" cases, where it has been found, that use in bad faith also applies to passive websites. Particularly reference has been made to the case of *Gurlian S.A. v. Peikang* (WIPO D2000 - 0055), where the Panel had stated that the requirement of bad faith use is not only confined to domain names being registered and being used in bad faith but it also applies to passive sites

as stated "inaction is within the concept." The Panel agrees with the Complainant that the Respondent has not made any use of the domain name other than to register it. An inactive holding of a domain name is bad faith use of the domain name. Even if any use were to be made of the domain name it would not be a bonafide use as it may mislead the public to thinking that the domain name is connected to the Complainant, giving rise to possibility of creating confusion or deception that the domain name is connected with the Complainant and to its trademark.

The Complainant additionally asserts that the Respondent ought to have conducted a proper trademark search before registering the domain name, in compliance with the agreement, and failing to do so reflects bad faith registration. The Panel refers to its decision in *Telstrabigpond Vs kids@m-a-i-l.com 987654321*, WIPO Case No 2003-0169 where this panel has said: "*where the trademark in question is such a well known mark this argument is redundant.*"

The Panel agrees with the Complainant's contention that 'given the popularity of the Complainant's mark, the Respondent knew or ought to have known of the Complainant's well-known mark prior to registering', also see *Playboy Enterprises International Inc. v. BEG Service KB*, WIPO Case No. D2001-0494,

In the light of all the evidence submitted by the Complainant , the facts and circumstances discussed above, and the Respondent's failure to respond, or provide any evidence of contemplated good faith use of the domain name, the Panel determines that the domain name has been registered and used in bad faith, as set out in paragraph 5 (ii) and 6.1 of the Policy.

7. Conclusion

In accordance with findings under paragraphs 5 and 7 of the Policy and Rule 17 of the Rules the Panel directs that the domain name <volkswagen.com.my> be transferred to the Complainant.

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Harini Narayanswamy
Sole Panelist

Date: 20 August 2003