



Hogan  
Lovells

# Don't overlook your domain names

**Eugene Low**

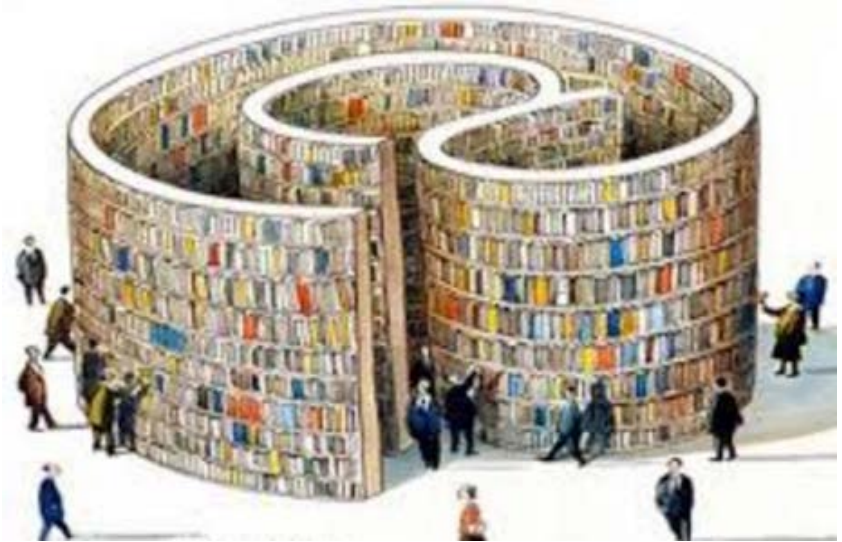
**Hogan Lovells**

[eugene.low@hoganlovells.com](mailto:eugene.low@hoganlovells.com)

# Contents

---

- Value of domain names in e-commerce & consumer protection
- Domain name protection: common pitfalls & best practice



# Introduction

---

Tendency to overlook domain names. Why?

- IT people are in charge
- Too many variations (over 1,200 gTLDs)
- Costs (registration & recovery)
- Do customers still care about domain names?
- All of the above
- No, actually businesses still pay a lot of attention to domain names

# Domain names making headlines

---

**IUQERFSODP9IFJAPOSDFJHGOSURIJFAEWRWERGWEA.COM**

# Domain names making headlines

\$10 domain name halts spread of WannaCry ransomware



# Domain names making headlines

---

abc.xyz

**Why Did Google Choose ABC.XYZ for the Alphabet Domain Name?**

**TAG** Google , Alphabet , .xyz , .com

**Is Google Alphabet .xyz The New .com?**

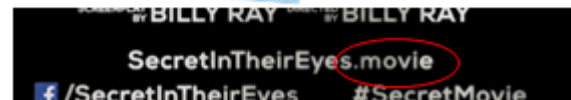
The new company, Alphabet, will preside over a collection of companies, the largest of which will be Google. Even the site's new address eschewed convention: <https://abc.xyz/>

**Alphabet Fuels .xyz Domain Name Growth**

# Domain names making headlines

---

- More than 1,200 new gTLD domain strings
- Nearly 21 million new registrations



# Domain names making headlines

- New gTLDs

- .公司 [meaning: company]
- .网络 [meaning: net]
- .wang [meaning: net; king]
- .xin [meaning: trust]
- .ren [meaning: people]
- .在线 [meaning: online]
- ".cn" is one of the most popular country-code DN: over 16 million



# Why bother?

---

- Brand value

Fb.com sold for \$8.5 million in September 2010

**China's Qihoo 360 Pays Reported \$17  
Million For 360.com In Bid To Boost  
Global Profile**

# Why bother?

---

- Attracts publicity

Viddy rebrands as SuperNova and doesn't own SuperNova.com

## A Top 10 Dispute in China

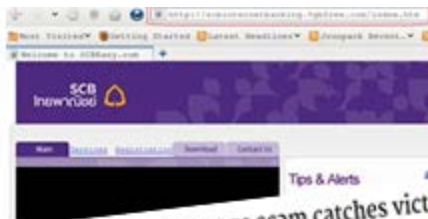
*China Business Law Journal* has recently announced its 'Deals of the Year 2016' recognizing cases that saw the most sophisticated efforts by legal counsel. And as a result our work for Tencent has been recognized as one of the **Top 10 Dispute Deals of the Year** and the only domain name case on the list.

Airbnb just acquired a new Chinese pinyin domain name

# Why bother?

- Cybersquatting keeps growing
- Customer trust

**WIPO Cybersquatting Cases Hit Record in 2016,  
Driven by New Top-Level Domain Names**



Online banking text message scam catches victims with fake websites



HK-1500750 ifcmallshop.com  
DHK-1500122 ifcshop.hk  
DHK-1400115 landmarkshop.hk  
DHK-1400107 pacificplaceshop.hk  
DHK-1400106 lee-gardens.hk

# Why bother?

---

- Domain name complaints (e.g. UDRP)
  - High success rate
  - Inroad to tackle a bigger problem
  - Very effective in Asia too
    - Asian Domain Name Dispute Resolution Centre
    - (Beijing/Hong Kong/Kuala Lumpur/Seoul)
    - Panelists familiar with local reputation and language
  - WIPO Overview 3.0 (May 2017)

# Why bother?

---

- Confusing domain names as supporting evidence in court
  - E.g. MONCLER vs. MOCKNER [2015]
- Winning maximum statutory damages under China Trade Mark Law
  - RMB 3,000,000 (~ US\$470,000)
- Contributing factor: confusing domain name "mockner.com"

# Why bother?

---

## China's Draft Amendments to Anti-Unfair Competition Law

Article 5: A business operator may not use commercial marks to conduct the following confusing marketing acts:

(4) to use the name or the short name of a well-known enterprise or enterprise group as the word trademark or the **main part of a domain name**, and thereby misleads the public and causes market confusion.

# Why bother?

---

- But beware of differences in rules, e.g.:
- China (.cn) – over 16 million registration
- 2-year time bar
- Hong Kong (.hk) – arbitration in nature
- No appeal to court
- Japan (.co.jp) – limited to one .co.jp for each Japanese company
- Vietnam (.vn) – no UDRP-type recovery



Turning the clock back? Getting round the 2-year time bar in a .CN complaint



Unlike the Uniform Domain Name Dispute Resolution Policy (UDRP), the CNNIC ccTLD Dispute Resolution Policy (CNDRP) – the dispute resolution policy governing the “.cn” domain in China – sets a time bar which stipulates that no complaints concerning a “.cn” (or “.中国”) registration of over 2 years will be accepted. This time bar has in the past been criticised for imposing “unreasonable time limits” that would prevent the fair and equitable enforcement of intellectual property rights.

The history of this 2-year time bar can be traced back to 2000 when CNNIC developed its very first set of domain name dispute resolution rules. It has been widely perceived as an absolute time bar which immunises all “.cn” registrations of more than years old from domain name complaints under CNDRP. In those situations the complainant would often have to resort to litigation or negotiations in order to recover the domain name.

# Other options

---

- UDRP, URS and others
- Cease and desist letters
- Negotiations
- Lawsuit
- Wait for expiry

# Other options

- Suspected crime
  - Complain to Registry/Registrar
    - e.g. HKIRC for .hk
  - Complain to enforcement/regulatory authorities
    - E.g. China Internet Crime Reporting Centre
    - Hong Kong Securities & Futures Commission
    - Scam Website List

## Alert List

The Alert List is a list of entities which have come to the attention of the SFC because they are unlicensed in Hong Kong and are believed to be, or to have been, targeting Hong Kong investors or claim to have an association with Hong Kong. You can either search by name or by type to check whether an entity is already on the list. This is not a comprehensive list and new names are coming to our attention all the time. We will add to the list as we hear of new names. If you have been contacted by an unlicensed firm, it would be of assistance to the SFC if you would provide information on your dealings with that firm by completing our [on-line reporting form](#).

For further information on [boiler rooms](#), [scam websites](#) and [phishes](#), please follow the links.

*Note: The information contained on the Alert List is provided as an early warning service to investors but is not a substitute for investors conducting their own due diligence by checking up on a particular entity.*

Please view the list by selecting the first alphabet that starts off the name of each entry or the sub-group labelled "Chinese" for entities bearing only Chinese names:

[A](#) [B](#) [C](#) [D](#) [E](#) [F](#) [G](#) [H](#) [I](#) [J](#) [K](#) [L](#) [M](#) [N](#) [O](#) [P](#) [Q](#) [R](#) [S](#) [T](#) [U](#) [V](#) [W](#) [X](#) [Y](#) [Z](#) [Chinese](#) [Others](#)

Company name	Type	Add date
Smarmets Ltd	Suspicious websites	12 Feb 2015
ABN Assets	Suspicious websites	21 Sep 2005
Alpha Group	Suspicious websites	16 Oct 2009
ogy Limited	Suspicious websites	16 Jul 2015
und LLC	Suspicious websites	12 Feb 2008
ational Wealth Investment Management Co., Ltd. / Apollo Wealth Management Co., Ltd.	Suspicious websites	13 Dec 2007
	Suspicious websites	21 Feb 2006
scredit	Suspicious websites	13 Jan 2004
mercial Bank	Suspicious websites	24 Nov 2004

Name	Type	Add date
<b>Name:</b> Blackstoneh / Blackstone		
<b>Type:</b> Suspicious websites		
<b>Address(es):</b> ---		
<b>Website:</b> www.xingfuguanzi001.com / www.hyww365.com		
<b>Remarks:</b> The two websites are not associated with The Blackstone Group (HK) Limited, an SFC-licensed corporation.		
<b>Add date:</b> 28 Apr 2017		
Note: Suspicious website operators often use names similar to legitimate companies to confuse investors.		

# Be prepared for court appeal

## Statistics on WIPO UDRP cases

Complainant	Cases in 2015	Compared with 2014	Respondent	Case in 2015	Compared with 2014
1. US	847	-0.2%	1.US	612	-8.7%
2. France	337	4.0%	2.China	412	1.5%
3. Germany	272	48.6%	3. UK	203	0.5%
20. China	17	0.0%	4. Australia	107	10.3%

# Be prepared for court appeal

- Not uncommon for losing registrants to appeal to Chinese courts
- Jurisdiction: registrant/registrar in China
- E.g.
  - <weixin.com>
  - <quna.com>
  - <androidpay.com>



Asian Domain Name Dispute Resolution Centre  
hong kong

(香港秘书处)

行政专家组裁决

---

案件编号:	HK-1500816
投诉人:	腾讯控股有限公司 (Tencent Holdings Limited)
被投诉人:	li ming
争议域名:	<weixin.com>



## 微信域名权属引纠纷

北京将至网络科技有限公司和29岁的李先生起诉腾讯控股有限公司，要求确认原告注册和使用争议域名不具有恶意，不侵犯被告的合法权益，确认原告对争议的域名享有合法权益，有权继续持有并使用争议域名。日前，海淀法院受理了此案。

原告诉称，2015年12月1日，被告向亚洲域名争议解决中心香港秘书处就争议域名weixin.com提出投诉。仲裁中心经审理后做

# Be prepared for court appeal

---

- Beware:
  - Stricter evidential rules: importance of notarising website contents
  - Court may not strictly follow/apply UDRP principles, e.g. "transfer = new registration"  
*Chinese jurisprudence (panelist/court) vs. UDRP principles*
  - Remedies: court may order cessation/compensation, but no transfer of domain name

# Practical tips

---

- Domain names should form part of your IP/cybersecurity strategy
- Domain names enforcement has a high successful rate!
  
- Impracticable to register/take action against each and every domain name
- Set priorities – prevention & cure:
  
- Prevention:
  - Proper trade mark registrations
  - Beware of vulnerable moments (new brand; merger; new distributor)
  - New gTLDs
  - Effective watch services

# Practical tips

---

- Cure:
  - Take action swiftly
  - Factors: merits, commercial need, publicity, territory

# Practical tips

---

- Notarisation of the website contents
- Monitor hijacking of domains and trade marks
- Proper use of domain name complaint channels can be an important enforcement strategy and settlement weapon
- Selection of dispute resolution organisation and panel
- Be prepared for court appeal



---

# Questions?

Eugene Low

Partner, Hogan Lovells International LLP

[eugene.low@hoganlovells.com](mailto:eugene.low@hoganlovells.com)

Telephone: +852 2840-5907