



## **WIPO Arbitration and Mediation Center**

### **ADMINISTRATIVE PANEL DECISION**

**Jardine Motors Group Holdings Limited v. Zung Fu Kuen**

**Case No. D2004-0168**

#### **1. The Parties**

The Complainant is Jardine Motors Group Holdings Limited, Hong Kong, China, represented by Baker & McKenzie, China.

The Respondent is Zung Fu Kuen, China.

#### **2. The Domain Name and Registrar**

The disputed domain name <zungfu.com> is registered with OnlineNic, Inc. d/b/a China-Channel.com.

#### **3. Procedural History**

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on March 5, 2004. On March 5, 2004, the Center transmitted by email to OnlineNic, Inc. d/b/a China-Channel.com a request for registrar verification in connection with the domain name at issue. On March 8, 2004, OnlineNic, Inc. d/b/a China-Channel.com transmitted by email to the Center its verification response, confirming that the Respondent is listed as the registrant and providing the contact details for the administrative, billing, and technical contact. In response to a notification on March 19, 2004, by the Center that the Complaint be amended with regard to the mutual jurisdiction, the Complainant filed an amendment to the Complaint on April 19, 2004. On April 22, 2004, The Center verified that the Complaint together with the amendment to the Complaint satisfied the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the "Policy"), the Rules for Uniform Domain Name Dispute Resolution Policy (the "Rules"), and the WIPO Supplemental Rules for Uniform Domain Name Dispute Resolution Policy (the "Supplemental Rules").

In accordance with the Rules, paragraphs 2(a) and 4(a), the Center formally notified the Respondent of the Complaint, and the proceedings commenced on April 22, 2004. In

accordance with the Rules, paragraph 5(a), the due date for Response was May 12, 2004. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on May 26, 2004.

The Center appointed Hong Xue as the sole panelist in this matter on June 2, 2004. The Panel finds that it was properly constituted. The Panel has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the Center to ensure compliance with the Rules, paragraph 7.

The Panel has not received any further requests from the Complainant or the Respondent regarding other submissions, waivers or extensions of deadlines. The Panel has decided to proceed under the customary expedited nature contemplated for this type of domain name dispute proceeding.

The language of the proceeding is English, as being the language of the Domain Name Registration and Service Agreement, pursuant to the Rules, paragraph 11(a), and also in consideration of the fact that there is no express agreement to the contrary by the Parties. In addition, pursuant to the Rules, paragraph 10(b), and in consideration of the circumstances of this administrative Proceeding, the Panel, for the purpose to ensure that each Party is given a fair opportunity to present its case, takes into account the evidential materials provided in Chinese as well.

#### **4. Factual Background**

Complainant is a motor trading business within the Jardine Matheson Group, and has registered in Hong Kong, Macau and China various forms of the "ZUNGFU" mark, including the Chinese characters "仁孚" (the Chinese transliteration for "Zung Fu"). Complainant's subsidiary, Zung Fu Company Limited ("Zung Fu"), is the exclusive retailer of Mercedes-Benz vehicles in Hong Kong and Macau and operates authorized workshops for Mercedes Benz vehicles in China since 1993. Complainant has licensed Zung Fu to use its trade marks including "ZUNG FU", "ZF logo" and the Chinese characters "仁孚" (the Chinese transliteration for "Zung Fu") for, *inter alia*, selling of vehicles, repair and maintenance of vehicles. Complainant has also permitted Zung Fu to adopt "ZUNG FU" as its corporate name.

#### **5. Parties' Contentions**

##### **A. Complainant**

##### **a) The Disputed Domain Name is identical or confusingly similar to a trademark or service mark in which Complainant has rights; (Policy, para. 4(a)(i), Rules, paras. 3(b)(viii), (b)(ix)(1))**

The relevant part of the disputed domain name is "zungfu", which is identical to Complainant's trade mark "ZUNG FU" registered in Hong Kong, Macau and China. Complainant, through Zung Fu, its subsidiary and licensee, has acquired substantial reputation in Hong Kong and in the neighboring region for its "ZUNG FU" mark, and enjoys exclusive proprietary rights in such mark.

When comparing a disputed domain name and a trademark, the addition of the ".com" suffix is treated as a domain name indicator and has no bearing in determining whether the domain name is identical or confusingly similar to the trade mark. In the present

case, the disputed domain name is identical to the “ZUNG FU” mark and contains the “ZUNG FU” mark in its entirety.

**b) Respondent has no rights or legitimate interests in respect of the Disputed Domain Name; (Policy, para. 4(a)(ii), Rules, para. 3(b)(ix)(2))**

Complainant and Zung Fu have never authorized Respondent to utilize the “ZUNG FU” mark, nor do they have any relationship or association whatsoever with the Respondent. Hence, any use by Respondent of the “ZUNG FU” mark directly violates the exclusive trademark rights residing in Complainant.

“ZUNG FU” is also a name invented and devised by Zung Fu. Complainant’s subsidiary, Zung Fu, has been using the “ZUNG FU” mark since 1954. The “registration information” provided by Respondent shows that its name “Zung Fu Kuen” contains the words “Zung Fu”. It is submitted that although an individual has a right to use his name (if such is his personal name) in connection with a business, such right is not unfettered; instead it is circumscribed by the prior trade mark rights of others who use that name in connection with specific goods and services. Complainant has reasons to believe that Respondent’s name “Zung Fu Kuen” is not a genuine Chinese name since the surnames “Zung” or “Kuen” are unheard of in Chinese. It is a fabricated name with a view to passing off as and implying a connection with Complainant.

As a result of Complainant’s extensive use of the name “ZUNG FU” since 1954, it is submitted that the mark “ZUNG FU”, even if it is part of a genuine name of Respondent, has acquired secondary meaning and hence fame to the point where a significant proportion of the public and the Internet community is likely to recognize that name as signifying the specific, unique and widely recognized brand of Zung Fu and/or Complainant. The Google search results against the mark “ZUNG FU” shows how well-known the mark is to the public in Hong Kong and the region, as well as the Internet community.

On the other hand, Respondent is not and has never been commonly known by the disputed domain name (see Policy, para 4(c)(ii)). Google search against the name “Zung Fu Kuen” also fails to produce any hit.

At no point in time has the disputed domain name been used in connection with the *bona fide* offering of any goods or services (see Policy, para. 4(c)(i)). The evidence available to Complainant indicates that “fashionid.com” has used the disputed domain name to attract traffic to an adult website. After the disputed domain name was transferred to Respondent, Respondent’s website has either been re-directed to a competitor’s site or “parked” at another website that leads users to other sites related to Mercedes Benz vehicles, in either case potentially diverting business from Zung Fu.

**c) The Disputed Domain Name was registered and is being used in bad faith (Policy, paras. 4(a)(iii), 4(b); Rules, para. 3(b)(ix)(3))**

Complainant first came across the registration of the disputed domain name in August 2003. The domain name was registered in the name of <fashionid.com> of Cyprus at that time.

At that point in time, Complainant found that the website at the disputed domain name contained graphic sexual materials. As the disputed domain name was identical to the name of Complainant’s subsidiary and Complainant’s registered trade mark “ZUNG

FU”, Complainant was concerned that the public would be misled into thinking that the disputed domain name and the website were owned by Complainant and that the website was somehow licensed, authorized or affiliated with Complainant. In addition, as the website contained pornographic materials, it would seriously tarnish and damage the image and goodwill built up by Complainant and Zung Fu. In view of this, Complainant instructed its US attorney, Messrs. Ladas & Parry (“US Attorney”), to send a cease and desist letter to “fashionid.com” demanding it to stop using the disputed domain name.

Despite various attempts made by the US Attorney, they failed to establish any communication with “fashionid.com”. The US Attorney then discovered that “info@fashionid.com” was also listed as the contact email for the domain name <fashionid.com>. From the website of “www.fashionid.com”, the US Attorney found that “fashionid.com” was a “joint venture development” with another company called Centriz.com Ltd. (“Centriz.com”) based in Hong Kong. The US Attorney then sent another letter to Centriz.com dated September 25, 2003, asking them to direct the letter to the management of “fashionid.com”.

On September 28, 2003, the US Attorney received an email response from Centriz.com stating that the disputed domain name was owned by one of its client, “fashionid.com” and that they had already informed “fashionid.com” about the matter. Centriz.com further stated that it only provided hosting services for “fashionid.com” and asked the US Attorney to contact fashionid.com directly.

Since the reply of Centriz.com on September 28, 2003, Complainant and its US Attorney did not hear from either “fashionid.com” or Centriz.com. Subsequently, Complainant discovered that the disputed domain name was transferred to “Zung Fu Kuen”, Respondent, in China. It was also discovered that the URL was redirected to a website at “www.canful.com.hk” for a short period of time in December 2003. This website continues to be operated by Canful Motors Ltd. in Hong Kong, a parallel importer of Mercedes-Benz vehicles in Hong Kong and a direct competitor of Zung Fu. Canful Motors Ltd. boasts clientele in Hong Kong, China and South East Asia.

The domain name was registered in bad faith. Complainant and Zung Fu have registered and extensively used the mark “ZUNG FU” in Hong Kong and in the neighboring region. From the registration information of Respondent, if true, it is located in China. Respondent was well aware that he was infringing Complainant’s trade mark at the time when he registered the disputed domain name in view of the existing businesses of Zung Fu in China and the fact that the domain name was re-directed to Canful Motor, a direct competitor of Zung Fu. Given the long history of Zung Fu in Hong Kong and in the region, it is submitted that Respondent should have known, at the time it registered the disputed domain name, that Complainant has proprietary rights in the name “ZUNG FU”.

Complainant further contends that the original registrant “fashionid.com” must be connected to Respondent in some way and both have probably submitted false registration particulars to avoid liability. Although the disputed domain name was transferred from “fashionid.com” to Respondent, it is noted that the billing, technical and administrative contacts of both parties all point to an identical P.O. Box number, “except that “fashionid.com” claimed to be located in Cyprus and Respondent in the China. To the best knowledge of Complainant, the Respondent’s address is inaccurate, incomplete, and fabricated as it has not included the town and city in which the PO Box is allegedly situated. Further, the Whois search results reveals that the registration details of Respondent were last updated on September 29, 2003, immediately after the

US Attorney received the response from Centriz.com that it had forwarded the demand letter to “fashionid.com”. From these surrounding factors and circumstances, it is highly suspicious that “fashionid.com” and Respondent are related parties. The “transfer” of the disputed domain name to Respondent was merely an attempt to provide some sort of justification to the use of the words “ZUNG FU” as part of an individual name.

The website at the disputed domain name initially contained pornographic materials. It is well-established under WIPO case law that whatever the motivation of the registrant, the diversion of domain names to pornographic sites is itself certainly consistent with the finding that the disputed domain name was registered and being used in bad faith.

The disputed domain name was then “transferred” to Respondent and re-directed temporarily to another website at “www.canful.com.hk” owned by Canful Motors Ltd., a parallel importer of Mercedes-Benz vehicles and a direct competitor of Zung Fu. Thus, even if Respondent is not related to “fashionid.com”, it is submitted that Respondent registered the domain name with an aim to preventing the owner of the trade mark, i.e. Complainant, from reflecting the mark in a corresponding domain name and primarily for the purpose of disrupting the business of a competitor.

The disputed domain name is at the date of this complaint “pointed to” or “parking at” a site entitled “Zungfu.com - Your source for the most popular Zungfu info!” with hyperlinks to other sites offering Mercedes-Benz vehicles and accessories. By diverting away Internet traffic (including possible customers) intended for Complainant’s website, Respondent is not making fair or legitimate use of Complainant’s ZUNG FU mark.

Accordingly, it is submitted that “fashionid.com” and/or Respondent has registered and used the disputed domain name in bad faith.

## **B. Respondent**

The Respondent did not reply to the Complainant’s contentions.

## **6. Discussion and Findings**

### **A. Identical or Confusingly Similar**

Pursuant to the Policy, paragraph 4(a)(i), a complainant must prove that the domain names are identical or confusingly similar to a trademark or service mark in which the complainant has rights.

The Complainant is the registrant of the trademark “ZUNGFU” in Hong Kong, Macau and China, and enjoys exclusive proprietary rights in such mark. The disputed domain name <zungfu.com>, except for the generic top-level domain designation “.com”, is identical to the Complainant’s registered trademark “Zungfu”. The Panel, therefore holds that the Complaint fulfills the condition provided in the Policy, paragraph 4(a)(i).

### **B. Rights or Legitimate Interests**

The Complainant contended that the Respondent has no rights or legitimate interests in respect of the disputed domain name. The Respondent did not reply to the Complainant’s contention.

The disputed domain name is registered in the name of “Zung Fu Kuen”, which seems like a Chinese individual name. However, without any proof from the Respondent, the Panel has no way to know whether the Respondent has been commonly known by the domain name.

Even if “Zung Fu Kuen” is the personal name of the Respondent, the Respondent, still, cannot claim to have rights or legitimate interests in the disputed domain name where the Respondent has notice that the disputed domain is identical with the Complainant’s mark and uses the domain name in bad faith. See *Marconi Data Systems, Inc. v. IRG Coins and Ink Source, Inc.*, WIPO Case No. D2000-0090, in which the Panel ruled that “one who has constructive knowledge of the trademark, and who contacts the trademark owner and advises the owner that he has acquired a confusingly similar domain name which he intends to use in competition with the trademark owner, has no rights or legitimate interests in the domain name”. See also *N.C.P. Marketing Group, Inc. v. Entredomains*, WIPO Case No. D2000-0387, in which the Panel held that “bad faith registration and use of domain names does not establish rights or legitimate interests”.

In the present case, as shown in the registration information of the disputed domain name, the Respondent resides in China, where “Zungfu”, through extensive use and promotion, has been recognized by a significant proportion of the public as the mark exclusively associated with Zung Fu and/or the Complainant. The Respondent’s acts of re-directing the disputed domain name to the website owned by Zung Fu and/or Complainant’s direct competitor, and of linking the website at the disputed domain name with other sites offering Mercedes-Benz vehicles and accessories, further demonstrate that the Respondent not only knows the Complainant’s trademark “Zungfu”, but also knows the Complainant’s field of business in which the trademark “Zungfu” is used.

For the above reasons, the Panel holds that the Respondent has no right or legitimate interests in respect of the disputed domain name, and the Complaint fulfills the condition provided in the Policy, paragraph 4(a)(ii).

### **C. Registered and Used in Bad Faith**

The Complainant contended that the disputed domain name was registered and used in bad faith. The Respondent failed to respond to such contention. As provided in the Rules, paragraph 14, the Panel may draw such inference from the Respondent’s default, as it considers appropriate. The Panel finds that it is appropriate to accept the Complainant’s submissions.

The Respondent, though made a statement in the Registration Agreement that all the information provided be complete and accurate, registered the disputed domain name at a P.O. Box address in China. It is fair to assume that the Respondent’s address is inaccurate, incomplete, and fabricated as it has not included the town and city in which the P.O. Box is allegedly situated. Furthermore, it is too coincident to be true that the present Respondent has the same P.O. Box number as the previous registrant of the disputed domain name in Cyprus.

Where Respondent provided false contact information, it may be the proof of the bad faith registration. See *Hunton & Williams v. American Distribution Systems, Inc. et al.*, WIPO Case No. D2000-0501, in which the Panel citing the non-exhaustive nature of the Policy, paragraph 4(b) found that Respondent’s bad faith was evidenced by hiding

its true identity behind several different trade names, by using a post office box address instead of its actual address, and by using false names for contact persons such as “Billing Contact” instead of the name of an actual person.

When the disputed domain name being used, the Respondent’s bad faith has also been proved. The Respondent had re-directed the disputed domain name to a website at “www.canful.com.hk”, which is operated by Canful Motors Ltd. in Hong Kong, a direct competitor of Zung Fu and/or Complainant. Then, the Respondent pointed the disputed domain name to a site entitled “Zungfu.com - Your source for the most popular Zungfu info!” with hyperlinks to other sites offering Mercedes-Benz vehicles and accessories. All these acts demonstrate that the Respondent, by using the disputed domain name, had intentionally attempted to attract, for commercial gain, Internet users to the website at the disputed domain name, by creating a likelihood of confusion with the Complainant’s mark as to the source, sponsorship, affiliation, or endorsement of the website at the disputed domain name or the products on the website of the disputed domain name, as provided in the Policy, paragraph 4(b)(iv).

The likelihood of confusion is not diminished by the possibility that the user will discover, upon arriving at the Respondent’s website, that the website it reached is not the website it was seeking. Also, the possibility that the user may, upon reaching Respondent’s website, abandon efforts to locate the Complainant’s products, even if it eventually realizes that the website it reached is not the Complainant’s website, would amount to the proof that the Respondent’s act is for commercial gain. See *National Football League Properties, Inc. and Chargers Football Company v. One Sex Entertainment Co., a/k/a chargergirls.net*, WIPO Case No. D2000-0118, in which the Panel found a likelihood of confusion even though users would soon discover the unlikelihood of a business relationship between Complainant and Respondent because Respondent would have gained website traffic from the establishment of the link via the “www.chargergirls.net” web site.

Based on the above finding, the Panel rules that the Respondent registered and used the disputed domain name in bad faith pursuant to the Policy, paragraph 4(b), and thus the Complaint fulfills the condition provided in the Policy, paragraph 4(a)(iii).

## **7. Decision**

For all the foregoing reasons, in accordance with Paragraphs 4(i) of the Policy and 15 of the Rules, the Panel orders that the domain name, <zungfu.com>, be transferred to the Complainant.

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Hong Xue  
Sole Panelist

Dated: June 16, 2004