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### 1. Procedural History

On 16 May 2007, the Complainant submitted a Complaint in the English language to the Hong Kong International Arbitration Center (HKIAC) and elected this case to be dealt with by a one-person panel, in accordance with the Hong Kong Domain Name Registration Company Limited (HKDNR) Domain Name Dispute Resolution Policy (the Policy), the HKDNR Domain Name Dispute Resolution Policy Rules of Procedure (the Rules) and the HKIAC Supplemental Rules (the HKIAC Supplemental Rules).

On 18 May 2007, the HKIAC sent to the Complainant by email an acknowledgement of the receipt of the complaint and reviewed the format of the complaint for compliance with the Policy, the Rules and the HKIAC Supplemental Rules. All correspondence to and from the HKIAC described herein was in the English language. On the same day, the HKIAC notified the Registrar of the Disputed Domain of the proceedings by email. The Registrar acknowledged this notification by email of the same day confirming its registration of the Disputed Domain and including its WHOIS information.

The Complaint was served upon the Respondent by the HKIAC by email on 23 May 2007. A Response was filed with the HKIAC on 8 June 2007. The Complainant submitted a further reply on 25 June 2007. On 29 June 2007, the Respondent submitted a further Response.

Having received a Declaration of Impartiality and Independence and a Statement of Acceptance, the HKIAC notified the parties on 27 June 2007 that the Panel in this case had been selected, with Dr ZHAO Yun acting as the sole panelist. The Panel should render the Decision within 15 business days, i.e., on or before 19 July 2007.

The language of the proceeding is English, as being the language of the Domain Name Registration Agreement, pursuant to Paragraph 11(a) of the
2、 Factual Background

For the Complainant

The Complainant in this case is BASF AKTIENGESELLSCHAFT, a corporation registered in Germany. The registration address is Carl-Bosch-Strasse 38, 67056, LUDWIGSHAFEN, GERMANY.

For the Respondent

The respondent, Cai Zhen, is the current registrant of the disputed domain name <basf.com> according to the Whois information.

3、 Parties’ Contentions

Complainant

The Complainant, established in Germany in 1865, is the world’s largest supplier of chemical, plastics, crude oil and natural gas, supplying more than 8,000 products to customers in almost all industries across 170 countries and generating more than €14.6 billion of sales in the first quarter of 2007. A survey published by U.S. business magazine Fortune in February 2005 ranks the Complainant as the world’s number one chemical company. The same survey named the Complainant as the top company in Germany across all industries.

The Complainant commenced trading in China in 1885 and established its first Hong Kong wholly owned subsidiary in 1982. With more than 5,500 employees, 19 wholly owned subsidiaries, 8 wholly owned production facilities and nine joint ventures in Hong Kong, the PRC and Taiwan (“Greater China”), The Complainant has emerged as the most influential foreign investor in the chemical industry in Greater China. Today, all of the Complainant’s operations in Greater China have been integrated through the Chinese holding company BASF (China) Co. Ltd., which also acts as sales agent and distributor as well as a corporate service provider for all joint ventures located in the region. Another Hong Kong registered company, BASF China Limited, is responsible for all sales, marketing and distribution of imported and locally manufactured products in Greater China. In 2006, the Complainant’s annual revenue sales of locally manufactured and imported products in and from Greater China exceeded €3.6 billion.

The Complainant has not only attracted media attention for its business operations and financial success in Greater China. The Complainant is as well known both internationally and within Greater China for its social responsibility and for its contributions to the environment, as it is for its influence in the chemical industry. In 2005, the Complainant was presented with the China Corporate Citizenship In Action Award and was recognized in
an article published by China News Week as one of China’s top 10 responsible corporations.

The Complainant has also been actively involved in the organization of educational programs in China and Hong Kong aimed at promoting awareness of the environment and fostering education in science. For a number of years the Complainant has been running a Kids’ Lab program in Hong Kong and Shanghai with the support of the Hong Kong Science and Technology Park and the Shanghai Science and Technology Park, respectively.

Such educational programs, together with the widespread public recognition that the Complainant has received for its contribution to the environment and social responsibility, have ensured that the Complainant's reputation has extended beyond corporate and industry players to ordinary members of the public in Hong Kong and the PRC.

The Complainant submits that the Disputed Domain Name is identical to marks in which the Complainant has rights on the following grounds:

(a) The Disputed Domain Name is identical to the Complainant's global trade name BASF (which is also reflected in the company names of both Hong Kong subsidiaries BASF (China) Co. Ltd and BASF China Ltd); and
(b) The Disputed Domain Name is identical to the Complainant's trade mark registrations for BASF in Hong Kong and China.

The Complainant further submits that the Respondent has no right or legitimate interest in respect of the Disputed Domain Name on the following grounds:

(a) "BASF", being the predominant component of the Disputed Domain Name, does not in any way reflect the Respondent's name;
(b) The Respondent has not registered a company or business name reflecting "BASF", being the predominant component of the Disputed Domain Name;
(c) The Respondent does not own any trade mark registrations reflecting the "BASF", being the predominant component of the Disputed Domain Name; and
(d) The Respondent has not acquired any reputation in "BASF", being the predominant component of the Disputed Domain Name;

Finally, the Complainant submits that the Disputed Domain Name has been registered and is being used by the Respondent in bad faith on the following grounds:

(a) The Respondent does not have any legitimate right or interest in the Disputed Domain Name;
(b) The Respondent must have been aware of the Complainant's prior rights and interests in the Disputed Domain Name by virtue of the Complainant's reputation in BASF in Hong Kong and in Greater China;
(d) Up until the date that the Respondent received a letter from the Complainant's legal representatives threatening to initiate complaint proceedings to recover the Disputed Domain Name, the Disputed Domain
Name was pointed (ultimately) to an online chemical directory (i.e. being the industry in which the Complainant's business operates);

(e) The Respondent is at the date of this Complaint and has been since at least 3 January 2007 offering the Disputed Domain Name for sale to the public on the website http://1m.chinaz.com/dn.asp?id=1045386; and

(f) The Respondent stated, in an email to the Complainant's legal representatives, that he could not be expected to give up the Disputed Domain Name to the Respondent "without compensation" (the clear inference being that the Respondent would be prepared to give up the Disputed Domain Name for compensation).

In response to the Respondent’s Response, the Complainant asserts that the offer by the Respondent to sell the Disputed Domain Name to the Complainant serves to strongly discredit the statements made by the Respondent in the Response filed by him on 9 June 2007, particularly the statements that the Respondent has devised the slogan "Book as Friend" and established the website at considerable time and expense. The Respondent did not refute any of the allegations made against him in the Statement of Complaint regarding his domain name trading activities. The offer by the Respondent to sell the Disputed Domain Name to the Complainant for HK$4,000 to HK$5,000 (being a price which in excess of the Respondent's costs in registering and maintaining the Disputed Domain Name) in any case constitutes further evidence of bad faith on the part of the Respondent in registering the Disputed Domain Name for the purposes of paragraph 4(b)(i) of the HKDNR DRP.

The Complainant further contends that the registration or non-registration of other ccTLDs incorporating BASF has no relevance to the any of the three criteria required to be satisfied for the purposes of paragraph 3(a)(i), (ii) and (iii) of the HKDNR DRP to succeed in a domain name complaint. The registration of other ccTLDs would not of itself confer upon the Respondent any legitimate right or interest in the Disputed Domain Name.

Respondent

The Respondent made the following arguments. With the plan to set up an online book website in Hong Kong, the Respondent devised the slogan “Book AS Friend” and established the website at considerable time and expense. The Respondent only got to know the Complainant after receiving an email from the Complainant. The Complainant has not taken any steps to register other cc-TLD domain names incorporating BASF. The registration of domain names is a matter of personal preference and there is no bad faith in registering the disputed Domain Name. In his further Response, the Respondent has restated the arguments made in his previous Response.

4. Findings

Paragraph 15(a) of the Rules instructs the Panel as to the principles the Panel is to use in determining the dispute: “An Arbitration Panel shall decide a Complaint on the basis of the statements and documents submitted to it and in accordance with the Dispute Resolution Policy, the Rules of Procedure, the
Paragraph 4 (a) of the Policy requires that the Complainant should prove each of the following three elements to obtain an order that a domain name should be cancelled or transferred:

1) [The Respondent's] Domain Name is identical or confusingly similar to a trademark or service mark in Hong Kong in which the Complainant has rights; and
2) [The Respondent] has no rights or legitimate interests in respect of the Domain Name; and
3) [The Respondent's] domain name has been registered and is being used in bad faith.

Paragraph 4 (b) of the Policy provides the following evidence of registration and use in bad faith:

(i) circumstances indicating that you have registered or you have acquired the Domain Name primarily for the purpose of selling, renting, or otherwise transferring the Domain Name registration to the Complainant who is the owner of the trademark or service mark or to a competitor of that Complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the Domain Name; or
(ii) you have registered the Domain Name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding Domain Name, provided that you have engaged in a pattern of such conduct; or
(iii) you have registered the Domain Name primarily for the purpose of disrupting the business of a competitor; or
(iv) by using the Domain Name, you have intentionally attempted to attract, for commercial gain, Internet users to your web site or other on-line location, by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of your web site or location or of a product or service on your web site or location.

Identical/Confusingly Similar

The evidence submitted by the Complainant shows that the Complainant owns the trademark BASF, which has been registered in Hong Kong and the PRC. The evidence also shows that the Complainant has traded in Greater China since 1885 and established its first Hong Kong wholly owned subsidiary in 1982. Through continuous use, the trademark BASF has become famous among people in Greater China.
The Panel has no problem in finding that the disputed Domain Name is identical to the registered trademark (BASF), given that the “.hk” suffix is to be ignored. The Panel therefore holds that the Complaint fulfills the condition provided in Paragraph 4 (a)(i) of the Policy.

Rights or Legitimate Interests of the Respondent

The Complainant contends that the Respondent does not have rights to or legitimate interests in the disputed Domain Name. The Complainant’s assertion is sufficient to establish a prima facie case under the Policy, thereby shifting the burden to the Respondent to present evidence of its rights or legitimate interests.

In its Response, the Respondent denies not having legitimate interests in the disputed Domain Name, but fails to put forward any evidence to show any positive interests that it relies on. The Respondent has acquired no trademark rights or other proprietary interests relevant to support its claim to the disputed Domain Name. The registration of a certain domain name does not of itself confer upon the registrant rights or legitimate interests in the domain name or in the subject matter of the domain name.

The Respondent may have in contemplation to set up the website with “Book AS Friend” as slogan; however, considering the fact that the Respondent offered to sell the disputed domain name, it would seem that the Respondent registered the disputed Domain Name at least in part with an eye to possible sale.

The Panel therefore finds that the Complaint fulfills the condition provided in Paragraph 4(a)(ii) of the Policy.

Bad Faith

A non-exhaustive list of what constitute bad faith registration and use is set out in Paragraph 4 (b) of the Policy, including the circumstances indicating that the Respondent has registered or acquired a domain name primarily for the purpose of selling, renting or otherwise transferring the domain name registration to the Complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of the documented out-of-pocket costs directly related to the domain name.

Evidence shows that the Respondent offers to sell the disputed Domain Name to the general public via a dedicated auction trading website. This is the typical situation of evidence of registration and use in bad faith as provided above. This conclusion is further substantiated by the fact that Respondent has registered many other domain names and offered for sale on the auction website.

Evidence also shows that the Complainant’s trademark BASF has achieved a strong reputation through long history of use. As such, the public has come to
recognize and associate the Complainant’s trademark BASF as originating from the Complainant and no other. This entitles the Panel to infer that the Respondent should be aware of the existence of the Complainant and its trademark BASF. The action of registering the disputed Domain Name *per se* has constituted bad faith.

In conclusion, the panel finds that the Respondent has registered and used the domain name in bad faith. Accordingly, the Panel finds that the Complaint satisfies the condition provided in 4(a)(iii) of the Policy.

5. **Decision**

Having established all three elements required under the Policy, the Panel concludes that relief should be granted. Accordingly, it is ordered that the <basyf.hk> domain name should be TRANSFERRED from the Respondent to the Complainant.

ZHAO Yun
Sole Panelist

DATED: 11 July 2007