

SINGAPORE DOMAIN NAME DISPUTE RESOLUTION SERVICE

Administrative Panel Decision

Case No. SDRP-2005/0002(F)

Linguaphone Institute Limited and Linguaphone Singapore Pte Ltd

v

Cambridge Information Technology and Chan Ngah Kok

1. The Parties

- 1.1 The Complainants are Linguaphone Institute Limited and Linguaphone Singapore Pte Ltd. The 1st Complainant is Linguaphone Institute Limited, a company incorporated in the United Kingdom and having its principle place of business at Liongate Enterprise Park, Unit 21, 80 Morden Road, Mitcham, CR4 4PH, United Kingdom. The 2nd Complainant is Linguaphone Singapore Pte Ltd, a company incorporated in the Republic of Singapore and having its registered address at 138 Cecil Street, #15-00, Singapore 069538. (Collectively known as “the Complainants”)
- 1.2 The Respondents are Cambridge Information Technology and Chan Ngah Kok. The 1st Respondent is Cambridge Information Technology, a sole proprietorship registered in the Republic of Singapore and having its business address at 111 North Bridge Road, #02-35 Peninsula Plaza, Singapore 179098. The 2nd Respondent is Chan Ngah Kok of Blk 716 Clementi West Street 2, #11-09, Singapore 120716. (Collective known as “the Respondent”)
- 1.3 The Complainants and Respondent are known collectively as “the Parties” in this Decision.

2. The Domain Name and Registrar

- 2.1 In this complaint, the disputed domain name is www.linguaphone.com.sg (“the Domain Name”). The Domain Name is currently registered to the Respondent, Cambridge Information Technology (“CIT”). CIT registered the domain name on 31 August 2000. CIT’s website is still in active use.
- 2.2 The Registrar for the domain name is Adicio Pte Ltd of 750A Chai Chee Road, #07-02 Suite 10 Technopark @ Chai Chee, Singapore 469001.

3. Procedural History

- 3.1 The Complainants filed this complaint (the “Complaint”) pursuant to the Singapore Domain Name Dispute Resolution Policy (“SDRP”), the Rules for the Singapore Domain Dispute Resolution Policy (the “Rules”) and the Supplemental Rules for the Singapore Domain Dispute Resolution Policy (the “Supplemental Rules”).
- 3.2 The Rules and the Supplemental Rules have been issued jointly by the Singapore Mediation Centre (“SMC”) and the Singapore International Arbitration Centre (“SIAC”) as joint operators of the secretariat (the “Secretariat”) appointed by the SGNIC to administer the domain name dispute resolution service under the SDRP.
- 3.3 The Complainants first submitted their Complaint to the Secretariat on 7 February 2005. The Secretariat had checked the Complaint for administrative compliance with the SDRP and its Rules and Supplemental Rule. Upon close perusal of the documents therein, the Secretariat found certain parts of the Complaint to be administratively deficient. Pursuant to paragraph 4(b) of the Rules, the Secretariat requested for the Complaint to be resubmitted, with the necessary clarifications, by 22 February 2005.
- 3.4 The Complainants submitted their revised Complaint and Submissions via e-mail and in hard copy on 21 February 2005. The Secretariat forwarded the Complaint, together with a covering minute and the prescribed Complaint Notification Instructions, to the Respondent on 24 February 2005.
- 3.5 The Respondent, via a letter dated 2 March 2005, had requested from the Complainants’ solicitors an annexure for a list of documents referred to in the Complaint but which was not exhibited in the Complaint. The Complainants, via a letter dated 9 March 2005, replied that they were still in the process of obtaining this copy from their clients. The Secretariat, in its e-mail dated 10 March, notified both parties that this matter would be forwarded to the Administrative Panel for determination.
- 3.6 The Respondent submitted its Response on 17 March 2005.
- 3.7 Upon receipt of the Response, the Secretariat informed the Parties of the appointment of the Administrative Panel on 23 March 2005, formally appointing Dr. Stanley Lai as the sole panellist. The panellist received the Complaint, Response and supporting documents on the same date.

4. Factual History

- 4.1 From Annexure B of the Complaint, the 1st Complainant, Linguaphone Institute Limited (“LIL”) is in the business of providing language courses. Under these courses, students are given the opportunity to learn languages at their own pace using original recordings. LIL claims to have played a dominant role in language learning across the globe. Its international network comprises a selection of subsidiary, joint venture and third party distributors. As a result of which, it claims to be a leader in Assisted learning training solutions as well as self-study courses.
- 4.2 At present LIL sells its products and language service courses in over 60 countries world-wide, including many countries in Asia.
- 4.3 LIL is the registered proprietor of the following trade marks in Singapore:
- (a) T9909693Z “LINGUAPHONE” in class 9 for “electrical and electronic apparatus and instruments for use in teaching, comprehension, analysis, translation or manipulation of languages; films for reproducing sound, speech or vision; magnetic recording materials; optical recording materials; recording materials for the storage of digital computer programs; pre-recorded magnetic or optical tapes, wires, discs, and phonographic records; cassettes; computer programs, recorded; cd-roms”. (with effect from 3 September 1999).
 - (b) T9909694H “LINGUAPHONE” in class 16 for “printed matter; books; leaflets; instructional and teaching materials (except apparatus)”. (with effect from 3 September 1999).
 - (c) T9909695F “LINGUAPHONE” in class 41 for “teaching of languages; educational services; educational services provided by means of a computer network; production of television programmers” (with effect from 3 September 1999).
 - (d) T6026955H “LINGUAPHONE” in class 9 for “philosophical instruments, scientific instruments, and apparatus for useful purposes, instruments and apparatus for teaching” (with effect from 9 July 1960).
- 4.4 LIL has also registered “LINGUAPHONE” as a trade mark in many countries (listed in Annexure L3 of the Complaint).

- 4.5 As for domain names, LIL registered the domain names “linguaphone.com” and “linguaphone.com.uk” on 25 August 1998 and 5 November 1998 respectively. In the Response it was also stated that after the Respondent’s registration of the Domain Name, the Complainants also registered a local domain name www.linguaphoneasia.com.
- 4.6 The 2nd complainant, Linguaphone Singapore Pte Ltd (formerly known as Linguapac Distributors Pte Ltd) (RC No. 199100938D) (“LSPL”) was incorporated on 5 March 1991, and has maintained a presence in Singapore since then. LSPL is a wholly owned subsidiary of LIL. According to the Complaint, LSPL has the express agreement, consent and authority of LIL to use the “LINGUAPHONE” name and trade marks.
- 4.7 The Respondent’s principal business concern is to provide MOE-approved language schools, complete with MOE-qualified teaching staff. The Respondent caters to both local and foreign students, who wish to learn new languages in a classroom environment. It has used a variety of advertising to generate its own custom, including maintaining a website presence under the Domain Name.
- 4.8 The Respondent had approached the 2nd Complainant to obtain a distributorship or agency. The 2nd Complainant agreed to give the Respondent a sales agency, together with funding and back-up support. The parties negotiated a Sales Agency Agreement on or about the second half of 1997. The 2nd Complainant allowed the Respondent use of the “linguaphone” name. The Respondent registered the name “Linguaphone Centre” on 31 October 1997. This was agreed to vide a Memorandum of Understanding between LSPL and the Respondent dated 12 December 1997.
- 4.9 Subsequently the Respondent preferred the use of the words “Cambridge Linguaphone”, and registered this as a business name on 8 December 1997. On 1 March 1998 a Sales Agency Agreement was signed by LSPL and the Respondent t/a Cambridge Linguaphone (“SAA”). The parties also executed a Name Undertaking in favour of the Complainant (“Undertaking”).
- 4.10 The conditions of authorised use of LINGUAPHONE are determined by reference to the relevant clauses of the SAA and Undertaking.
- 4.11 The material clauses of the SAA are as follows:
- “14(a) Subject to executing the attached Name Undertaking, the company (LSPL) hereby permits [the Respondent] to use the name LINGUAPHONE as part of its trading name. Provided that nothing herein or in the Name

Undertaking will permit [the Respondent] to form a company incorporating the name LINGUAPHONE.

- 14(b) [The Respondent] acknowledges and agreed that nothing in this Agreement shall give him any right or licence whatsoever in or to the trade mark LINGUAPHONE or any other trade marks, trade names, copyright material or designs used on or in relation to the goods and the distributor agreed that he will not (whether during or after the subsistence of this agreement) apply to register any trade mark similar to or is likely to be confused with the trade mark LINGUAPHONE.

.....

- 15(d) Upon such termination, [the Respondent] shall immediately:-

- (i) cease to promote, market, distribute, advertise or solicit customers for the goods;
- (ii) cease, any and all use or display of the Linguaphone name or trademark, and the distributor agrees not to register or use any trade mark or trade name confusingly similar to the Linguaphone name or trademark nor to use or register any packaging, designs or advertising copy associated with the Linguaphone name or trademark; and
- (iii) cease to associate himself, directly or indirectly, with the Linguaphone name or trade mark.”

4.12 The material clauses of the Undertaking include:

- “1. Immediately upon the expiry or termination of the Agreement, [the Respondent] will comply in all respects with clause 15(d) of the Agreement and will cease to use the trademark and name LINGUAPHONE, for any purpose or in any manner whatsoever (including but not limited to the use of the name LINGUAPHONE as part of a trading name).
2. [The Respondent] shall have no claim against [the Complainant] in respect of any loss or damage suffered or incurred by reason of my complying with Clause 1 above.
3. [The Respondent] will not use the trade mark or name LINGUAPHONE for any purpose other than in connection with the sale of language courses under the Agreement exclusively under the name LINGUAPHONE.

4. [The Respondent] will not hereafter form any company, commercial organization, firm or legal entity of any kind which shall incorporate as part of its name the word LINGUAPHONE or apply for any registration or the trade mark or name LINGUAPHONE in any manner whatsoever or of any similar name or similar trade mark.”
- 4.13 The chronology followed where sometime on or about 6 August 1998, after obtaining the Complainant’s consent, the Respondent also registered “Linguaphone School of Languages”. LSPL wrote to the Ministry of Education, giving consent to the Respondent to use the “Linguaphone” name, but at the same time making it clear that the Respondent could only use the name “Linguaphone” only until the Agreement expired or was terminated.
- 4.14 There was a subsequent falling out between the parties. For the duration of the SAA, it was alleged that the Respondent had repeatedly breached the terms of the SAA, for one reason or another.
- 4.15 On 22 December 1999 the Complainants’ former solicitors wrote to the Respondent confirming that by mutual agreement, the Agreement would not be extended (upon its expiry on 28 February 2000), owing to the Respondent’s failure to meet sales targets. Amongst other things the Complainants put the Respondent on notice of clauses 13-15 of the SAA. They also made a claim for monies due and owing. Eventually the parties agreed on an instalment plan.
- 4.16 Even though the SAA expired on 28 February 2000, the Respondent registered the Domain Name only on 31 August 2000. It did so, using the name “Cambridge Information Technology” (which was registered as a business name on 9 September 1999). The Respondent also operated a website cambridge.com.sg. During the negotiations for the payment of outstanding monies, the Respondent at no point in time raised its use of the Linguaphone name or the Domain Name.
- 4.17 The Respondent continued to use the “linguaphone” name, and the Domain Name. Annexed to the Complaint were the following:
- (a) Photographs of the Respondent’s use of “LINGUAPHONE”.
 - (b) Various newspaper advertisements in the Classified Section of the Straits Times and Lianhe Zaobao.
 - (c) Extracts from the Singapore Phone Book Business Listing, Internet searches and brochure.

- 4.18 It is also apparent that the Respondent operates under many names, for example, “Cambridge Information Technology” and “Cambridge Languages”.
- 4.19 According to the chronology described in the Complaint, the Complainants have been trying to stop the Respondent from continuing the use of the “Linguaphone” name and the Disputed Domain Name. The Complainants say that they avoided legal action in the hope that an amicable solution can be reached. The Respondent does acknowledge albeit with some reservation over the seriousness of the settlement negotiations, that correspondence was exchange with a view to resolve the matter.
- 4.20 On 28 July 2004, the Complainants’ solicitors issued a cease and desist letter to the Respondent, asking it to transfer to, *inter alia*, transfer the Domain Name to the Complainant. From reading the Response it appears that the Respondent has filed an action in the High Court, in respect of statements published in the Complainants’ website that the Respondent had purportedly or allegedly infringed their trade marks.

5. The Parties’ Contentions

The Complainants

- 5.1 The Complainants contend that they have satisfied the requirements of paragraph 4(a) of the Singapore Domain Name Dispute Resolution Policy (SDRP), on a balance of probabilities:
- (a) The Domain Name is identical or confusingly similar to the “linguaphone” name and trade mark, in which the Complainants have rights.
 - (b) The Respondent has no rights or legitimate interests in respect of the Domain Name.
 - (c) The Domain Name has been registered or is being used in bad faith by the Respondent.
- 5.2 The Complainants claim to have rights in the “linguaphone” name and trade marks as at the date of administrative proceedings, if not earlier. The Linguaphone trade mark registrations give the Complainants the right to use the trade marks and to prevent others from using a mark which is identical with or similar to it.

- 5.3 The Complainants also framed a case of passing off against the Respondent, based on the following requirements (1) Goodwill in their business; (2) Misrepresentation by the Respondent which leads or is likely to lead the public into believing that the Respondent's goods and services are those of the Complainant or that there is a business connection between the Complainants and the Respondent; and (3) Damage or likelihood of damage as a result of the misrepresentation.
- 5.4 The Complainants have also submitted that the Respondent has no rights or legitimate interests in respect of the "linguaphone.com.sg" domain name (under paragraph 4(a)(ii) SDRP). The principle argument is that the Respondent is not able to show that it had used or prepared to use the Domain Name even before its registration. It was prevented by the SAA and Undertaking from doing so. It is also submitted that the Respondent is neither authorized nor licensed to use the Complainant's trade mark. The Respondent has also not acquired independent trademark rights over the Domain Name.
- 5.5 On the issue of bad faith (paragraph 4(a)(iii)), the Complainants submitted as follows:
- (a) Although the Respondent was allowed to register and use the Domain Name during the period of the SAA, the Respondent's use came to an end when the Agreement expired on 20 February 2000.
 - (b) The Respondent still proceeded to register the Domain Name several months after the expiry of the SAA on 31 August 2000. It continued to use the domain name.
 - (c) No other conclusion can be reached except that the Respondent has intentionally attempted to attract, for commercial gain, internet users, potential or possible students to his website, by creating a likelihood of confusion with the Complainants' name and trade marks as to the source, sponsorship, affiliation or endorsement of the Respondent's site or of a product on its website.
 - (d) The Complainants' customers and members of the public were clearly misled into thinking that the Respondent's website was affiliated with the Complainants, and they would then be offered the Respondent's products and services. Given the distinctiveness of the Complainants' trade mark, it is inconceivable that the Respondent could be making any active use of the Domain Name without creating a false impression of association with the Complainant.

- (e) The Domain Name is obviously connected with the well-known and distinctive trade marks of the Complainants. Use or registration by anyone other than the Complainants suggests opportunistic bad faith.
- 5.6 Based on the above, the Complainants submitted that “bad faith” had been established on the part of the under paragraph 4(a)(iii) SDRP.

The Respondent

- 5.7 The Respondent submitted that taking into account the timing of the Complaint, the registration, use and continued use by the Respondent of the domain name for the past five(5) years and the Respondent’s legitimate rights in the domain name, the Respondent should be entitled to retain use of the Domain Name.
- 5.8 The Respondent submitted that the goods/services offered by the Complainants differed. It offered self-study materials, apparatuses and aids to be used for language enthusiasts who prefer to operate outside the classroom context. Unlike the Respondent the Complainants do not operate any MOE-approved language schools, and for this reason, the customer base varies considerably.
- 5.9 The Respondent claims to have acquired independent rights and goodwill to use the Domain Name, based on the following (in summary):
- (a) The Respondent registered the Domain Name on 31st August 2000. The website has registered approximately 36,000 hits since its inception. It was first in time, and since August 2000 has enjoyed full and uninterrupted usage of the Domain Name. It also claimed that considerable expense and effort had been expended in the construction and maintenance of the website for the past 5 years.
 - (b) The Respondent’s language school turnover is approximately \$2,000,000 per annum. It has had 14,000 students enrolled in its various language courses since its inception in 1998.
 - (c) The present complaint has been filed four and a half years after the Complainants’ knowledge of the Respondent’s use of the domain name.
 - (d) Since March 2001, the Respondent issued a disclaimer on its website purely for the purposes of avoiding potential litigation, and disassociate itself from the Complainants. Given this, the Respondent argues that the Complainants must have been placated by this, since no action was commenced until 4 years later.

- 5.10 It is the Respondent's case that the Complainants have acquiesced to the use of the Domain Name.
- 5.11 The Respondent also drew the Panel's attention to the fact that the Complainants were 'riled' into this present Complaint only after the Respondent had placed them on notice regarding the allegations found at the Complainants' website that the Respondent had purportedly or allegedly infringed their trade mark. The Respondent had filed an action in the High Court prior to the Complaint.
- 5.12 On the SAA and the Undertaking, the Respondent submitted as follows:
- (a) The contracting parties in the SAA were substantially different from the parties in the present proceedings. The SAA was entered into between the 2nd Respondent t/a Cambridge Linguaphone and Lingua Distributors Pte Ltd. The present Complainants are Linguaphone Institute Limited and Linguaphone Singapore Pte Ltd.
 - (b) The subject matter of the SAA is devoted solely to the goods listed in the Annexure, which does not include the setting up of language schools that is the core business concern of the Respondent.
 - (c) The Undertaking is void for failure of consideration. It also purports to confer a benefit to a party who is not a signatory or party to the contract.
 - (d) The Undertaking is also not incorporated in the SAA (expected since LIL is not a contracting party).
 - (e) The SAA also incorporates an arbitration clause (clause 16). Any disputes that arise from the SAA and the Undertaking should be referred to arbitration.
 - (f) The SAA has been frustrated, since the Complainants failed to fulfil their end of the bargain.
- 5.13 The Respondent also contended that the term "Linguaphone" comprised two generic and descriptive terms which were not distinctive. On this basis there was a very high burden on the Complainants to establish a case for passing off. The Respondent also referred to differences in the respective logos/get-up, services and target audience of the parties.

5.14 The Respondent also criticised the Complaint in the following ways:

- (a) It is insufficient for the Complainants to allege confusion without actually submitting evidence of actual confusion.
- (b) The Complainants have relied heavily on allegations of breach of the SAA. The proper forum for adjudication is the Courts.
- (c) The Complaint is also weakened by the fact that it makes no allegation of the Respondent engaging in a pattern of conduct with a view of disrupting the Complainants' business, nor is it the Complainants' position that the Respondent's registration was made with the purpose of extracting a benefit from the transfer of rights in the domain name.
- (d) When a Complainant alleges exclusivity in the use of a name, delay in objecting to the same by the Complainant will lead to acquiescence rendering the Complainant losing their exclusivity in the mark. This is especially so when during the period of non-objection, the Respondent had built up its own reputation in the name (citing *Nippon Paint Singapore Co Pte Ltd v ICI Paint Singapore Pte Ltd* [2001] 1 SLR 1).
- (e) The registration of a generic top-level domain name by an existing legitimate business in one jurisdiction that is also sought after by another existing legitimate business in another jurisdiction cannot per se be evidence of an intention to disrupt the other's business.
- (f) The Respondent had shown that the domain name had been used by the Respondent before the notice of the dispute. In such a case the Respondent are in possession of a legitimate interests and rights in a domain name.

5.15 The above list is not exhaustive. Many of the arguments were repetitive. I shall deal with the Respondent's submissions on bad faith separately.

5.16 On bad faith, the Respondent submitted as follows:

- (a) The Complainants face a heavier burden in establishing that the Respondent is acting in bad faith when the word involved is derived from the combination of two ordinary English words in comparison to those cases where the domain name is an invented or fanciful term, corresponding to the trade mark of the Complainants.

- (b) A Complainant who, after having notice of the Respondent's use which the Complainant claim is wrongful but who delays the institution of proceedings will not be able to prove that the Respondent had registered and used the domain name in bad faith.
- (c) The fact that there was no amicable settlement of the dispute is no evidence of bad faith.
- (d) If the intentions of the Respondent at the time of registration were bona fide, nothing that has happened since can render the registration abusive within the meaning of the SDRP.
- (e) Attempts at a settlement and correspondence prior to the complaint do not constitute evidence of bad faith.
- (f) Even if it is proven that the Respondent has obtained massive popularity in search engine results, it does not provide an independent basis for a finding of bad faith.
- (g) The fact that the Respondent has already registered a domain name of the same name is not sufficient by itself to establish bad faith.
- (h) The Complainants have failed to show the extent of their influence, popularity and outreach in Singapore and as such, they have been unable to prove bad faith on the part of the Respondent.

5.17 I now set out my findings as follows.

6. Discussion and Findings

6.1 Para 4(a) SDRP requires the Complainants to prove each of the following elements, to so as to sufficiently make out a case for transfer:

- (i) The Respondent's domain name is identical or confusingly similar to a name, trade mark or service mark in which the Complainant has rights.
- (ii) The Respondent has no rights or legitimate interests in respect of the domain name.
- (iii) The Respondent's domain name has been registered or is being used in bad faith.

- 6.2 The Complainants have to successfully prove all three elements on a balance of probabilities so as to be entitled to the remedy of cancellation or transfer of the Domain Name to them. The adjudication by this Panel is made on the basis of statements and documents submitted and in accordance with SDRP, etc, and any rules and principles of the law of Singapore as may be applicable: paragraph 15(a) of the Rules for the Singapore Domain Name Dispute Resolution Policy (“the Rules”)

Identity/Confusing Similarity

- 6.3 There can be no doubt that the Complainants have rights in the name or mark “LINGUAPHONE”. Principal reference is made to the trade mark registrations secured by the Complainants, as referred to in paragraph 4.3 herein. They clearly had these rights as at the date of commencement of the Administrative Proceeding (i.e. the date on which the Secretariat completes its responsibilities under paragraph 2(a) of the Rules, which in this case, was 23 March 2005).
- 6.4 It is unnecessary to establish the Complainants’ rights in passing off in this case, in view of their trade mark registrations in respect of the word “LINGUAPHONE” in classes 9, 16 and 41. I make specific reference to T9909695F in class 41, where the Complainants have registered “LINGUAPHONE” for, inter alia, the teaching of languages and educational services (registered with effect from 3 September 1999).
- 6.5 There can be no doubt that the Domain Name is identical or confusingly similar to the name or mark “LINGUAPHONE”, and this Panel so finds.
- 6.6 The Respondent tried to distinguish its educational services from those of the Complainants. As a preliminary point, it should be mentioned that for the purposes of determining the scope of rights under paragraph 4(a)(i) SDRP, it is not relevant that the Complainants’ goods and services are different from the Respondent’s: *JD Edwards & Company v Nadeem Nedar* WIPO Case No. D2002-0693.
- 6.7 In any event, this Panel is prepared to conclude that the services offered by the Parties are similar, especially given the scope of services registered under T9909695F.
- 6.8 The Panel finds that the Complainant has discharged the burden of proof in respect of paragraph 4(a)(i) SDRP.

Rights or Legitimate Interests

- 6.9 The starting point is paragraph 4(c) SDRP, which states that a Respondent can demonstrate rights or interests in the LINGUAPHONE name by showing that:
- (i) before any notice to the Registrant of the dispute, the Registrant's use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a bona fide offering of goods or services;
 - (ii) the Registrant (as an individual, business, or other organization) has been commonly known by the domain name, even if the Registrant has acquired no trademark or service mark rights; or
 - (iii) the Registrant is making a legitimate non-commercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.
- 6.10 The above is not exhaustive. A definitive basis for saying that the Respondent cannot claim any right or legitimate interest in the name "LINGUAPHONE", is the SAA and Undertaking. Once the SAA was terminated, the Respondent's rights to use the mark "LINGUAPHONE" also ceased by the operation of clauses 1,3 and 4 of the Undertaking.
- 6.11 It does not assist the Respondent to argue that the parties to the SAA were different from the parties to this proceeding. They are not different. LSPL (the 2nd Complainant) was formerly known as Linguapac Distributors Pte Ltd, the signatory to the SAA. LIL (the 1st Complainant) is the party executing the Undertaking. There can be no doubt that the Respondent is bound by the agreement, and their rights or interests in LINGUAPHONE are determined with reference to these two documents.
- 6.12 The Respondent could not legitimately claim any right or interest in the name LINGUAPHONE beyond the expiry of the SAA on 28 February 2000. The Complainants' solicitors did write to put the Respondent on notice of its rights and obligations under the relevant clauses of the SAA. Notwithstanding the fact that he was put on notice, the Respondent still went on to apply for and register the Domain Name on 31 August 2000, and such conduct is telling.
- 6.13 It does not avail the Respondent to argue that the SAA is frustrated or that the Undertaking is void for failure of consideration. These arguments fail *in limine*.
- 6.14 The Respondent also contended that the term "LINGUAPHONE" comprised two generic and descriptive terms which were not distinctive. This is not the proper

forum or proceeding to mount such a challenge. As at the start of these proceedings, the Complainants have established their rights and interests in the name “LINGUAPHONE”, and the Panel has proceeded to evaluate the Parties’ rights and interests accordingly.

- 6.15 The Respondent is furthermore not known by the LINGUAPHONE name. It has operated under various names, e.g. “Cambridge Information Technology”, “Cambridge Languages”, etc. It has also registered the domain name “cambridge.com.sg”. In view of the extensive use of “Cambridge”, some doubt must also be cast on whether the Respondent, as the registrant, can claim to be commonly known by the Domain Name. Even if the Respondent is able to show that the Domain Name has been used by it before the notice of the dispute, the Panel has concluded that such use was without authorisation, in view of the provisions of the SAA and Undertaking.
- 6.16 For the above reasons, this Panel finds that the Respondent has no rights or legitimate interests in the Domain Name.

Bad Faith

- 6.17 This Panel has also to establish the last of the requirements, whether the Respondent’s domain name has been registered or is being used in bad faith.
- 6.18 Para 4(b) SDRP sets out the circumstances (without limitation) as forming evidence of bad faith. For the purposes of present proceedings, the Panel makes reference to paragraph 4(b)(iii) and (iv):
- “(iii) the Registrant has registered the domain name primarily for the purpose of disrupting the business of a competitor; or
 - (iv) by using the domain name, the Registrant has intentionally attempted to attract, for commercial gain, Internet users to the Registrant’s website or other on-line location, by creating a likelihood of confusion with the Complainant’s name or mark as to the source, sponsorship, affiliation, or endorsement of the Registrant’s website or location or of a product or service on the Registrant’s website or location.”
- 6.19 The SAA came to an end upon expiry on 20 February 2000. Throughout the duration of the SAA and Undertaking, the Respondent had notice of the Complainants’ rights in the Domain Name (paragraph 6.12). It was for that reason that the documents were executed between the parties. Within months of the expiry of the SAA (and the termination of the Respondent’s rights to use the LINGUAPHONE name), it went to register the Domain Name in August 2000.

- The Panel agrees with the Complainants that no other conclusion can be reached except that the Respondent has attempted to attract internet users and other custom to his website, through the established connection or association with the Complainants' business, vide the Domain Name.
- 6.20 Having established a significant commercial advantage through the use of the Domain Name, it does not avail the Respondent to claim to have independently acquired goodwill in the name "LINGUAPHONE". For example, the Respondent claims that it has obtained "massive popularity in search engine results". Prior existing rights clearly reside with the Complainants. The Respondent's submissions in this regard were not compelling, because the unauthorised use of a name as a domain name, which results in heightened commercial interest or advantage, can only lead one to conclude that paragraphs 4(b)(iii) and (iv) SDRP have been established, on a balance of probabilities.
- 6.21 The Respondent also emphasised the delay on the part of the Complainants to bring an action with respect to the former's use of the "LINGUAPHONE" name. The Respondent tried to argue that a Complainant who, after having notice of the Respondent's unauthorised use but who delays the institution of proceedings, will not be able to prove that the Respondent has registered and used the domain in bad faith. This is a novel argument which the Panel cannot accept. In the same vein the Respondent argued that there was some operative acquiescence occasioned by the Complainants' delay to bring suit.
- 6.22 It does not avail the Respondent to advance a defence of acquiescence. There was no suggestion from the evidence that the Complainants induced or encouraged the Respondent's behaviour, or represented to him that he was entitled to act, or that there was reliance by and detriment to the Respondent, etc. (see *Willmot v Barber* (1880) 15 ChD 97; *Habib Bank v Habib Bank* [1982] RPC 1) The mere failure to sue, without some positive act of encouragement, is not sufficient to give a defence. A defendant who infringes knowing of the plaintiff's mark can hardly complain if he is later sued upon it: *Electrolux v Electrix* (1954) 71 RPC 23 at 40.
- 6.23 For these reasons, the Panel concludes that the Domain has been registered, or is being used in bad faith.

7. Conclusion

- 7.1 For the above reasons this Panel finds that the Complainants have sufficiently established that all the requirements under paragraph 4(a) SDRP have been satisfied. The Panel requires the Domain Name to be transferred from the Respondent to the Complainants.

Dr Stanley Lai
Sole Panellist

8 April 2005