

ADMINISTRATIVE PANEL DECISION

Quizno's Australia Pty Ltd v Paul Rodgerson Trading As Liquid Lan

LEADR Case No. 05/04

1. The Parties

The Complainant in this administrative proceeding is Quizno's Australia Pty Ltd (ACN 098 540 633) of 209 Fullarton Road, Eastwood, South Australia, 5063.

The Respondent is Paul Rodgerson trading as Liquid Lan of 7 Hardy Street, Bentleigh, Victoria, 3204.

2. The Domain Names and Registrar

The Disputed Domain Name is "quiznos.com.au". The Registrar of the domain name is Melbourne IT.

3. Procedural History

The Panel is advised that the procedural history of this dispute is as follows:

1. The complaint was submitted for decision in accordance with the Policy (auDRP) which was approved by auDA in 2001 and commenced operation on 1 August 2002 and LEADR's Supplementary Rules (LEADR is the Provider).
2. On 20 July 2004, a complaint for the domain name quiznos.com.au was received by the Provider.
3. On 20 July 2004, the Provider notified auDA about the complaint by email.
4. On 20 July 2004, the Provider notified the Registrar, Melbourne IT, of the complaint and requested the Domain Name to be locked by email.
5. On 20 July 2004, the Provider posted a copy of the Complaint and Respondent Letter to Melbourne IT.
6. On 20 July 2004, the Provider posted a Notification Letter and copy of the Complaint to the Respondent by post. A copy of the Notification Letter was additionally sent to the Complainant.
7. The Provider listed the Complaint on LEADR's website.
8. On 20 July 2004, the Provider contacted Mr. Steven Jerrard, LEADR Panellist, to confirm availability and that he had no conflict of interest

with either party or the domain name. Steven Jerrard confirmed his availability and that he had no conflict of interest.

9. On 23 July 2004, the Provider received a telephone call from the Respondent's Solicitor declaring that the Respondent wished to submit a response. The Solicitor was directed to Section 5 of the "Rules" and the timeline outlined in the Notification letter.
10. The Provider confirmed the domain name www.quiznos.com.au was locked 11 August 2004.
11. On 9 August 2004, the 20-day response period as per Section 5 of the "Rules" expired. The Provider did not receive or has not received a response from the Respondent.
12. On 11 August 2004, the Provider sent a confirmation letter (by post and email) to both parties stating the matter was being sent by Express Post to Mr. Steven Jerrard.
13. On 11 August 2004, the Provider sent the Application Package to Mr. Steven Jerrard by Express Post.

4. Factual Background

The following factual background is based on the information in the documents provided to the Panel by the Complainant.

The Complainant became incorporated as a company, Sub City Pty Ltd, on 24 October 2001. On 26 June 2003 the Complainant changed its name to Quizno's Australia Pty Ltd.

Pursuant to a master franchise agreement dated 30 October 2001 which the Panel has not seen, the Complainant became the Australian and New Zealand master franchisee of the Quizno's franchise. The Complainant operates restaurants through the franchise, offering for sale subway sandwiches, salads, other food products and beverages. Its services include the use and licence of trade names, trade marks and service marks which are owned by the parent company/franchisor and licensed to the Complainant.

The Complainant officially launched the Quizno's brand in Australia on 10 October 2002.

The business name search for the Respondent, a copy of which has been provided by the Complainant, records that the Respondent is carrying on business as an internet café.

On 14 January 2003 the Respondent registered the Disputed Domain Name.

On 16 January 2003 Mr Paul Rodgerson, the proprietor of the Respondent, forwarded an email to the Complainant stating that he was the owner of the Disputed Domain Name, and asking whether the Complainant was interested in purchasing the Disputed Domain Name from him.

On 16 January 2003 Ms Naomi Newham, an employee of the Complainant, attempted to register the Disputed Domain Name and discovered that it had already been registered by the Respondent.

On 17 January 2003 the Complainant registered the domain name quiznos.net.au for electronic mail purposes.

5. Parties' Contentions

5.1 Complainant

The Complainant makes the following contentions.

- 5.1.1 The Respondent's Disputed Domain Name is identical or confusingly similar to a name, trademark or service mark in which the Complainant has rights;
- 5.1.2 The Respondent has no rights or legitimate interests in respect of the Disputed Domain Name;
- 5.1.3 The Respondent's Disputed Domain Name has been registered or subsequently used in bad faith; and
- 5.1.4 The Respondent has breached the Registrar's terms and conditions for domain name licensing, including representations, undertakings and warranties made by the Respondent that:
 - (a) all information provided is true and correct;
 - (b) the Disputed Domain Name is not used or registered for the purpose of diverting trade from another business or website;
 - (c) the Disputed Domain Name is not registered and the license passively held for the purpose of preventing another person from registering them;
 - (d) the registration of the Disputed Domain Name will not infringe upon or otherwise violate the rights of any third party; and
 - (e) the Respondent warrants that no hijacking of domains, systems, computers, programs or hardware has occurred.
- 5.1.5 The Complainant meets auDA's Domain Name Eligibility and Allocation Rules for .com.au and .net.au domain names

(“Eligibility Rules”) and can demonstrate its entitlement to the Disputed Domain Name as follows:

- (a) The Disputed Domain Name substantially matches the Complainant’s company name;
- (b) The Complainant is an Australian registered company trading under the registered business name “Quizno’s Sub”; and
- (c) The Disputed Domain Name exactly matches the Complainant’s Australian trade mark.

The Complainant also referred to the case of *CSR Limited v Resource Capital Australia Pty Limited* [2003] FCA 279 in which Hill J held that cybersquatting was a breach of section 52 of the *Trade Practices Act 1974* (Cth).

The Complainant seeks the following relief:

- (a) revocation of the Respondent’s license in respect of the Disputed Domain Name; and
- (b) transfer of the licenses in the Disputed Domain Names to the Complainant.

5.2 Respondent

The Respondent has not submitted any response to the Provider, and the Panel has no further documentation from the Respondent on which to base its determination.

6. Discussion and Findings

The Disputed Domain Name was registered by the Respondent after 1 August 2002, and therefore the Respondent is subject to the auDRP.

Paragraph 15(a) of the Rules provides that the Panel shall “decide a complaint on the basis of the statements and documents submitted and in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable”.

Paragraph 4(a) of the auDRP requires a Complainant to prove that:

- i. the Disputed Domain Name is identical or confusingly similar to a name, trade mark or service mark in which the Complainant has rights; and*
- ii. the Respondent has no rights or legitimate interests in respect of the Disputed Domain Name; and*
- iii. the Disputed Domain Name has been registered or subsequently used in bad faith.*

Note 1 to paragraph 4(a)(i) provides that auDA has determined that a “name...in which the complainant has rights” refers to the Complainant’s company, business or other legal or trading name, as registered with the

relevant Australian government authority, or the complainant's personal name.

6.1 Identical or confusingly similar

Determinations under the UDRP (Uniform Dispute Resolution Policy), from which the auDRP is derived, have held that when comparing domain names with marks or names, the global top level domain (gTLD) element of a domain name, such as .com, has no distinguishing capability and may be disregarded when considering whether a domain name is identical or confusingly similar to a name or mark. These determinations are cited and approved in other determinations under the auDRP in respect of open second level domains (2LDs) such as .com.au, including *GlobalCenter Pty Ltd v Global Domain Hosting Pty Ltd*, WIPO Case No. DAU2002-0001 (March 5, 2003) by a single panelist and *The Crown in Right of the State of Tasmania trading as "Tourism Tasmania" v Craven*, WIPO Case No. DAU2003-0001 (April 16, 2003) by a 3-member panel. This Panel therefore also adopts those principles for comparing domain names containing a .com.au element, with a name or mark.

The question to be determined in this dispute is therefore whether the Disputed Domain Name, disregarding its 2LD element, is identical or confusingly similar to the Complainant's company name, or any of its trade marks.

6.1.1 Company Name

The Complainant's company name constitutes a "name" for the purposes of paragraph 4(a)(i).

At the time that the Disputed Domain Name was registered, the Complainant was registered under the name Sub City Pty Ltd. The Complainant did not change its name to Quizno's Australia Pty Ltd until 26 June 2003, approximately 6 months after the Disputed Domain Name was registered. The Complainant is therefore unable to rely upon any argument that the Disputed Domain Name was identical or confusingly similar to the Complainant's name at the time of registration of the Disputed Domain Name.

In light of the further comments made below regarding the Complainant's trade marks, it is not necessary here to determine whether the Complainant may argue that the Disputed Domain Name is identical or confusingly similar to the Complainant's current name.

6.1.2 Trade marks

The Complainant has submitted that it, pursuant to the Master Franchise Agreement, is licensed to use the Australian registered trade mark numbers 789815 for QUIZNO'S and 789814 for QUIZNO'S SUBS OVEN BAKED CLASSICS respectively. The existence of this licence has not

been disputed by the Respondent. The registration of these trade marks in Australia, pre-dates the registration of the Disputed Domain Name. The Complainant also refers to other similar trade marks registered in the United States of America, but for present purposes there is no need for the Panel to refer to the American trade marks any further.

Contrary to the Complainant's contention in its submissions that on 30 March 1999 it registered the above two trade marks, it appears from the trade mark searches provided to the Panel by the Complainant, that an American company, The Quizno's Master LLC, is the registered owner of Trade Mark Number 789815. It is not clear, from the material provided to the Panel, who owns Trade Mark Number 789814.

However, elsewhere in its submissions, the Complainant states that it is licensed to use both of those trade marks under its Master Franchise Agreement.

In the absence of any material to the contrary, the Panel is satisfied that the Complainant has rights in respect of trade marks 789814 and 789815.

Given that the Disputed Domain Name does not contain an apostrophe as Trade Mark Number 789815 does, it may not be possible for the Complainant to argue that its trade mark is identical to the Disputed Domain Name.

However, it is clear that the Disputed Domain Name is confusingly similar to the registered trade mark QUIZNO'S (789815). It is therefore unnecessary to determine whether the Disputed Domain Name is confusingly similar to the registered trade mark QUIZNO'S SUBS OVEN BAKED CLASSICS (789814).

The Complainant has therefore satisfied the requirements of paragraph 4(a)(i) and established that the Disputed Domain Name is identical or confusingly similar to a trade mark in which the Complainant has rights.

6.2 No rights or legitimate interests

The Complainant asserts that the Respondent has no entitlement to the Disputed Domain Name as the Disputed Domain Name does not match any names, or products or services used or offered by the Respondent.

Paragraph 4(c) of the Rules provides that the Respondent may establish that it had rights or a legitimate interest in the Disputed Domain Name for the purpose of paragraph 4(a)(ii), if any of the following circumstances can be proven:

- (i) *before any notice to [the Respondent] of the subject matter of the dispute, [the Respondent's] bona fide use of, or demonstrable preparations to use, the domain name or a*

- name corresponding to the domain name in connection with an offering of goods or services (not being the offering of domain names that [the Respondent] has acquired for the purpose of selling, renting or otherwise transferring); or*
- (ii) [the Respondent] (as an individual, business, or other organisation) has been commonly known by the domain name, even if [the Respondent] has acquired no trademark or service mark rights; or*
 - (iii) [the Respondent] 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 name, trademark or service mark at issue.*

According to the Business Name Search provided by the Complainant, the Respondent has, since 3 August 2002, operated an internet café under the business name Liquid Lan. The Respondent has not placed any evidence before the Panel regarding any legitimate use by the Respondent of the Disputed Domain Name.

In the absence of any material from the Respondent asserting otherwise, the Panel is unable to determine that the Respondent has any rights or legitimate interests in respect of the Disputed Domain Name. Paragraph 4(c)(ii) is therefore not satisfied.

In relation to the submission by the Complainant in respect of *CSR Limited v Resource Capital Australia Pty Limited*, the Panel notes that it cannot determine any issues in respect of section 52 of the *Trade Practices Act 1974* (Cth). However, the Respondent's actions, in the absence of any explanation to the contrary, do appear to constitute cyber squatting.

On the basis that the Complainant has satisfied the requirements of paragraph 4(a)(ii), and the Respondent has not produced any evidence to the contrary, this Panel determines that the Respondent has no right or legitimate interest in the Disputed Domain Name.

6.3 Bad faith registration and/or use

The grounds upon which bad faith registration and/or use can be determined, are set out in paragraph 4(b) of the Rules 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 another person for valuable consideration in excess of [the Respondent's] documented out-of-pocket costs directly related to the domain name; or*
- (ii) [the Respondent] has registered the domain name in order to prevent the owner of a name, trademark or service mark from reflecting that name or mark in a corresponding domain name; or*

- (iii) *[the Respondent] has registered the domain name primarily for the purpose of disrupting the business or activities of another person; or*
- (iv) *by using the domain name, [the Respondent] has intentionally attempted to attract, for commercial gain, Internet users to a website or other online location, by creating a likelihood of confusion with the complainant's name or mark as to the source, sponsorship, affiliation, or endorsement of that website or location or of a product or service on that website or location.*

The Complainant relies upon paragraphs 4(b)(i) and (ii) in support of its contention that the registration of the Disputed Domain Name by the Respondent was in bad faith.

The Complainant argues that the Respondent registered the Disputed Domain Name for the sole purpose of selling it to the Complainant and in order to prevent the Complainant from registering a domain name that corresponds to its trade mark.

In the absence of any evidence to the contrary from the Respondent, the proximity between the registration of the Disputed Domain Name on 14 January 2003, and the offer to sell the Disputed Domain Name to the Complainant on 16 January 2003, constitutes *prima facie* evidence that the Respondent registered the Disputed Domain Name with the intention of offering it for sale to the Complainant, and in order to prevent the Complainant from reflecting its trade mark in a corresponding domain name.

The Panel is therefore satisfied that the Complainant has satisfied the requirements of clause 4(b)(i) and (ii) and demonstrated that the Respondent's registration of the Disputed Domain Name was in bad faith.

However, the Panel also notes that the Complainant acted carelessly in failing to protect its interests adequately. The QUIZNO'S trade mark was registered in Australia on 30 March 1999. The Complainant entered into the Master Franchise Agreement for the operation of the Quizno's franchise in October 2001, approximately 14 months before the Respondent registered the Disputed Domain Name. Indeed, it appears that the Complainant's attempt to register the Disputed Domain Name on 16 January 2003, and subsequent registration of the domain name www.quiznos.net.au on 17 January 2003, may have been motivated by the email from the Respondent offering to sell the Disputed Domain Name to the Complainant. The Complainant did not refer the dispute to a formal dispute resolution process under the .au Dispute Resolution Policy until 20 July 2004, a further 18 months after the Complainant discovered that the Respondent had registered the Disputed Domain Name. Further, the Complainant has provided the Panel with no evidence of any other steps taken by it to enforce its rights during the 18 months between the Respondent's email, and lodgment of this Complaint. If the Complainant

had been more diligent in protecting its interests, this dispute may not have arisen.

Despite the Complainant's lack of diligence in attending to the registration of the Disputed Domain Name, however, the Panel finds that the Respondent registered the Disputed Domain Name in bad faith.

6.4 Breach of warranties

For the reasons outlined above, the Panel is satisfied that the Respondent has breached its representations and warranties under paragraph 2 of the auDRP.

6.5 Cancellation and/or transfer of the Disputed Domain Name

For the reasons outlined above, the Panel determines that the Respondent's licence in respect of the Disputed Domain Name, should be cancelled.

6.6 Eligibility of the Complainant to registration of the Disputed Domain Name

The Complainant has requested a transfer of the Disputed Domain Name from the Respondent to the Complainant.

Under paragraph 4(i) of the auDRP, the Complainant must prove that they are eligible, under the Eligibility Rules, for registration of the Disputed Domain Name, in order to succeed in an application to have the Disputed Domain Name transferred to it. The criteria for eligibility for a .com.au or .net.au domain name which are relevant to the Complainant are as follows:

1. *Registrants must be:*
 - (a) *an Australian registered company...*

2. *Domain names in the .com.au (or .net.au) 2LD must:*
 - (a) *exactly match:*
 - (i) *the registrant's company, business, trading, association or statutory body name...*
 - or*
 - (b) *be an acronym or abbreviation of 2(a)(i)...; or*
 - (c) *be otherwise closely and substantially connected to the registrant, because the domain name refers to:*
 - (i) *a product that the registrant manufactures or sells; or*
 - (ii) *a service that the registrant provides...*

The Complainant has established that it satisfies paragraph 1(a) of the Eligibility Rules.

The Panel finds that the Complainant's submission that the Disputed Domain Name is closely and substantially connected to the products, services and activities that the Complainant provides and conducts, is arguable, and may satisfy the requirements of paragraph 2(c) of the Eligibility Rules.

The Panel finds that, on the face of it, the Complainant satisfies the Eligibility Rules for the transfer of the Disputed Domain Name to it, and subject to a final determination by Melbourne IT in relation to whether the Complainant does meet the Eligibility Rules, the Panel directs that the Disputed Domain Name be transferred to the Complainant.

7. Decision

- 7.1 The Complainant has made out all of the elements of paragraph 4(a) of the auDRP;
- 7.2 The matter is referred to the Registrar Melbourne IT for a determination as to whether the Complainant is eligible for registration of the Disputed Domain Name under the auDA Eligibility and Allocation Rules;
- 7.3 If the Complainant is eligible, the Panel directs that the Disputed Domain Name www.quiznos.com.au, be transferred by Melbourne IT to the Complainant; and
- 7.4 If the Complainant is regarded as ineligible to take a transfer of the Disputed Domain Name, the Panel directs the cancellation of the Disputed Domain Name.

Dated: 24 August 2004

Steven Jerrard
Sole Panellist