



.hk Domain Name Dispute Resolution ARBITRATION PANEL DECISION

Complainant: XCMG Construction Machinery Co., Ltd.
Respondent: PARTS SUPPLY WORLDWIDE
Case Number: DHK-1700148
Contested Domain Name: <xcmgmachinery.hk>
Panel Member: David L. Kreider

1. Parties and Contested Domain Name

The Complainant is XCMG Construction Machinery Co., Ltd. (徐工集團工程機械股份有限公司), of First Industrial District, Xuzhou, P.R. China, whose Authorized Representative is NTD Law Office, 10th Floor, Block A, Investment Plaza, 27 Jinrongdajie, Beijing, China 100033.

The Respondent is PARTS SUPPLY WORLDWIDE, of Steenovenweg 2 –A, Montfoort 3417 XR, Netherlands.

The domain name at issue is <xcmgmachinery.hk>, registered by Respondent with 1 API GMBH, of Talstrasse 27, 66424 Homburg, Germany.

2. Procedural History

On 10 August 2017, the Complainant submitted a Complaint to the Hong Kong International Arbitration Centre (HKIAC), pursuant to the Domain Name Dispute Resolution Policy, adopted by the Hong Kong Domain Name Internet Registration Corporation Limited (HKIRC) on 22 February 2011 (the Dispute Resolution Policy), the HKIRC Domain Name Dispute Resolution Policy Rules of Procedure, approved by HKIRC on 22 February 2011 (the Rules of Procedure) and the HKIAC Supplemental Rules effective from 1 March 2011. On the same day, 10 August 2017, the HKIAC confirmed receipt of the Complaint. The Complainant elected that this case to be dealt with by a one-person panel.

On the same day the Complaint was submitted, 10 August 2017, the HKIAC transmitted by email to the Registrar, 1 API GMBH, a request for registrar verification in connection with the disputed domain name. The Registrar transmitted by email to the HKIAC its verification response on 10 August 2017, confirming that the Respondent is listed as the Registrant.

On 15 August 2017, the HKIAC transmitted a “Notification of Commencement of Proceedings (Kennisgeving van het begin van de klacht procedure)”, forwarding the Complaint along with annexures to the Respondent, requesting that the Respondent submit a Response within 15 business days. The Notice specified the due date for the Response as being on or before 5 September 2017.

On 7 September 2017, the HKIAC confirmed in an email to the parties that it had not received a Response from the Respondent within the required period of time and that the Respondent was in default.

On 14 September 2017, having received a Declaration of Impartiality and Independence and a Statement of Acceptance, the HKIAC notified the parties that the panel in this case had been selected, with Mr. David L. Kreider acting as the sole panelist. The Panel determines that the appointment was made in accordance with Rule 6 of the Rules of Procedure and Articles 8 and 9 of the Supplemental Rules. The Panel received the file from the HKIAC and should render the Decision on or before 9 October 2017, if there are no exceptional circumstances.



Pursuant to Article 11(a) of the Rules of Procedure, the language of these arbitration proceedings shall be the English language.

3. Factual Background

For the Complainant

The complainant, XCMG Construction Machinery Co., Ltd. (“XCMG”) was founded in 1943.¹ Since then, XCMG has stood at the forefront of the Chinese construction machinery industry and developed into one of the domestic industry's largest, most influential, and most competitive enterprise groups.

XCMG is the 5th largest construction machinery company in the world. It is ranked 65th in the list of China's Top 500 Companies, 44th in the list of China's Top 100 Manufacturing Enterprises, and 2nd in the list of China's Top 100 Machinery Manufacturers.

Complainant owns trademark registrations in Hong Kong for  and  (“Complainant’s Marks”).

For the Respondent

The Respondent, Parts Supply Worldwide, has defaulted and has not appeared in these arbitration proceedings.


¹ Paragraph 5 of the Complaint identifies the Complainant as “Xuzhou Construction Machinery Co., Ltd.”, founded in 1943. Elsewhere in the Complaint, as well as in the Complainant's Hong Kong Certificate of Registration of Trademark and in the Power of Attorney to its above-named Authorized Representative, the owner of Complainant's Marks and the Complainant in these arbitration proceedings is consistently identified as “XCMG Construction Machinery Co., Ltd. (徐工集團工程機械股份有限公司)”, or “CXMG” for short. This inconsistency is not fatal to the Complainant's claim.

4. Parties' Contentions

The Complainant

A. The domain name is identical or confusingly similar to a trademark or service mark in which the Complainant has rights;

(i) Complainant's Rights:

The Complainant owns trademark registrations in Hong Kong for Complainant's Marks, **XCMG** and . The Complainant's Marks were registered in March of 2011, and, thus, predate the Disputed Domain Name, which was registered on 12 December 2013.

(ii) Disputed Domain is Identical or Confusingly Similar to Complainant's Marks:

The Disputed Domain is also confusingly similar to Complainant's XCMG trademark. The principle that similarity is established whenever a mark is incorporated in its entirety, regardless of other terms added to the domain name, informs a comparison between Complainant's XCMG trademark and the Disputed Domain. In considering Complainant's trademark registration for XCMG, the only difference between Complainant's XCMG trademark and the Disputed Domain is the word "machinery" in "xcmgmachinery.hk" The addition of the word "machinery" in the Disputed Domain does nothing to distinguish it from Complainant's XCMG trademark. The entire XCMG trademark is present in the Disputed Domain, and the word "machinery" is the descriptive word on the business the Complainant is running. The word "XCMG" is the dominant portion of the mark that imparts the strongest commercial impression.

In sum, Complainant's XCMG trademark is essentially visually and aurally similar to the Disputed Domain. Therefore, Complainant respectfully requests that the Panel find in its favor as to the First Element of Domain Name Dispute Resolution Policy for .hk domain names.

B. The Respondent has no rights or legitimate interests in respect of the domain name;

The respondent has no rights or legitimate interests with respect to the domain at issue. Complainant has no relationship with Respondent, and Complainant has not given Respondent permission to use Complainant's Marks in any way. Further,

Complainant has prior rights in Complainant's Marks, which precede Respondent's registration of the Disputed Domain by, in some cases, at least two years. No evidence could explain the rational excuses for the Respondent to use XCMG as its main part of the Domain name.

Furthermore, the term "XCMG" is not a common term with generic or descriptive meaning in any industrial or business application of which Complainant is aware. Complainant does not use Complainant's Marks in a generic or descriptive sense. In short, "XCMG" is entirely created by Complainant. Therefore, the domain is not one that Respondent would tend to legitimately choose.

Finally, there is no evidence that Respondent is making a legitimate noncommercial or fair use of the domain name.

According to Article 1(3) of "Interpretation of several issues concerning the application of the law of the supreme people's court to adjudication of trademark civil disputes" issued by the Supreme Court of China, the registrations and uses of other party's similar or identical marks in the domain name, infringe the trademark right of the trademark owners when the confusion would be caused among the related public.

Based on the foregoing, Complainant respectfully requests that the Panel find in Complainant's favor with respect to the Second Element of Domain Name Dispute Resolution Policy for .hk domain names.

C. The domain name has been registered and is being used in bad faith.

In this case, the following circumstances, discussed in detail below, are relevant to showings under the circumstances: (a) Respondent's actual knowledge of Complainant's rights, (b) Respondent intended to lead to the confusion that the Respondent has some authorization or permission relationship with the Complainant, and (c) sublinks could lead to the related websites which also illegally use Complainant's Marks.

As a preliminary matter, Respondent actually knew the high reputation of Complainant. The Respondent stated that "Our company is specializing in the sales and export of XCMG products and we have years of experience selling xcmg products all over the world", which means the Respondent knew the marks of the Complainant. Further, Respondent intended to lead to the confusion that the Respondent has some authorization or permission relationship with the Complainant. In the Respondent's website, the significant uses of the Complainant's trademarks in the home pages and introduction also lead to the confusion, which is not true.

More discoveries were found when clicking the sublinks of products in the Respondent's website. The links direct to two website, www.xcmgparets.com & www.xcmgcranes.com, which also have no connection with the Complainant. The Respondent intends to conduct series of domain name registrations to strengthen the confusion caused among the related public.

Based on the foregoing, Complainant respectfully requests that the Panel find in Complainant's favor with respect to the Third Element of Domain Name Dispute Resolution Policy for .hk domain names.

The Respondent

The Respondent's contentions may be summarized as follows:

The Respondent failed to file timely a Response and has not participated in these arbitration proceedings.

5. Findings

According to Paragraph 4a of the HKDNR Domain Name Dispute Resolution Policy (the "Policy") which is applicable hereto, the Complainant has the burden of proving that:

- (i) the Disputed Domain is identical or confusingly similar to a trade mark or service mark in Hong Kong in which the Complainant has rights; and
- (ii) the Respondent has no rights or legitimate interests in respect of the Disputed Domain; and
- (iii) the Disputed Domain has been registered and is being used in bad faith; and
- (iv) if the Disputed Domain Name is registered by an individual person, the Registrant does not meet the registration requirements for that individual category of Domain Name.

(1). Identical/confusing similarity

The Disputed Domain Name incorporates the Complainant's "XCMG" mark in its entirety and is therefore identical or confusingly similar to the Complainant's Marks. The addition of the word "machinery", which describes the industry in which the Complainant is well recognized through its award-winning Marks and brand, renders the Disputed Domain Name more confusingly similar to the Complainant's Marks.

The Panel finds that the Complainant has proved that the Disputed Domain Name is identical to its registered trademarks in which the Complainant has rights for the purposes of paragraph 4 (a)(i) of the Policy.

(2). Rights or Legitimate Interests of Respondent

The Complainant alleges that it has not licensed, consented to or otherwise authorized the Respondent's use of Complainant's Marks, which shifts to the Respondent the burden of proof in establishing that it has rights and/or legitimate interest in the Disputed Domain Name. The Respondent has failed timely to submit a Response and to carry its burden of proof.

The Panel finds that the Complainant has proved that the Respondent has no rights or legitimate interests in respect of the Disputed Domain Name for the purposes of paragraph 4 (a)(ii) of the Policy.

(3). Bad faith

The Disputed Domain Name resolves to a website that prominently features the Complainant's Marks, in their various registered forms, along with photographs of Complainant's heavy machinery. The site purports to offer for sale and export XCMG heavy machinery products. The website represents: "*XCMG Machinery for sale at NeXT International Equipment a Hongkong (sic) based company with much experience exporting XCMG construction machinery all over the world*" and "*We have years of experience selling XCMG products all over the world*" and "*Next your reliable partner for XCMG Machinery.*" The website operated by the Respondent gives the business name of the seller: "Next International Equipment". A contact street address in Wanchai, Hong Kong, is also provided.

The Complainant alleges that the Respondent, PARTS SUPPLY WORLDWIDE, has no legitimate connection with the Complainant as an authorized distributor of Respondent's machinery, or otherwise, and the defaulting Respondent has not sought to refute the Complainant's assertion. Significantly, moreover, the name of the Registrant, PARTS SUPPLY WORLDWIDE, nowhere appears on the website to which the Disputed Domain Name resolves. This is contrary to the requirement of Art. 2(d) of the Dispute Resolution Policy, which mandates that "*the Registrant's use the Domain Name shall be bona fide for the Registrant's own benefit[]*", and in the view of this Panel, evidences the Respondent's bad faith registration and use of the Disputed Domain Name and Respondent's intent to mislead public users of the website to conclude incorrectly that Next International Equipment is an authorized agent or distributor, or both, of the Complainant's heavy machinery in Hong Kong.

The Panel finds that the Respondent's use of the Disputed Domain Name creates a likelihood of confusion with the Complainant's Marks as to the source, sponsorship, affiliation, or endorsement of Respondent's website or of the products offered for sale on Respondent's website, and that Respondent registered and is using the Disputed Domain Name in bad faith to intentionally mislead public Internet users to obtain an unfair commercial gain.

The Complainant has proved that the Respondent registered and is using the Disputed Domain Name in bad faith for the purposes of paragraph 4 (a)(iii) of the Policy.

(4). If the Disputed Domain Name is registered by an individual person, the Registrant does not meet the registration requirements for that individual category of domain name

Not applicable, as the Registrant, PARTS SUPPLY WORLDWIDE, appears to be a corporate entity and not "an individual person".

6. Conclusions

It is ORDERED that the <xcmgmachinery.hk> domain name be TRANSFERRED to the Complainant.



David L. Kreider
Panelist

Dated 18 September 2017