

REGIONAL CENTRE
FOR ARBITRATION KUALA LUMPUR



FORM H

**NOTIFICATION OF DECISION BY THE PANEL TO THE
REGIONAL CENTRE FOR ARBITRATION KUALA LUMPUR**

**1. DETAILS OF THE CASE: HOTNET SDN. BHD. v WEB BUSINESS
SOLUTIONS SDN. BHD.**

CASE NUMBER: rca/dndr/2009/19

DISPUTED DOMAIN NAME: marimari.com.my

CASE ADMINISTRATOR: Olivia Tan Swee Leng


PARTIES NAME:

a) **Complainant:** HOTNET SDN. BHD.

b) **Respondent:** WEB BUSINESS SOLUTIONS SDN. BHD.

2. NAME OF PANELLIST: Hariram Jayaram

Pursuant to Rule 17.3, the Panel hereby forwards its decision for the above-referenced case.

Signature : 
Name of Panellist : Hariram Jayaram
Date : 4th November 2009

Administrative Panel Decision

In the matter of

Between

HOTNET SDN. BHD.

And

WEB BUSINESS SOLUTIONS SDN. BHD.

CASE NUMBER rca/dndr/2009/19

1. The Parties

The Complainant is HOTNET SDN. BHD., a company incorporated under the Companies Act 1965 and having its registered address at No. 35-1, Jalan Putra Permai 1A, Putra Permai, Seri Kembangan, 43300 Selangor Darul Ehsan, Malaysia.

The Respondent is WEB BUSINESS SOLUTIONS SDN. BHD., a company incorporated under the Companies Act 1965 and having its registered address at No. 2A-D, Tingkat 2, Jalan 6/2, Taman Komersial Pandan Indah, 55100 Kuala Lumpur, Malaysia.

2. The Domain Name and Registrar

The disputed domain name is <marimari.com.my>, registered by WBS TRAVEL NETWORK SDN. BHD. (formerly known as WEB BUSINESS SOLUTIONS SDN. BHD.) with the Malaysian Network Information Centre (MYNIC).

3. Procedural History

The Panel has been able to sight only some of the documents relating to the procedural history but the Case Manager has provided a table as follows:

CASE FILE-CHRONOLOGY

Submission Date	Description
Documents submitted by Parties (date received by Centre) Documents communicated by Centre (date issued)	
3 rd September 2009	CTC & Form A-Complainant (email/hardcopy)
3 rd September 2009	Acknowledgement of receipt
3 rd September 2009	Centre request for MYNIC's

	Verification of identity of domain name holder Formal requirements Compliance Checklist
3 rd September 2009	Complaint Notification Instructions- 4 th September 2009 and Commencement of Proceeding- 7 th September 2009 and Respondent to reply by 30 th September 2009
30 th September 2009	Respondent apply for extension of time to reply-7 th October 2009
8 th October 2009	Form B response (email/hardcopy)
9 th October 2009	Acknowledgement of Receipt of Reply
15 th October 2009	Form D Claimant's reply
15 th October 2009	Statement of Acceptance and Independence of the Panel
15 th October 2009	Notification of Appointment of the Panel and Projected Decision Date
15 th October 2009	Communications of Notification on Panel Appointment to the Parties

4. Factual Background

The Complainant specializes in online booking of hotels, tours and other travel arrangements. The Complainant's business is conducted through the website www.marimari.com. It has filed the application no. 07019970 to register the trade mark MARIMARI.COM & device in Class 39 for "travel agency services, online hotel reservation, online tour reservation; all included in class 39" at the Registry of Trade Marks, Malaysia.

The Respondent engages in a similar/same line of business and has filed the application no. 07001771 to register the trade mark MARIMARI.COM.MY & device in Class 39 for "travel agency services, online hotel reservations, online tour reservation; all included in class 39" at the Registry of Trade Marks, Malaysia.

5. Parties Contentions

In the Complaint the Complainant contends as follows:

The Complainant is the proprietor and common law owner of the marks marimari.com and MARIMARI.COM (stylised) & device in Malaysia and worldwide by virtue of the Complainant's use of its marks since its incorporation in 2003. The travel agency

license enabling bookings to be made for hotels and flights in Malaysia is held by its wholly owned subsidiary, Orient Travel & Tours Sdn Bhd, which is the registrant of the domain name <marimari.com>.

The Complainant has been generating substantial revenue from its operation and for the year 2008 the Complainant's website www.marimari.com generated about RM6 million in revenue. It has also a very high ranking based on the Internet traffic when compared to the website of the Respondent under the disputed domain name.

The disputed domain name is identical or confusingly similar to the Complainant's marks since the mark MARIMARI.COM has been incorporated in its entirety in the disputed domain name. The Complainant has rights in its marks because of its prior use of the domain name <marimari.com> since 2000.

Lam Jye Ming, a director of the Respondent, was an employee of the Complainant's predecessor, Marimari.com (M) Sdn. Bhd. and thereafter an employee of the Complainant from March 2003 until 1 March 2004. Lim Beng Ho, also a director of the Respondent, was an employee of the Complainant from September 2003 until 31 August 2004. Both Lam Jye Ming and Lim Beng Ho, being employees of the Complainant, had full knowledge of the Complainant's use of the Complainant's marks and the Complainant's business under the website www.marimari.com. The Respondent was fully aware that the Complainant is the owner of the Complainant's marks in Malaysia and around the world. It is now using the disputed domain name for online bookings of hotels, tours and other travel arrangement, which is the same business the Complainant is operating under the website www.marimari.com. This is clearly an attempt to pass off the Respondent's website as that of the Complainant. The Respondent is seeking to usurp the goodwill and reputation that lies in the Complainant's marks. Such goodwill and reputation was created by the Complainant as a result of its extensive marketing and sales. The use of the disputed domain name by the Respondent is also likely to deceive or cause confusion amongst the public. There is a real danger that the Respondent's services may be passed off or mistaken for those of the Complainant or the public may be mistaken into believing that some form of connection exists between the Respondent and the Complainant. The Complainant has received a number of phone calls from customers who made bookings on the website operated by the Respondent using the disputed domain name, thinking that the bookings were being made on the Complainant's website. The Complainant has received an email from one of its prior customers with regard to a booking made with the Respondent's website under the disputed domain name which the Complainant's customer thought was the Complainant's website. The Respondent is using the disputed domain name to divert the business of the Complainant. The disputed domain name registered by the Respondent (whose directors are ex employees of the Complainant) is an instrument of fraud and the use of the disputed domain name has resulted in passing off and will continue to be used to pass off the Respondent's website as that of the Complainant. The existing registration and use of the disputed domain name by the Respondent have prevented the Complainant, the owner of the mark MARIMARI.COM from using the disputed domain name <marimari.com.my>.

In its Response the Respondent denies these contentions and asserts as follows:

The Complainant does not have any right over the mark/name MARIMARI.COM and/or MARIMARI.COM.MY. Its claims over the mark/name MARIMARI.COM and/or MARIMARI.COM.MY is unfounded and/or premature since the Complainant's opposition proceedings against its trade mark application no. 07001771 for "MARIMARI.COM.MY & device" in Class 39 is yet to be decided by the relevant authority. The proper Complainant to this proceeding should be Orient Travel & Tours Sdn Bhd and not Hotnet Sdn Bhd since each limited company incorporated pursuant to the Companies Act 1965 has distinct and separate legal personality and may sue or be sued or initiate any proceedings in its own name. Orient Travel & Tours Sdn Bhd being a wholly owned subsidiary of the Complainant has no bearing whatsoever over the right or *locus standi* of the Complainant to initiate the current proceedings. The disputed domain name is identical to the trade mark already owned by the Respondent, namely "MARIMARI.COM.MY & device" in Class 39. There is no nexus between the Complainant and Marimari.com (M) Sdn. Bhd. which has since been wound up. The Complainant has not obtained the domain name <marimari.com> from the previous owner i.e. Marimari.com (M) Sdn. Bhd. through proper and legal manner. The Respondent has not registered and/or used the disputed domain name in bad faith because it does not intend to sell, rent or transfer the disputed domain name for profit to the Complainant, its competitor or the owner of the trade mark or service mark; to prevent the owner of a trade mark or service mark from using the disputed domain name which is identical with the trade mark or service mark of the Complainant; to disrupt the business of the Complainant ; to confuse or deceive Internet users that the disputed domain name is operated or authorised by, or otherwise connected with the Complainant and/or its trade mark or service mark. The Respondent is the rightful owner of the trade mark MARIMARI.COM.MY which is identical to the disputed domain name and it has a legitimate right and interest to use, continue using and protect the trade mark MARIMARICOM.MY and be allowed to retain the disputed domain name. It has clearly indicated in the web pages hosted at the disputed domain name that the website corresponding to the disputed domain name is operated by the Respondent and it also bears the contact details of the Respondent. The disputed domain name was available for registration prior to the Respondent taking it up and the Complainant had ample opportunity to register the disputed domain name but the Complainant has failed to do so. The Respondent has since 31 January 2007 obtained the trade mark MARIMARI.COM.MY. Thus it has the rights and legitimate interest in the disputed domain name which is identical to the trade mark.

In its Reply the Complainant denies the Respondent's contentions and asserts as follows:

The Complainant's claim over the mark/name MARIMARI.COM is not dependent on the opposition proceedings against trade mark application no. 0700 1771. The Complainant's right in the mark/name MARIMARI.COM is by reason of the extensive use of the mark/name MARIMARI.COM for the services relating to travel, hotel bookings, tour and other related services conducted through the website

www.marimari.com, operated by the Complainant and its predecessor. The mark/name MARIMARI.COM was first used in the website www.marimari.com, operated by the Complainant's predecessor in 1999. The Complainant started to use the mark/name MARIMARI.COM and operate the website www.marimari.com since its incorporation in 2003. The Respondent had merely filed an application to register the mark MARIMARI.COM.MY under the trade mark application no. 07001771 which is now being opposed by the Complainant and this does not give any right to the Respondent. Until the Respondent is registered as the proprietor, it does not acquire any right whatsoever under the Trade Marks Act 1976. The Complainant being the operator of the website www.marimari.com and using the MARIMARI.COM mark, is the proper party to file the Complaint against the Respondent. The Complainant has also applied to register the trade mark MARIMARI.COM with device". If it is a requirement that the Complainant has to be registered as the owner of the domain name <marimari.com> for the Complainant to have *locus standi* to initiate this Complaint against the Respondent with regard to the disputed domain name, the Complainant has taken the necessary steps to effect such registration and is currently registered as the owner of the domain name <marimari.com>.

The mere inclusion of the country code top level domain name (ccTLD) does not make such a mark with the ccTLD substantively different from the original mark without the ccTLD. The Complainant took over the operation of the website www.marimari.com after it was incorporated in 2003 and started using the "MARIMARI.COM" mark. The Respondent does not have *locus standi* to challenge the Complainant's right to use the MARIMARI.COM mark and the registration of the Complainant or its subsidiary as the registrant of the domain name <marimari.com>. If the Respondent wishes to challenge the registration of the domain name <marimari.com> by the Complainant, the Respondent must initiate a separate proceeding at the appropriate forum. The present proceeding is only in respect of the disputed domain name registered in the name of the Respondent. There is bad faith on the part of the Respondent because while the Respondent may not have intended to sell, rent or transfer the disputed domain name, the Respondent, by reason of the two directors being ex-employees of the Complainant, had knowledge that the Complainant was operating a website corresponding to the domain name <marimari.com>, providing hotel booking and travel related services. These directors caused the Respondent to register a domain name which is identical in all respects to the <marimari.com> domain name used by the Complainant except as to the addition of ".my" being a ccTLD to offer the exact same services offered by the Complainant. There is intention to prevent the Complainant from using the same domain name at the ccTLD level and to disrupt the business of the Complainant by diverting business of unsuspecting consumers to the website of the Respondent. The fact that the Complainant did not manage to register the disputed domain name prior to the Respondent registering the same does not mean that the Respondent's registration was not done in bad faith.

6. Discussion and Findings

As provided by Rule 17.1 of the Rules (the Rules) of MYNIC's (.my) Domain Name Dispute Resolution Policy (MYDRP), the Panel hereby gives its decision based on the documents and evidence submitted by the Parties, the MYDRP and the Rules as well as any other relevant rule and principle of law applied in Malaysia.

By Paragraph 5.2 of MYDRP it is required of the Complainant to establish that:

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

The Respondent on his part may prove that the disputed domain name is not identical or confusingly similar to the Complainant's trade mark or service mark and he may also establish under Paragraph 7.1 of MYDRP that he has rights and legitimate interest in the disputed domain name.

Identical or confusingly similar

The trade mark/service mark on which the Complainant relies for the current proceeding is MARIMARI.COM. It has applied to the Registrar of Trade Marks, Malaysia for registration of the said trade mark/service mark bearing the number 07001771 with a device for "travel agency services, online hotel reservations, online tour reservations; all included in class 39". The application is pending and as a result the Complainant may not claim any rights which arise from registration of a trade mark under the Trade Marks Act 1976.

However, it has rights in the unregistered trade mark/service mark on account of long and substantial use. As explained by **Shanahan** in *Australian Trade Mark Law and Practice*, 1982 edition, page 33 (citing "GE" Trade Mark [1973] R.P.C. 297, at 325):

"At common law a person who uses a trade mark in his business may thereby acquire a right of property in the trade mark, that right being, ... an adjunct of the goodwill of the business and incapable of separate existence".

The Complainant claims that the trade mark/service mark Marimari.com was first used in 1999 by its predecessor, Marimari.com (M) Sdn. Bhd. There is no clear evidence to show that Marimari.com (M) Sdn. Bhd. is the Complainant's predecessor. To carry out its business activities, it has a wholly owned subsidiary, Orient Travel & Tours Sdn. Bhd. which besides having a travel agency licence, has registered the domain name <marimari.com>. Presumably after the commencement of the current proceeding, the Complainant has secured registration of the said domain name. The website to generate business for the Complainant has been and is www.marimari.com which incorporates the trade mark/service mark Marimari.com. The Complainant's

use of the trade mark/service mark goes back to the year of its incorporation i.e. 2003. The revenue generated through the operation of the website is substantial. For the year 2008, it was about RM6 million.

It is the finding of the Panel that because of the long and substantial use of the trade mark/service mark Marimari.com, the Complainant has goodwill in its business and its trade mark/service mark is a common law trade mark/service mark in which the Complainant has a right of property.

The disputed domain name is <marimari.com.my>. The registrant according to the report of .my DOMAIN REGISTRY Whois Service is WBS Travel Network Sdn. Bhd., the current name of the Respondent. In the Complaint, the Complainant states:

"WBS Travel Network Sdn Bhd (previously known as Web Business Solutions Sdn Bhd) is named as the Respondent as it is the Registrant of the domain name in dispute, namely www.marimari.com.my."

Notwithstanding this statement, in its documents, the Complainant has named the Respondent as Web Business Solutions Sdn Bhd and this proceeding has continued with this name as Respondent. There is no reason given as to why the former name of the company i.e. WEB BUSINESS SOLUTIONS SDN. BHD. has been selected to be named as the Respondent. Section 23(6) of the Companies Act 1965 provides as follows:

"A change of name pursuant to this Act shall not affect the identity of the company or any rights or obligations of the company or render defective any legal proceedings by or against the company, and any legal proceedings that might have been continued or commenced by or against it by its former name may be continued or commenced by or against it by its new name."

Since this section uses the word "may" and not "shall" the current proceeding in the old name of the company should not be brought into question.

Essentially, the disputed domain name is one which incorporates the common law trade mark/service mark Marimari.com and has the addition of a ccTLD ".my". As pointed out by the Panel in *Volkswagen Group Singapore Pte. Ltd. v. Webmotion Design*, Case No: rca/dndr/2003/01(int):

"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 trade mark".

The Complainant has also provided evidence to show actual confusion: A number of customers have made bookings on the Respondent's website under the mistaken impression that they were making bookings on the Complainant's website because of

the utilization of the Complainant's trade mark/service mark by the Respondent in its website.

The Panel finds that the disputed domain name is confusingly similar to the Complainant's trade mark/service mark.

Bad faith

A significant piece of evidence is that two of the directors of the Respondent, Lam Jye Ming and Lim Beng Ho were once employees of the Complainant. When in its employment, they knew or ought to have known the use of the trade mark/service mark Marimari.com by the Complainant. Despite this, the Respondent, a company in which they are directors, has registered the disputed domain name and utilized it for a website www.marimari.com to engage in the same/similar field of activity as that of the Complainant. This has caused confusion amongst Internet users resulting in diversion of bookings to the Respondent's website.

There is no separate or concurrent right in the trade mark/service mark Marimari.com vested in the Respondent. It says that it has obtained the trade mark Marimari.com from 31 January 2007, corresponding to the disputed domain name. In support, it has produced documents relating its application for registration of the trade mark at the Registry of Trade Mark, Malaysia. However, the application has not proceeded to registration. In fact, it is the subject matter of opposition proceedings commenced by the Complainant. These documents are of no value to establish legitimate rights and interest in the trade mark or the disputed domain name.

7. Conclusion

The Complainant has satisfied the requirements of paragraph 5 of MYDRP and the Panel directs that the disputed domain name <marimari.com.my> be transferred to the Complainant.



Hariram Jayaram
Sole Panellist

Dated: 4th November 2009