1. **Parties and Contested Domain Name**

The Complainants are (1) BACCARAT SA of Rue des Cristalleries, F-54120 BACCARAT, France; and (2) BACCARAT FAR EAST LIMITED of Suite 1209, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong (each of the Complainants are hereinafter individually referred to as “Complainant” and collectively “Complainants”). The authorized representative of the Complainants in this matter is Lovells of 11/F One Pacific Place, 88 Queensway, Hong Kong.

The Respondent is Seacruise International of Flat/RM 1919, Nan Fung Ctr, 264-298 Castle Peak Road, Tsuen Wan, NT, Hong Kong.

The contested Domain Name is <baccarat.com.hk> (the “Disputed Domain Name”) registered by the Respondent with Hong Kong Domain Name Registration Company Limited (HKNDR) on March 20, 2009.

2. **Procedural History**

On October 23, 2009, the Complainants filed the Complaint against the Respondent in respect of the Disputed Domain Name with the Hong Kong International Arbitration Centre (the “Centre”). On October 27, 2009, the Centre responded to the authorized representative of the Complainants, acknowledging receipt of the Complaint and the payment of the required administrative fee, and
confirming that it would forward the Complaint to the Respondent once the
Complaint has been reviewed to be in administrative compliance with the Hong
Kong Domain Name Dispute Resolution Policy.

On October 27, 2009, the Centre requested the HKDNR to provide the registration
information of the Disputed Domain Name. On the same date, the HKDNR
provided the registration information of the Disputed Domain Name and
confirmed that the domain holder is “Seacruise International”.

On October 28, 2009, the Centre sent the Notification of Commencement of
Proceedings to the Respondent and gave the Respondent fifteen (15) business
days for the Respondent to provide a Response in accordance with the HKDNR
Domain Name Dispute Resolution Policy (the Dispute Resolution Policy), the
HKDNR Domain Name Dispute Resolution Policy Rules of Procedure (the Rules
of Procedure) and the HKIAC Supplemental Rules (the HKIAC Supplemental
Rules).

On November 17, 2009, the Respondent sent an email response to the Centre. On
the same day, the Centre sent a notification of response received.

On December 2, 2009, the Centre asked the Panelist in this case whether he was
available and if so, whether he was in a position to act independently and
impartially as between the parties in this case. Following an affirmative response
to both questions, the Centre appointed Mr. Jerry Yulin Zhang as the sole panelist
in this case on December 4, 2009. According to the Rules of Procedure, unless
otherwise determined by the Panelist in its sole discretion, the case was to close
by December 28, 2009.

Following several directions on further submissions from the parties, and upon
request by the Panelist, the Centre extended the time of the Decision to January 8,
2010.

3. Factual Background

The Respondent registered the Disputed Domain Name with HKNDNR on March
20, 2009. The dispute arose out of the Respondent’s registration and use of the
Disputed Domain Name.

The Complainant BACCARAT SA, established in 1764 and formerly known as
the COMPAGNIE DES CRISTALLERIES DE BACCARAT, is a famous
manufacturer of crystal wares in the world. It is the owner of more than 700 trade
mark registrations for BACCARAT worldwide, including 12 trade mark
registrations for “BACCARAT” or which incorporates “BACCARAT” or its
Chinese equivalent “巴卡利” in Hong Kong.
BACCARAT FAR EAST LIMITED is a local Hong Kong subsidiary registered by BACCARAT SA, and is responsible for BACCARAT’s Hong Kong based operation.

The Respondent is a company registered in Hong Kong. It does not have a trade mark registration for “BACCARAT” in Hong Kong.

4. Parties Contentions

a) The Complainants

The Complainants have the following principal legal grounds in support of their complaint:

1. The Disputed Domain Name is identical and/or confusingly similar to trade or service marks in which Complainants have rights (paragraph 4(a)(i) of the HKDNSR DNDRP)

The Complainants submit that (i) the Disputed Domain Name is identical to BACCARAT’s global trade name and is reflected in the name of its Hong Kong subsidiary BACCARAT FAR EAST LIMITED; and (ii) the Disputed Domain Name is identical to the Complainant’s trade mark registrations for BACCARAT in Hong Kong. In respect of trade name rights, the Complainants provided the Certificates of Incorporation for BACCARAT SA and BACCARAT FAR EAST LIMITED. In respect of the trade or service mark registration, the Complainants provided a list of trade mark registrations including the registration no. 300476460, which is identical to the Disputed Domain Name.

2. Respondent has no rights or legitimate interest in respect of the Disputed Domain Name (paragraph 4 (a) (ii) of the HKDNSR DNDRP)

The Complainants submit that the Respondent has no rights or legitimate interest in respect of the Disputed Domain Name on the following grounds:

(a) “BACCARAT”, being the predominant and only relevant 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 “BACCARAT” in Hong Kong;
(c) The Respondent does not own any trade mark registration reflecting “BACCARAT” in Hong Kong;
(d) The Respondent has not acquired any reputation in “BACCARAT” in Hong Kong.
The Complainants confirm that they have not, nor have they ever, granted the Respondent any right, license, authorisation or consent to use its “BACCARAT” trade mark, in Hong Kong or elsewhere. The Complainants’ use of and registration for the “BACCARAT” trade mark in Hong Kong as early as in 1990 pre-date the Respondent’s registration of the Disputed Domain Name by almost 20 years. The Respondent should have the burden of proof to adduce evidence to show that it has legitimate rights and/or interests in the Disputed Domain Name. In the absence of such evidence, the Respondent should be found to have no legitimate rights and/or interests in the mark “BACCARAT” and the Disputed Domain Name.

3. The Disputed Domain Name has been registered and is being used by the Respondent in bad faith

The Complainants submit 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 rights or interests in the Disputed Domain Name;
(b) The Respondent, a Hong Kong based entity, must have been aware of the Complainant’s prior rights and interest in the Disputed Domain Name by virtue of the Complainant’s reputation in BACCARAT in Hong Kong;
(c) Given its awareness of the Complainant’s reputation in BACCARAT mark in Hong Kong, the Respondent is presumed to have registered the Disputed Domain Name for the purpose of trading the Disputed Domain Name for financial gain and/or otherwise for the purpose of taking a free ride on, and leveraging off, the Complainant’s reputation in Hong Kong;
(d) The Respondent is not making any use of the Disputed Domain Name. By referring to the WIPO decision of Telstra Corporation Limited v. Nuclear Marshmallows (Case No. D20000003), Complainants submit that the concept of “use in bad faith” in the corresponding paragraph 4(a) (ii) of the UDRP is not limited to positive action, and that inaction is within the concept, i.e., inactivity by the Respondent may amount to “the use of the domain name in bad faith”.

Based on the above grounds, the Complainants request that the Panel decide that the Disputed Domain Name shall be transferred to the 2nd Complainant BACCARAT FAR EAST LIMITED, being the Complainant’s wholly owned Hong Kong registered subsidiary and, as such, an entity satisfying the registration eligibility requirements under HKDNR Rules for a <.com.hk> domain name.

b) The Respondent

The Respondent filed a response in Chinese to the Centre on November 13, 2009.
The Respondent submits the following:

1. Regarding the reasons for the application for registration and use of the domain name <baccarat.com.hk>, the Respondent stated that it is a Hong Kong company established in August 2008 with the business of market promotion and Internet store. It initially provided marketing services for companies, including the company owning the cruise ship "Asia Star". Without objection from Asia Star, it registered the domain names <seacruise.com.hk> and <asiastar.hk> on October 23, 2008.

2. In the course of serving cruise customers, the Respondent attended cruise ships together with the customers and introduced various facilities of the cruise ship, including game facilities that provide “baccarat 百家乐”, “Poker 扑克”, “slot machine 角子老虎机” and other game facilities. Some customers did not know who to play the baccarat game, and asked whether the Respondent would provide the basic information of the baccarat game and whether there is a website that is accessible to customers for the information of the baccarat game. The Respondent then thought of setting up a website to provide information of the baccarat game, including the rules, history, and skills for such game. To the Respondent’s understanding, the word “baccarat” originated from France in the 15th century. It is a poker game that was introduced to the US in the 17th century and became popular there. Its Chinese translation is “百家乐”. The Respondent thought that it would be most appropriate if the website will be set up with a domain name “baccarat”, so that it can be easily be accessed to or searched for by users on the Internet. Therefore, the Respondent registered the Disputed Domain Name <baccarat.com.hk>.

3. The Respondent contended that there is no rule in Hong Kong that the name of a company must be registered as a trade mark or service mark in Hong Kong. Service companies are not required to register trade marks or service marks. Domain names do not have to be the same as the names of the companies. The Respondent used a popular word “baccarat” of the 15th century which was not originally created by the Complainants. The website at <baccarat.com.hk> domain name will be a website providing baccarat game information and poker game information, which does not fall into the goods or services of the registered trademark of the Complainants, and there will be no infringement at all.

4. Regarding the indication “under construction” on the website <baccarat.com.hk>, this was not the Respondent’s intended use. Rather, it was a temporary indication suggested by Web Host Limited in its Domain Parking (C Plan), and will be changed to web hosting services when the web pages are completed.
The parties had further statements and documents submitted in connection with their respective contentions.

5. Discussion and Findings

Upon review of the documents and evidence submitted by the Complainants and the Respondent, the following points are of particular interest to this Panel in dealing with the issues in contention.

a) Identical or confusingly similar

The Complainant has established that it has registered trademarks "BACCARAT" in Hong Kong, including the registration of "BACCARAT" in classes 43 and 44 with trademark number 300476406.

Apparently, the trade mark "BACCARAT" is the same as the distinctive part of the Disputed Domain Name in question. Therefore the Panel is of the view that the Complainant has discharged the burden of proof on its part to establish the element of identical and confusingly similar mark under Paragraph 4 (a) (i) of the HKDNR Policy.

b) Respondent's rights or legitimate interest

The Respondent did not provide any evidence to establish its prior rights or legitimate interest in the Disputed Domain Name.

The Complainants contended that the Respondent has no rights or legitimate interests in the Disputed Domain Name. The Complainants also confirmed that it has never granted any license for the Respondent to use the trademark "BACCARAT" in any form in Hong Kong.

While the Panel noted that the Respondent's explanation of its intention to use the Disputed Domain Name for marketing purposes in connection with the baccarat poker game, the Panel understands that gambling is not permitted in Hong Kong. The Panel also finds that there is no evidence of prior trademark or trade name right or any other rights of the Respondent in Hong Kong in connection with the word "BACCARAT" except that the Respondent claims the word is a generic word originated from France in the 15th century.

Given that there is no evidence from the Respondent on its right and/or interest in the Disputed Domain Name, this Panel concludes that the Respondent has no rights and/or legitimate interest in the Disputed Domain Name.
c) **Bad Faith**

Paragraph 4(b) of the HKDNR Domain Name Dispute Resolution Policy sets forth four factors that the Panel will need to examine to determine the Respondent has registered or used a domain name in bad faith. These are understood to be non-exclusive factors as follows:

(i) circumstances indicating that the Respondent has registered or has 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 the Respondent's documented out-of-pocket costs directly related to the Domain Name;

(ii) the Respondent has 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 the Respondent has engaged in a pattern of such conduct;

(iii) the Respondent has registered the Domain Name primarily for the purpose of disrupting the business of a competitor; or

(iv) by using the Domain Name, the Respondent has intentionally attempted to attract, for commercial gain Internet users to the Respondent’s 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 the Respondent’s web site or location or of a product or service on the Respondent’s web site or location.

Given the long history of the Complainant’s use of the trade mark “BACCARAT” in relation to crystal ware, and in light of the evidence submitted by the Complainants regarding the fame of the trade mark, the Panel accepts that the Complainant’s trade mark “BACCARAT” is a famous trade mark and the Complainants have reputation and goodwill to the “BACCARAT” trade mark. Domain name dispute resolution panels have concluded in many decisions that the “BACCARAT” trade mark is considered a famous trade mark in the relevant sector of the market. For example, in *Baccarat SA v. MSL International, Inc. WIPO Case No. D2005-0048*, the Panel stated that “having considered the evidence submitted with the Complaint, the Panel accepts that the trade mark BACCARAT is well known worldwide in relation to crystal ware”. Please also see *Baccarat SA v. VALUE-DOMAIN COM WIPO Case No. D2009-1186* (BACCARAT is one of the oldest trademarks in the world. Its two centuries old, wide and consistent use throughout the world is another factor indicating the well-known status of the Complainant’s trademark); and *Baccarat SA v. no company, Pavel Gross WIPO Case No. D2008-0944* (In the absence of any right or legitimate interest and in the absence of any contrary evidence from the Respondent, the Respondent’s registration of
domain names confusingly similar to the Complainant’s known trademark was in bad faith.

In appropriate circumstances where the domain name reflects a famous trade mark owned by a third party with whom the registrant has no relationship, bad faith can be concluded – Pfizer Inc. v. NA, WIPO Case No. D2005-0072. Given the fame of the Complainants’ trade mark “BACCARAT”, it is difficult to imagine that the Respondent registered the Disputed Domain Name without having been aware of the fame of the trade mark “BACCARAT” of the Complainants. As such, it is inferred that the Respondent had knowledge of the Complainants’ trade mark rights in Hong Kong when it registered the Disputed Domain Name. Accordingly, the Panel finds that the Respondent has registered and/or used the Disputed Domain Name in order to create a likelihood of confusion with the Complainants’ mark as to the source, sponsorship, affiliation, or endorsement of the Respondent’s web site or location or of a product or service on the Respondent's web site. Therefore, it is clear that bad faith is established under Paragraph 4 (b) (iv).

Based on the above discussions, it is the Panel’s view that the Complainants have established bad faith according to Paragraph 4 (b) (iv).

6. Decision

In view of the above findings, the Panelist concludes that the relief requested by the Complainants shall be granted and hereby orders that the Disputed Domain Name registration <baccarat.com.hk> shall be transferred to the 2nd Complainant BACCARAT FAR EAST LIMITED.

Jerry Yulin Zhang

Sole Panelist

January 7, 2010