

DISPUTE RESOLUTION SERVICE

D00013999

Decision of Independent Expert

Alibaba Group Holding Limited

and

EastStar Web Solutions

1. The Parties:

Complainant: Alibaba Group Holding Limited
Fourth Floor, One Capital Place
P.O. Box 847
George Town, Grand Cayman
Cayman Islands, British West Indies
Cayman Islands

Respondent: EastStar Web Solutions
43 Columbia Point
London
SE16 3QA
United Kingdom

1. The Domain Name(s):

taobao.co.uk

2. Procedural History:

On 24 March 2014 the Dispute was received, validated and notification of the complaint was sent to both parties. On 10 April a Response reminder was sent and on 15 April the time limit for a Response elapsed without a Response being received; notification of this was sent to both parties. On 17 April the Expert decision payment was received and the Expert, Tim Brown, was appointed.

I can confirm that I am independent of each of the parties. To the best of my knowledge and belief, there are no facts or circumstances, past or present, or that could arise in the foreseeable future, that need be disclosed as they might be of such a nature as to call in to question my independence in the eyes of one or both of the parties.

3. **Factual Background**

The Complainant - Alibaba Group Holding Limited - operates globally in the field of e-commerce and is headquartered in Hangzhou, China. Through its subsidiaries and affiliates it has offices in approximately seventy cities across China, Hong Kong, Taiwan, Korea, India, Japan, Singapore, USA and Europe. For the year ended 31 December 2011 and the first quarter of 2012 ended 31 March 2012, the Complainant reported a total revenue of approximately RMB6.41 billion and RMB1.59 billion respectively.

In May 2003, the Complainant launched the brand Taobao and established web presences at <www.taobao.com> and <www.taobao.com.cn>. Taobao was created as a Chinese language consumer-to-consumer Internet retail platform focused on Chinese consumers. Since its foundation the "Taobao Marketplace" has grown to become one of China's largest online retail platforms and a major online shopping destination in China with a transaction volume exceeded RMB200 billion (US\$29 billion) in 2009.

The disputed Domain Name was registered by the Respondent in November 2003 and currently resolves to a parking page incorporating sponsored links and advertisements.

As noted in the Procedural History above the Respondent did not reply to these proceedings.

4. **Parties' Contentions**

Complainant

The Complainant's contentions are as follows:

Complainant's Rights

The Complainant asserts that it has extensive registered rights in TAOBAO and has exhibited a number of trade mark registrations relating to this term and the term TAOBAO.COM. These are from a variety of jurisdictions including the European Union, Hong Kong, mainland China, the United States of America, Germany and Switzerland. The earliest exhibited registered mark is a Hong Kong trade mark for "TAOBAO", registration number 300023282, registered on 23 May 2003 and the most recent is a Chinese trade mark for "TAOBAO", registration number 7463726, registered on 21 January 2011.

The Complainant has said that the TAOBAO brand was established in May 2003 and has claimed that, as at March 2013, the Taobao Marketplace had over 760 million product listings and received more than 50 million unique visitors daily and is one of the world's top 20 most visited websites according to Alexa and Google, Inc.'s DoubleClick Ad Planner. These assertions are, however, not supported by evidence aside from an untranslated Chinese language print-out from the <www.taobao.com> website which apparently evidences the Taobao Marketplace's transaction volume.

The Complainant claims that its TAOBAO branded services have garnered a significant amount of media attention and has exhibited a number of press articles about the brand from a number of third party sources. The Complainant has exhibited article headlines dating back to 2000. The earliest mention of the TAOBAO brand in these headlines is from July 2004. A number of complete articles which date from 2004 onwards are also exhibited and the earliest mention of the TAOBAO brand within these dates from April 2005.

The Complainant has exhibited print outs from the search engines Google, Baidu and Yahoo!

which it claims indicate that the vast majority of results returned for searches for "TAOBAO" relate to the Complainant and its affiliates.

The Complainant asserts that since its creation by the Complainant in 2003, the TAOBAO brand and marks have acquired distinctiveness through extensive use by the Complainant and its affiliates in commerce. The Complainant says that the TAOBAO marks are immediately recognisable to consumers as being associated with the Complainant, its affiliates and its business.

Finally, the Complainant contends that the Domain Name incorporates its TAOBAO mark in its entirety and notes that it is well established that the first and second level suffixes <.co.uk> may be disregarded for the purposes of comparison to its marks.

Abusive registration

The Complainant asserts that it established its Taobao Marketplace in May 2003 and that it was accessible worldwide prior to the registration of the Domain Name in November 2003. The Complainant notes the Domain Name currently resolves to a parking page made up of sponsored links and advertisements. The Complainant claims that the Internet Archive Way Back Machine¹ shows that the Domain Name has only ever resolved to a parking website since its registration. However, no evidence has been submitted to support this contention.

The Complainant says that the Domain Name does not reflect or correspond to the Respondent's own name, noting that TAOBAO has no meaning in English. The Complainant has conducted and exhibited searches of the United Kingdom and OHIM trade mark databases which demonstrate the Respondent does not own any trade mark registrations reflecting or corresponding to TAOBOA.

The Complainant asserts that the TAOBAO trade marks have acquired distinctiveness through their extensive use by the Complainant in commerce, so that the marks are immediately recognisable to consumers as being associated with the Complainant and its businesses.

The Complainant contends that as the word TAOBAO has no common meaning in English or any other language independent of the Complainant's TAOBAO marks, it is inconceivable that the Respondent was not aware of the Complainant's marks at the time it registered the Domain Name.

The Complainant asserts that it cannot be mere coincidence that the Respondent registered the Domain Name only six months after the Complainant first registered and began using its TAOBAO marks. The Complainant says that the Respondent's registration of the Domain Name cannot conceivably be for any reason other than to take unfair advantage of the Complainant's reputation in the TAOBAO marks in order to make a commercial gain, and/or to block any registration by the Complainant or to unfairly disrupt the Complainant's business.

The Complainant says that when web users arrive at the website associated with the Domain Name they may click on advertising links which divert them to competitors of the Complainant, resulting in the Respondent earning pay-per-click revenue. The Complainant notes that the links displayed on the website refer to or claim to be associated with the Complainant's TAOBAO mark, further increasing the confusion of users who are trying to find the Complainant's legitimate Taobao website or Taobao Marketplace.

¹ The Internet Archive is a service which allows users to see archived versions of web pages which may no longer be available to view directly.

The Complainant contends that due to the confusing similarity between the Domain Name and the TAOBAO marks the Domain Name: (i) was registered to unfairly disrupt the Complainant's business; and/or (ii) is being used to confuse users into believing that the Disputed Domain Name and Website is registered to or otherwise authorised by or connected to the Complainant, in order to enable the Respondent to make a commercial gain, in terms of paragraph 3(a)(i)(C) and 3(a)(ii) of the Policy.

The Complainant asserts that it is irrelevant that users may realise after they land on the website that the website is not the Complainant's Taobao Marketplace, noting that what matters for the purposes of paragraph 3(a)(ii) of the Policy is "initial confusion".

The Complainant says that the Respondent has registered and/or is using the Domain Name to blatantly misappropriate the Complainant's goodwill in the TAOBAO marks. The Domain Name is likely to mislead users into believing that the Domain Name and associated website are those of the Complainant's operations in the United Kingdom.

Respondent

As noted above, the Respondent has not taken part in these proceedings.

5. Discussions and Findings

In order for an Expert to award a transfer of a Domain Name the Complainant must prove on the balance of probabilities that:

- i. The Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name; and
- ii. The Domain Name, in the hands of the Respondent, is an Abusive Registration.

As noted in the Procedural History, the Respondent has not taken part in these proceedings. This does not mean that the complaint will automatically succeed. Paragraph 5.6 of the Expert's Overview² notes that "Whether the Complainant seeks a full decision or a summary decision, it is still necessary for the Expert to be satisfied that the elements necessary to make a finding of Abusive Registration are present." My decision will therefore consider whether the Complainant has made out its case in terms of both elements of the Policy.

Complainant's Rights

The Complainant has set out details of its trading history and has exhibited a number of trade marks relating to the term TAOBAO. The earliest exhibited mark, which pre-dates the registration of the Domain Name, is a Hong Kong trade mark for TAOBAO registered on 23 May 2003.

As is customary in DRS proceedings the <.co.uk> suffix is only needed for technical reasons and can therefore be ignored for the purposes of comparison. It is clear that the Complainant's TAOBAO mark is identical to the Domain Name.

² The Experts' overview is a document put together by Nominet's panel of Experts which deals with a range of issues that come up in DRS disputes. It is published on Nominet's website at: http://www.nominet.org.uk/sites/default/files/drs_expert_overview.pdf

I note that the Respondent is located in the United Kingdom while the Complainant is based in China and its earliest exhibited mark is from a foreign jurisdiction, namely Hong Kong. It is important to note that under the Policy such rights are entirely valid. I have referred to Paragraph 1.5 of the Expert's Overview which asks:

1.5 Can an overseas right constitute a relevant right within the definition of Rights?

Yes. The rights must be enforceable rights, but there is no geographical/jurisdictional restriction. If the Upper Volta Gas Board can demonstrate rights in respect of its name enforceable in Upper Volta, the Policy is broad enough to deal with a cybersquatter, for example, registering <uppervoltagasboard.co.uk>. If it were otherwise, the '.uk' domain would be likely to become a haven for cybersquatters.

I therefore find that the Complainant has demonstrated on balance that it has Rights which are identical to the Domain Name.

Abusive Registration

The Complainant has said that the Domain Name resolves to pay per click advertising that relates to its business and has done so since its registration. The Complainant contends that such use will unfairly disrupt its business (per Paragraph 3(a)(i)(C) of the Policy) and is likely to confuse people or businesses into believing that the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant (per Paragraph 3(a)(ii) of the Policy).

As I noted above, the Complainant has not submitted any evidence to show that the Domain Name has resolved to pay per click advertising since its registration, despite saying it has conducted searches of the Internet Way Back Machine. In most cases it is useful for complainants to present suitable evidence to support their assertions. However, in the absence of any rebuttal by the Respondent and the screenshots before me which show the Domain Name currently resolving to pay per click advertising I am prepared to accept the Complainant's assertions.

Paragraph 4(e) of the Policy sets out that the sale of traffic (i.e. connecting domain names to parking pages and earning click-per-view revenue) is not of itself objectionable under the Policy. However, it notes that the Expert will take into account:

- i. the nature of the Domain Name;
 - ii. the nature of the advertising links on any parking page associated with the Domain Name;
- and
- iii. that the use of the Domain Name is ultimately the Respondent's responsibility.

The Complainant has said that as the Domain Name is identical to its TAOBAO mark and the advertising featured on the website associated with the Domain Name may divert users to its competitors. The Complainant contends that such use will unfairly disrupt its business. On balance, I agree with the Complainant's assertions. It is well established under the DRS that associating a domain name that is identical to a complainant's uncommon, non-generic mark with related advertising will be Abusive in terms of the Policy in almost all circumstances.

On this point I have referred to Paragraph 3.3 of the Expert's Overview, which notes:

Commonly, Internet users will visit web sites either by way of search engines or by guessing the relevant URL. If the domain name in dispute is identical to the name of the Complainant and that name cannot sensibly refer to anyone else, there is bound to be a severe risk that a search engine, which is being asked for the Complainant, will produce high up on its list the URL for the web site connected to the domain

name in issue. Similarly, there is bound to be a severe risk that an Internet user guessing the URL for the Complainant's web site will use the domain name for that purpose.

In such cases, the speculative visitor to the registrant's web site will be visiting it in the hope and expectation that the web site is a web site "operated or authorised by, or otherwise connected with the Complainant." This is what is known as 'initial interest confusion' and the overwhelming majority of Experts view it as a possible basis for a finding of Abusive Registration, the vice being that even if it is immediately apparent to the visitor to the web site that the site is not in any way connected with the Complainant, the visitor has been deceived. Having drawn the visitor to the site, the visitor may well be faced with an unauthorised tribute or criticism site (usually the latter) devoted to the Complainant; or a commercial web site, which may or may not advertise goods or services similar to those produced by the Complainant. Either way, the visitor will have been sucked in/deceived by the domain name.

...

Findings of Abusive Registration in this context are most likely to be made where the domain name in issue is identical to the name or mark of the Complainant and without any adornment (other than the generic domain suffix).

I take the view that the facts of the current dispute closely fit the species of confusion set out in the Overview and agree that the Respondent's registration of a Domain Name identical to the Complainant's TAOBAO mark and subsequent association with related pay per click advertising is Abusive in terms of the Policy.

6. **Decision**

Having concluded that the Complainant has Rights in respect of names or marks which are identical to the Domain Name and that the Domain Name, in the hands of the Respondent, is an Abusive Registration, I determine that the Domain Name should be transferred to the Complainant.

Signed: Tim Brown

Dated: 08-May-2014