

Administrative Panel Decision

IN THE MATTER OF A DOMAIN NAME DISPUTE

Between

TRS QUALITY INC [Complainant]

And

ALPHA CONSTANT SDN BHD [Respondent]

Case No: KLRCA/DNDR/2012/30

1. The Parties

- 1.1. The Complainant is TRS Quality Inc, with an address at 300 RadioShack Circle, Mail Stop #CF4-101, Fort Worth, Texas 76102-101 USA.
- 1.2. The Respondent is Alpha Constant Sdn Bhd, with its address at PO Box 21, 10250 Pulau Tikus, Pulau Pinang, Malaysia.

2. The Domain Name and Registrar

- 2.1. The Domain Name in issue is www.radioshack.com.my ("Domain Name"). The Respondent is listed as the registrant of the Domain Name in the Whois records available from www.mynic.net.

3. Procedural History

- 3.1. The Complaint is dated 16 October 2012 and was filed with in accordance with the MYNIC's (.my) Domain Name Dispute Resolution Policy, the Rules of the MYNIC's (.my) Domain Name Dispute Resolution Policy and the Supplemental Rules of the Kuala Lumpur Regional Centre for Arbitration ("the Centre"). On 22 November 2012, the Centre received the Respondent's Response to the Complaint. On 30 November 2012, the Centre received the Complainant's Reply to the Respondent's Response.

3.2. The Centre thereafter appointed Messrs Khoo Guan Huat, Wong Sai Fong and the Honourable Neil Brown QC as panellists. Khoo Guan Huat was appointed the presiding panellist.

3.3. The Complainant seeks the remedy of having the Domain Name transferred to it.

4. Parties' Contentions

4.1. The Complainant contends, among others, that:

- a) It is the wholly-owned subsidiary of Radioshack Corporation. It is the entity that owns and enforces the RADIOSHACK brand.
- b) The RADIOSHACK brand is a famous, highly distinctive coined term. The Complainant licenses the RADIOSHACK brand to the RADIOSHACK operating entities that use this brand in connection with retail sale of consumer goods and services and other related activities. These activities are within Malaysia, the United States and many other countries.
- c) Radioshack Corporation sells products through, among other channels, its website at www.radioshack.com. These products include computer hardware and software, as well as printer cartridges and other consumer technology products.
- d) The product offerings through the www.radioshack.com website are identical to those offered by the Respondent through the Domain Name.
- e) Since 1923, the Complainant and RadioShack Corporation, through their predecessors in interest, have actively promoted the RADIOSHACK trademark through a number of means. These include advertising, publications, other means in both traditional media and on the Internet. Such promotions had reached millions of people around the world, and as a result, the RADIOSHACK mark has acquired substantial goodwill and reached famous status. It has

become a valuable intellectual property asset of the Complainant and RadioShack Corporation.

- f) The Complainant, through its predecessor in interest, has obtained a number of trademark registrations over RADIOSHACK throughout the world. In Malaysia, trademark registrations have been obtained for RADIOSHACK since 1996, in classes (9) and (35). These bear the registration numbers 96004763 (Class 9), 96004978 (Class 9) and 97018439 (class 35).
- g) The Complainant had had assignment of the '4978 and '8439 marks recorded with the Malaysian IP Office, but has been unable to produce documentary evidence to support a recordal of the assignment of the '4763 mark to it. Nevertheless, the Complainant produced a Declaration that the '4763 mark is owned by the Complainant.
- h) The Complainant had an outlet opened in Malaysia in the 1990s. The store was ultimately closed. No date was offered by the Complainant as to when the store was closed. The Complainant claimed that subsequently in 2012, new retail locations were opened in the Gardens Mall and Mid-Valley Mall. Exhibit 8 was relied on in support of this.

4.2. The Panel notes from Exhibit (8) that the opening of the RadioShack outlets in these locations was pursuant to a franchise agreement between RadioShack Corporation and Berjaya Retail Berhad. The Panel also notes that Complainant's name does not appear anywhere in Exhibit (8). The Panel states that Exhibit (8), if relied on for the purpose of showing the Complainant's goodwill and reputation in Malaysia, is insufficient to establish these.

4.3. Further contentions of the Complainant include:

- a) The Domain Name immediately resolves to <http://mudah.my/tekcentre>. This website advises visitors that they can "buy and sell computers and accessories"

and has as its description of its offerings “new and used computers and accessories, desktops, networking equipment, laptops/notebooks”.

- b) The website of Tekcentre at <http://tekcentre.net> states that Tekcentre is operated by the Respondent. Whois records list the Registrant of tekcentre.net as Boo Par Khoo, with an email address at boopar@gmail.com. Boo Par Khoo is also listed as the Administrative Contact in the Whois records for radioshack.com.my, of which the Respondent is the registrant.
- c) Tekcentre is a direct competitor to RadioShack in Malaysia. The Respondent was also not authorised to use the RADIOSHACK Marks as a trade or service mark or a domain.
- d) It is obvious that the Respondent has knowledge of the Complainant’s rights in the RADIOSHACK Marks and their significance to the Malaysian consumers as the Respondent directs the allegedly Infringing Domain Name to its own competitive website.
- e) The Domain Name is identical or confusingly similar to the Complainant’s Marks. The Domain Name incorporates the Complainant’s trademark in its entirety.
- f) The Respondent has no rights or legitimate interests in the Domain Name. The Respondent is not commonly known by the “RadioShack” name. The Domain Name resolves references to “tekcentre” and “Tek Networks”.
- g) The Respondent’s use of the Domain Name to offer competitive products does not constitute a non-commercial or fair use of the Domain Name, and the Domain Name is used for the purpose of diverting the Complainant’s traffic to the store of a competitor. This also appears to be for the purpose of disrupting the Complainant’s business. The registration and use of the Domain Name by the Respondent were therefore in bad faith.

4.4. The Respondent's Response was brief. In summary, the Respondent states that:

- a) It had never known that the RADIOSHACK trademark existed.
- b) The Domain Name was registered earlier, before 2009, and all the while, the Respondent did not have any problem or receive complaints from anyone regarding this.
- c) The Respondent was never told by the relevant regulatory bodies that it could not register the Domain Name.
- d) At all material times, the Respondent had acted in good faith, and did not have any bad intentions against the Complainant. The Respondent also had no intentions of pinching or poaching any business or customers from the Complainant.
- e) There were negotiations initiated by the Complainant for the purchase of the Domain Name, but they fell through.
- f) The Respondent indicated its willingness to continue negotiating the transfer of the Domain Name to the Complainant.
- g) As a result of the Respondent's use of the Domain Name for a number of years, the Complainant has had knowledge of this use, and had even acquiesced in this respect, and should be estopped from taking action.
- h) The redirection url of radioshack.com.my to mudah.my/tekcentre shows the operator as Tek Networks and not as that claimed by the Complainant. The url mudah.my/tekcentre does not equate to tekcentre.net. There is no indication in the tekcentre.net website that it is associated with radioshack.com.my.
- i) There had been no objections to the Respondent's registration of radioshack.com.my and its activities for the last 8 years, and the Complainant should be estopped from taking any further action.

4.5. The Complainant, in its Reply to the Respondent's Response, states that:

- a) the Complainant's rights to its RADIOSHACK marks in Malaysia would have been as early as 1996. Even if the Domain Name was registered in 2004, the Complainant would still have priority.
- b) The Respondent's claim that it had no knowledge of the RADIOSHACK mark stretched the bounds of credibility, and it was inconceivable for the Respondent to have arbitrarily selected "radioshack" for its domain, to use to direct visitors to its site offering competitive products.

4.6. With respect to the contentions raised by the Respondent regarding the redirection url, the Complainant essentially repeated the assertions made in the Complaint to show the connection between the Respondent, Boo Par Khoo, Tek Networks, Tekcentre, tekcentre.my and radioshack.com.my.

5. 1st Requirement - Whether the domain name is identical to or confusingly similar to a trademark or service mark in which the Complainant has rights

- 5.1. To satisfy this requirement, two elements need to be present. The Complainant must show that it has rights to a trademark or service mark, and that the Domain Name is identical or confusingly similar to this trademark or service mark.
- 5.2. In so far as RADIOSHACK as a registered trademark is concerned, the Panel is of the view that 96004978 in Class (9) and 97018439 in Class (35) (service mark) are relevant.
- 5.3. Trademark 96004978 was registered as of 13 May 1996 in the name of Tandy Corporation. It was assigned to the Complainant on 1 January 2000, as recorded in the Register on 16 November 2005. It remains as a registration and will unless renewed expire on 13 May 2013.

- 5.4. Trademark 97018439 was registered as of 1 December 1997 in the name of Tandy Corporation. It was assigned to the Complainant on 1 January 2000, as recorded in the Register on 13 July 2006.
- 5.5. The disputed Domain Name was registered as of 2004. Although Respondent asserts that it has been conducting business with Domain Name since 2004, there is no evidence led by the Respondent to show that the products in which it trades are that of the brand RADIOSHACK. Exhibit (3) of the Complainant's complaint, to the contrary shows that the products are third party branded products.
- 5.6. The Panel is therefore of the view that the Complainant's rights to the RADIOSHACK as a Class (9) trademark prevails over that of the Respondent's. There has been no use by the Respondent of RADIOSHACK as a trademark in a trade mark sense i.e. as a source identifier on its products or those manufactured for it that are offered on the disputed site since 2004.
- 5.7. Under Paragraph 5.2(i) of The Policy it suffices if the Complainant is able to show that it has rights to RADIOSHACK as a trademark. It is not necessary to show as well, that it has rights to a service mark. The validity of the trademark 96004978 has not been challenged by any party including the Respondent and remains valid and subsisting on the Register to date.
- 5.8. Since the Complainant has a statutory right by the Malaysian Trademarks Act 1976 to the RADIOSHACK Class (9) trademark 96004978, it is not necessary to consider and evaluate the factual evidence to determine whether RADIOSHACK is a well-known or famous mark that is distinctive of the Complainant as opposed to Radioshack Corporation in Malaysia. There is also no necessity to come to a determination as to whether or not there is international or regional goodwill and reputation acquired by the conduct of the Complainant's worldwide business that may have found its way into Malaysia or, for that matter, local goodwill and

reputation in the business of the Complainant in Class (9) goods in relation to which the RADIOSHACK trademark is used.

5.9. In any event, that RADIOSHACK is a well-known trademark has not been seriously challenged by the Respondent. That said, if such an evaluation of the factual evidence is required, the Panel makes the observation that there is no evidence presented by the Complainant before the Panel linking the Complainant to such goodwill and reputation. Secondly, the renown, reputation and goodwill appear, on the face of the documents, to reside with Radioshack Corporation.

5.10. The Panel therefore finds that premised on the statutory rights of the Complainant to the RADIOSHACK trademark 96004978, the Complainant has rights to the trademark RADIOSHACK.

5.11. The Panel also finds that the Domain Name is identical to the RADIOSHACK trademark. The additional indicator .com or .my is of no significance (as per a number of domain name rulings cited). "RADIOSHACK" is still the essential part of the Domain Name and is also the trademark 96004978. The Respondent's alleged lack of knowledge of the Complainant's registered mark 96004978 cannot assist the Respondent. Registration of the mark is a matter of public record and the statutory right accorded to the registration dates as of the application date.

6. 2nd Requirement – that the Respondent has no rights or legitimate interests in respect of the domain name

6.1. The Respondent has not submitted any response or reply to the Complaint in this regard. The Respondent did not explain how it contrived the "RADIOSHACK" mark.

6.2. In the absence of any specific response, the Panel is unable to find that the Respondent has rights to or in respect of the Domain Name.

6.3. Whether or not the Respondent has any legitimate interests in respect of the domain name can be considered by looking at purpose(s) for which the domain was set up. The Panel accepts the Complainant's contention that the Domain was set up to be used as a redirection tool to the Respondent's website which offers products that are in competition with those of the Complainant's.

7. 3rd Requirement - Whether the Respondent's domain name has been registered or used in bad faith

7.1. Whether the Respondent has used or registered the disputed Domain Name in bad faith is a matter of fact to be determined on or inferred from the evidence, surrounding circumstances and conduct of the Respondent. Paragraph (6) of the Policy sets out some of the factors, all of which are in the alternatives that may be considered. The Complainant can make out its case on any one of them. The Complainant's case based on some of these is more forceful and convincing than the others. For instance, the Panel does not regard the Complainant's case based on Paragraph (6.1 (i)) as particularly strong. The evidence does not support the Complainant's contention that when the Respondent registered the domain name radioshack.com.my in 2004, it had the intention to sell, rent or transfer the Domain Name for profit to the Complainant or any third party. There is also no evidence offered by the Complainant to show that the Respondent has since the registration of radioshack.com.my intended or has used the Domain Name in a way mainly to sell, rent or transfer the Domain Name for profit to the Complainant or any third party. In fact, the evidence militates against this. The submissions and documents show that the Complainant initiated negotiations for the purchase of the Domain Name, which negotiations subsequently fell through. However, the Panel accepts the Complainant's submissions based on the evidence for the other grounds of Paragraph (6.1) (ii) - (iv)).

- 7.2. The Respondent's reliance on Paragraph (7) of the Policy in rebuttal consists of assertions without any evidence in support, clarification or explanation. The Panel, in this ruling, therefore, draws the necessary inference from the Complainant's evidence and submissions it relies upon for its case under Paragraph (6) of the Policy and the Respondent's reliance on Paragraph (7) in response but which lack particularity and support in terms of submissions and evidence.
- 7.3. It is to be noted that the grounds of rebuttal of Paragraph (7) are expressed in the alternative. Satisfaction of any one of the grounds (i) (ii) or (iii) will suffice.
- 7.4. The Panel is of the view the Respondent has not made out its case under (ii) or (iii). As to Ground (i), the Respondent was for the first time approached by one Dave McCord acting for the Complainant on 11 July 2012 with an offer to buy the disputed Domain Name. It was then that the Respondent was first put on notice that there might be an objection to the use of the Domain Name. Before said date of 11 July 2012, the Respondent was already conducting trade and commercial activities using said domain name. That the "Domain Name immediately resolves to <http://www.mudah.my/tekcentre> the store page for "tekcentre" a consumer technology" (as per complaint) is still an instance of use of the Domain Name in relation to the offering of goods by the Respondent.
- 7.5. The question here is whether this may be regarded as an instance of use of the Domain Name in relation to a genuine offering of goods (Paragraph 7(i)). There is no assertion that the Class (9) goods offered or dealt in by the Respondent are counterfeits. They are third party branded Class (9) goods. One wonders if these prior business activities of the Respondent may be regarded as instances of "using the domain name in relation to a genuine offering of goods". In that sense, the Respondent is at liberty to argue that it already has a legitimate right and interest in the Domain Name and was already offering Class (9) goods in a *bona fide* way in

the course of trade. That may be so if Paragraph (7) is read independently of Paragraph (6) of the Policy.

7.6. The Panel is of the view is that both the Paragraphs must be read together. Paragraph (7) sets out the grounds of rebuttal to the assertions of Paragraph (6). Paragraph (7) begins with "In answer to Paragraph (6)".

7.7. Paragraph (6) speaks of "a trademark" which must be the RADIOSHACK trademark and "owner of a trademark". The trademark owner in the present context is the Complainant. This provision speaks of a disruption caused to the business of the Complainant or a misrepresentation of a false trade association with the Complainant. Whether there is a genuine offering goods by the Respondent must be determined against that setting and in that light. Looked at it in that way and upon the Complainant's evidence, the Panel is satisfied that radioshack.com.my is used by the Respondent to intentionally attract internet users to the website <http://www.mudah.my><<http://www.mudah.my/>>. The Panel is of the view that this is with an intention on the part of the Respondent to benefit commercially creating, in the process, a likelihood of confusion and between the Complainant's RADIOSHACK trademark and the source or affiliation of the Respondent's website radioshack.com.my. Implicit in the conduct of the Respondent must be its acknowledgment and recognition of the renown and goodwill of the Complainant's business in Class (9) goods in relation to which the RADIOSHACK trademark is used. The Panel is of the view that Respondent is seeking to ride on the on the goodwill and reputation of the Complainant and is disrupting the Complainant's business by diverting away and misleading purchasers looking for RADIOSHACK branded Class (9) goods by offering them alternatively branded Class (9) goods available on the website <http://www.mudah.my><<http://www.mudah.my/>>. In this respect, the use of the Domain Name cannot be said to be a genuine offering of the

Respondent's goods. Even if the registration was not in bad faith, the Panel is of the view that there is bad faith use of the Domain Name by the Respondent.

8. Delay by Complainant in filing this Complaint

8.1. The Panel considers that it is incumbent to address the issue of delay raised by the Respondent. The Panel is mindful of rulings that have considered the issue of delay or laches. There seems to have been a shift in policy, as to whether delay or laches is considered relevant. The Panel and can do no better than refer to and reproduce the WIPO ruling in the *Alliance Laundry Systems LLC v. Private Registrations Aktien Gesellschaft* (Case No. D2012-1137). The Panelist in *Alliance Laundry Systems LLC*, said:

Anticipating this issue, the Complainant notes that while laches is an equitable defense in the U.S. court system, many panels have held that laches does not properly apply in proceedings under the Policy. Drawing on panel authority, the Complainant states that the remedies available under the Policy are injunctive rather than compensatory in nature, and the concern of the Policy is to avoid ongoing or future confusion as to the source of communications, goods, or services. In this connection, the Complainant refers to *Tom Cruise v. Network Operations Center / Alberta Hot Rods*, WIPO Case No. D2006-0560 (finding no meaningful precedent under the Policy for refusing to enforce trademark rights based on delay in bringing a complaint); *The Jennifer Lopez Foundation v. Jeremiah Tieman, Jennifer Lopez Net, Jennifer Lopez, Vaca Systems LLC*, WIPO Case No. D2009-0057; *The Hebrew University of Jerusalem v. Alberta Hot Rods*, WIPO Case No. D2002-0616; *The E.W. Scripps Company v. Sinologic Industries*, WIPO Case No. D2003-0447 (the Policy does not contemplate a defense of laches, which is inimical to the Policy's purposes).

Against this, paragraph 4.10 of the WIPO Overview 2.0 notes that "Panels have also noted that a delay in bringing a complaint under the UDRP may make it more difficult for a complainant to establish its case on the merits, particularly in relation to the second and third elements requiring the complainant to establish that the respondent lacks rights and legitimate interests and that the respondent registered and used the domain name in bad faith." There are also some relatively recent cases that "the doctrine of laches should be expressly recognized as a valid defense in any domain dispute where the facts so warrant". See *The New York Times Company v. Name Administration Inc.* (BVI), NAF Case No. 1349045 (although in that case the then panel did not find that the circumstances supported a finding for the respondent based on laches).

Despite these more recent cases, this particular Panelist has previously accepted the consensus view of panelists on the issue of laches, set out in section 4.10 of the WIPO Overview 2.0 that "the doctrine or defence of laches as such does not generally apply under the UDRP, and that delay in bringing a complaint does not of itself prevent a complainant from filing under the UDRP, or from being able to succeed under the UDRP, where a complainant can establish a case on the merits under the requisite three elements. See *Clark Equipment Company v. AllJap Machinery Pty Ltd*, WIPO Case No. DAU2011-0042. While the delay is particularly long in this case, the Panel does not see any reason to depart from this view in the circumstances.

- 8.2. Delay or laches is not a doctrine that has been stipulated to be within the terms and provisions under the Policy, Rules and Supplemental Rules. Nevertheless, in the light of the prevailing view, the Panel considers that it has the discretion to deal with this issue as it has been raised by the Respondent.
- 8.3. The Respondent claims that it has used the Domain Name for the last 8 years without any complaints.
- 8.4. A company like the Complainant should have its wits about it. Not taking action for an extended period may give rise to suggestions that the Complainant is uninterested in the Domain Name, or that it has acquiesced in the Respondent's continued use of the Domain Name.
- 8.5. While the Panel considers that the length of delay in submitting the Complaint may be a factor to be considered, the Panel is of the view that this delay of 8 years in filing the Complaint will not change the Panel's conclusion on the merits of the Complaint. The findings on the Respondent's (non)entitlement to the Domain Name, its bad faith way of conducting its business and knowledge of the renown of the RADIOSHACK trademark and business of the Complainant conducted by reference to it would have been against the Respondent regardless of any such delay. The Respondent does not have any right or legitimate interest in the Domain Name. Although a company like the Complainant or Radioshack Corporation should have its wits about it, the Panel is of the view that for the reasons mentioned, delay should not militate against a call for relief. This is to prevent future confusion in the market place and continuing unlawful appropriation of the Complainant's trademark rights, goodwill and reputation.
- 8.6. The Panel has also considered how the Respondent could be prejudiced in the event that the Domain Name is ordered to be transferred to the Complainant.

8.7. The Respondent has not denied that the Domain Name is used as a redirection tool to its own website. The Respondent has also said that it went into negotiations to sell the Domain Name to the Complainant, and is still willing to negotiate its sale to the Complainant.

8.8. The Panel finds that although the Respondent will suffer some prejudice because it will lose the domain name, that has to be put in balance against the factors just mentioned relating to the Respondent's conduct and on balance the presence of those factors persuades the Panel not to deny the transfer of the Domain Name because of the delay that has occurred.

9. Order

9.1. Based on the foregoing, the Panel orders that the Domain Name www.radioshack.com.my be transferred to the Complainant.

Dated this 24 December 2012



THE HONOURABLE NEIL BROWN QC
PANELIST



WONG SAI FONG
PANELIST



KHOO GUAN HUAT
PRESIDING PANELIST