

Domain Name: justcars.com.au
Name of Complainant Just Magazines Pty. Ltd.
Name of Respondent: Computerised Automotive Reporting Service Pty. Ltd.
Provider: LEADR
Panel: J. E. McDermott.

1. **THE PARTIES**

- 1.1. The Complainant in these proceedings is Just Magazines Pty. Ltd., 22 Donga Road, Geelong, Victoria, Australia, 3215 ("**Complainant**")
- 1.2. The Respondent in these proceedings is Computerised Automotive reporting Service Pty. Ltd. of 547 Blackburn Road, Mount Waverley, Victoria, Australia, 3149 ("**Respondent**")

2. **THE DOMAIN NAME, REGISTRAR AND PROVIDER.**

- 2.1. The domain name in dispute in this proceeding is "justcars.com.au" ("**Domain Name**")
- 2.2. The Registrar of the Domain Name is Melbourne IT of Level 2, 120 King Street, Melbourne, Victoria, ("**Registrar**")
- 2.3. The provider in relation to this proceeding is LEADR ("**Provider**")

3. **PROCEDURAL MATTERS**

- 3.1. This proceeding concerns a complaint ("**Complaint**") with respect to which the Provider has provided a procedural history as follows:-
- (a) The complaint was submitted for decision in accordance with the (auDRP) Policy and Rules, which was approved by auDA in 2001 and commenced operation on 1 August, 2002 and LEADR's Supplementary Rules (LEADR is the Provider)
- (b) The Complainant lodged the complaint with the Provider on 22nd March, 2005. The application was received on this date, however due to deficiencies in the complaint the complete application was not submitted until 19th April, 2005.
- (c) On the 21st April, 2005, the respondent was sent by express post a dispute notification letter and a copy of the complaint to the address provided by the respondent via e-mail.
- (d) A copy of the dispute notification letter was posted and emailed to the Complainant on the 21st of April, 2005. This letter was also posted to the Registrar on the 22nd April, 2005.

- (e) The Provider advised auDA of the complaint on the 21st April, 2005, via e-mail.
- (f) The Registrar was additionally advised by email to lock the website www.justcars.com.au on the 22nd April, 2005. The Registrar by return email advised LEADR on the same day that the domain name had been locked.
- (g) On the 3rd May, 2005, the Panelist was approached by the Provider. The Panelist confirmed his availability and informed LEADR he had no conflict of interest issues instantaneously over the phone. The Panelist accepted the complaint.
- (h) As a courtesy reminder on the 10th May, 2005, LEADR informed the Respondent and its solicitor via email of the response due date.
- (i) The Respondent's response was received on the 11th May, 2005 via email. Therefore, the response has been made in time, as the expiry date for the response was 12th May, 2005.
- (j) The Panelist was informed on 12th May, 2005, that the package was being sent for Adjudication and that a response had been received.
- (k) The Panelist emailed the Provider confirming that the date for determination would be Friday 27th May, 2005.
- (l) On the 16th May, 2005, the Provider forwarded to the Panel, by email, additional submissions to be considered in addition to the Complainant's original submissions should the Panel exercise a discretion in the Complainant's favour in this regard.
- (m) On the 18th May, 2005, the Provider forwarded to the Panel, by email, additional submissions to be considered in addition to the Respondent's original submissions should the Panel exercise a discretion in the Complainant's favour in this regard.
- (n) On the 23rd May, 2005, the Provider forwarded further submissions from both parties and the Panel decided to exercise its discretion in favour of the Complainant and the Respondent and to consider the additional and further additional submissions in each case.

4 **FACTUAL BACKGROUND.**

Facts alleged by the complaint.

- 4.1. In submissions attached to its complaint and/or in its supplementary submissions, the Complainant raised extensive factual matters some of which are reflected in subsequent sections hereof.

Others included:-

- (a) The Complainant is the 10th largest magazine publisher in Australia and is involved primarily in automotive publishing and advertising;
- (b) The Complainant's flagship magazine is its JUST World CARS MAGAZINE which has been published since 1996 and the vast majority of the magazine's content and its primary focus is an extensive listing of vehicles for private sale;
- (c) The Just Cars logo (as the Complainant described it's Trademark) and which is depicted on three separate magazine covers supplied by the Complainant is prominently displayed on the upper front banner of the Complainant's magazine and has been used at least as early as July, 1997;
- (d) The Trademark is the subject of Australian Trademark Registration No. 948415;
- (e) The "JUST CARS" component of the Trademarked bannerhead dominates the bannerhead and the Complainant's magazine is known by consumers simply as "Just Cars";
- (f) Examples of the use of the term "Just Cars" in other publications as supplied by the Complainant are characteristic;
- (g) The Just Cars Magazine is the 4th largest selling automotive magazine in Australia and the largest selling magazine to focus primarily upon automotive sales listing;
- (h) The Complainant aggressively promotes its Just Cars Magazine in Australia and has acquired Common Law Trademark rights in its "Just Cars" trademark since it was first used in January, 1996;
- (i) The Just Cars Magazine is distributed in all States throughout Australia and is widely displayed in numerous outlets;
- (j) The Domain Name is both confusingly similar to the Complainant's registered trademark and is identical to the mark by which one of its key products is known to the market (its Common Law Trademark);

Facts Alleged by the Respondent

- 4.2. In its submissions dated the 10th May, 2005, and signed by Mr. Greg Roebuck on behalf of the Respondent, (apart from factual submissions reflected below) says that:-
- (a) The Domain Name resolves to a website owned by Carsales Pty. Ltd and that company does not have legitimate rights or interests in “Just Cars”
 - (b) The Respondent is a wholly owned subsidiary of Reynolds and Reynolds Pty. Ltd
 - (c) Prior to becoming an unlisted public company Carsales Pty. Ltd was a proprietary company and two directors of the Respondent, including Greg Roebuck are Directors of carsales.com.au. Ltd
 - (d) The Respondent and carsales.com.au. Ltd share a common “parentage” and have a clear relationship.
 - (e) carsales.com.au. Ltd operates generally in the field of classified advertising including automotive advertising;
 - (f) Although the Domain Name resolves to a website owned by Carsales Pty. Ltd. it is necessary to understand the inter-relationship between the Respondent and carsales.com.au.Ltd.
 - (g) www.carsales.com.au is Australia’s most popular automotive website.
 - (h) “carsales.com.au Ltd has continued to pursue the strategy of using its inventory and search tools on numerous websites, with differences in look and feel and to different markets and audiences. At the time carsales.com.au Ltd become a public company; there was a clear understanding and agreement between the Respondent, R&R Pty. Ltd. and carsales.com.au Ltd that the domain names held by the Respondent and R&R Pty. Ltd above would be transferred to carsales.com.au in order to continue implementation of that strategy. That formal assignment is currently in process and has only taken some time as it was not considered urgent due to the close and ongoing relationships between the two companies (Para. 5.8)
 - (i) No notice of the subject matter of this dispute was given to the Respondent before these proceedings;
 - (j) When the Domain Name was registered in June, 2000, the Respondent was not aware of the Complainant’s publication and therefore did not consider the Complainant to be a competitor.

- (k) In any event the Respondent's website clearly notes that copyright in the website's content is owned by carsales.com.au Ltd (with which the Respondent has a clear relationship and agreement).

5. THE PARTIES' CONTENTIONS.

The Complainant's contentions

5.1. The Complainant submits that:-

- (a) The Domain Name is subject to the auDRP Policy on the basis that it was registered on the 6th June, 2000, and became due for renewal on the 7th June, 2004, thus becoming subject to the policy pursuant to Paragraph 2.

- (b) The Complainant is in a position to discharge the onus under Paragraph 4 (a) of the Policy by proving, in terms of slightly altered wording of the actual provisions, the following:-

- A) **The Domain Name is identical or confusingly similar to a name, trademark or service mark in which the Complainant has rights - Para 4 (a) (i)**

This is said to be because:-

- a) The dominance of the "JUST CARS" component of the bannerhead trademark is such that the use of these two words alone, pursuant to the Domain Name results in its being confusingly similar to the Complainant's registered Trademark;
- b) The Domain Name is identical to the mark by which one of the Complainant's key products is known to the market and with respect to which it has a "common law trademark".

- B) **The Respondent has no rights or legitimate interest in respect of the domain name - Para 4 (a) (ii)**

This is said to be because:-

- a) The Domain Name whilst registered on the 6th June, 2000, has never been used as part of the URL of an active website. If, rather, users enter the URL into a web browser they are automatically redirected to a website located at the URL www.carsales.com.au
- b) There is no apparent connection between the name Just Cars and the Respondent which has no active business and

there is no apparent or legitimate connection between the Respondent and the justcars.com.au Domain Name.

- c) The carsales.com.au is not owned by the Respondent but by Car Sales Pty. Ltd and there is no reference on the carsales.com.au website to the Respondent.
- d) The phrase “JUST CARS” does not appear on the carsales.com.au website and the Respondent has not produced evidence of any promotion of it by the Respondent or by carsales.com.au. Ltd.
- e) Even if the Respondent were able to establish some legitimate connection with Car Sales Pty. Ltd that company has no rights in “JUST CARS”.
- f) A consumer would not, without knowledge of the Complainant and its significant reputation in the phrase Just Cars, be likely to enter “justcars.com.au” as a Domain Name.

This contention illustrates why the Respondent has neither a “legitimate need to use the domain name” nor a legitimate connection (see *GlobalCenter Pty. Ltd. v. Global Domain Hosting Pty. Ltd., DAU2002-0001, Para 6.15*) (“Global”). This authority has been cited by both parties in different contexts.

- g) It can be inferred, because of the Complainant’s prominence in the industry, that the Respondent and Car Sales Pty. Ltd would be aware of the Complainant and its business and this shifts the onus to the Respondent to provide evidence of a legitimate connection (citing Global).
- h) Users are automatically redirected from the justcars.com.au website to a commercial website and there is no evidence to suggest that the Respondent is making legitimate non-commercial fair use of the domain name.
- i) On the basis of Paragraphs a) – h) immediately above the Respondent has failed to demonstrate any rights to or legitimate interests in the domain name.

C) The Domain Name was registered or subsequently used in bad faith - Para 4 (a) (iii)

This is said to be because:-

- a) This is clear from an application of Paragraph 4 (b) of the Policy which sets out, without limitation, the circumstances

which will stand as evidence of use of a domain name in bad faith. The Complainant relies on Paragraph **4 (b) (iv)** which says:-

“by using the domain name, you have 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 course, sponsorship, affiliation, or endorsement of that website or location or of a product or service on that website, or location”

- b) The Complainant says that the existence of the Complainant’s substantial reputation in its registered and Common Law JUST CARS trademark and the absence of any connection between the Respondent and the domain name is sufficient evidence of the Respondent having acted in bad faith.
- c) Also the fact that the Respondent admits that the domain name automatically resolves to a URL for a website which provides competing services (but no reference to the domain name) re-enforces the conclusion that the Respondent has no legitimate need to use the domain name whilst demonstrating the “attracting for commercial gain” component of the bad faith category.
- d) The Respondent submits (Paragraphs 38 - 40 of its submissions) that:-

*“In practical terms, confusion is likely to arise in the situation directly contemplated by Paragraph **4(b)(iv)** of the auDRP, namely that users will enter the Complainant’s JUST CARS Trademark into the .com.au field when looking for the Complainant’s services based upon their knowledge of the Complainant’s magazine in Australia”*

“The Complainant’s Managing Director, Ashley Hunter, has been informed by numerous members of staff and believes that on a number of occasions they have received telephone calls from customers inquiring whether the Complainant is affiliated with the carsales.com.au website. This provides strong evidence that actual confusion has arisen between use of the domain name by the Respondent and the business of the Complainant.

“As such, the Complainant submits that the justcars.com.au domain name is being used to divert

customers looking for the Complainant to the competitors website, in a manner satisfying the existence of this category of bath faith use.”

- e) As regards Paragraph **4(b)(i)** of the Policy the Complainant points out that one persuasive example of bad faith as enunciated by auDA is:-

“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 another person for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name”.

- f) The Complainant submits that it can be inferred from the facts set out above that the Respondent registered this domain name for the primary purpose of renting it to another party, namely Carsales Pty. Ltd (although, for the reasons set out above, the Complainant does not suggest, let alone accept, that Carsales Pty. Ltd itself has any legitimate connection either with the Domain Name quoting GlobalCenter as an authority). Complainant Para 42.

The Respondent’s contentions.

- 5.2. **In its Response (including its supplementary Responses) the Respondent contends, (the following includes a Paraphrasing of some submissions and quotes others) that:**

Paragraph 4 (a) (i)

- a) The Respondent’s name is not confusingly similar to the Complainant’s registered mark because the totality of the registered Trademark “Just *World Cars Magazine*” (emphasis added by the Respondent) and not its contracted or corrupted form must be considered when comparing it to the Domain Name.
- b) There is a clear difference to the look and sound of the respective marks, having regard to the prominence of the words “World” and “Magazine” in the registered Trademark and the alternation of those words with the words “Just” and “Cars”.
- c) There is a clear meaning attached to the words “World” and “Magazine” which has the effect of being, to some extent, descriptive when used in conjunction with the words “Just” and “Cars”. This meaning is clearly more limited than (and therefore different to) the meaning attached to the concept of “Just Cars”.

- d) The phrase “JUST CARS” is arguably a descriptive phrase. For example, such a phrase could clearly be used to describe a website which is solely concerned with car sales and car-related information only (as is the present case with the website operated by the Respondent under the Domain Name).
- e) The Respondent submits that the Complainant has no rights in respect of the phrase “Just Cars” as a common law Trademark.
- f) The Respondent says that the Complainant having failed to satisfy Paragraph 4 (a) (i) of the policy must fail.

Paragraph 4 (a) (ii)

- a) A proper understanding of the close relationship between the Respondent and carsales.com.au. Ltd should be satisfactory evidence of the Respondent’s having rights to or a legitimate interest in the Domain Name.
- b) That the Respondent positively satisfies Paragraph 4 (c) of the policy which states that it will demonstrate “rights or legitimate interest to the domain name for the purpose of Paragraph 4 (a) (ii) if it can be demonstrated that:
 - i) *before any notice to you of the subject matter of the dispute, your bona fide use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with the offering of goods or services (not being the offering of domain names that you have acquired for the purpose of selling, renting or otherwise transferring);*
- c) This test is satisfied because no notice of the subject matter of this dispute was given to the Respondent before these proceedings and the following (the Respondent Para 5.11.1.) is evidence of a bona fide use or preparation to use the Domain Name during that time:
 - o *“Whilst the website currently operated under the disputed domain name (shown in Annexure R.5. to this submission) contains a “Coming Soon” banner, it is clear that the site is intended to be used for online vehicle sales listings and information in relation to cars and car-related products generally”;*
 - o *“This use of the disputed domain name is consistent with the implementation of the broader strategy of carsales.com.au Ltd and the agreement between carsales.com.au Ltd, the Respondent and R&R Pty. Limited”*
 - o *“Further, that website was established some two or three months prior to the institution of these proceedings and,*

contrary to the Complainant's assertions, the disputed domain name ceased redirecting to www.carsales.com.au at that time (See Annexure R6, which contains an internal carsales.com.au Ltd email dated 4 February, 2005, and printout of the relevant hyperlink for the "Just Cars" website, evidencing preparations and intention to use the disputed domain name at that time)."

- d) Again having regard to the above the Respondent says that having failed on this the second of three relevant grounds the Complainant fails totally;

Paragraph 4 (a) (iii)

This provision requires that the Complainant prove that the "Domain Name" has been registered, or subsequently used in bad faith and specifically as regards Paragraph 4 (b) (iv) (see Para C. (a) above) the Respondent (see submission 6.3.) says:

- *"When the disputed domain name was registered in June 2000, the Respondent was not aware of the Complainant's publication and therefore did not consider the Complainant to be a competitor. The Respondent therefore disputes the Complainant's assertion contained in Paragraph 32 of its submissions, that the Respondent's knowledge of the Complainant and its business can be inferred.*
- *"Even if it can be inferred that the Respondent was aware of the Complainant's publication, this is not of itself conclusive. As noted above, the Complainant's publication is "Just World Cars Magazine". As the Complainant has not provided sufficient evidence (if any) that it has acquired a common law Trademark in respect of "Just Cars", at the time the disputed domain name was registered, any alleged Trademark rights (if any) that the Complainant owned at that time applied only in respect of "Just World Cars Magazine".*
- *"There is no confusion as to the source, sponsorship, affiliation, or endorsement of the web site operated under the disputed domain name or of a product or service on that website or location, on the basis that:-*
 - a) *The Complainant does not have a sufficient reputation in relation to the phrase "Just Cars" to justify a conclusion that users of the disputed domain name would think of the Complainant and be confused as to whether the site operated under that domain name is operated by the Complainant. Whilst the Complainant asserts in Paragraph 39 of its submission that it has some evidence of customers being confused, it has*

failed to provide specific, documented evidence in support of this assertion. The Respondent submits that this evidence is of little weight and inconclusive”

- b) In the event, the Respondent’s website clearly notes that copyright in the website’s content is owned by carsales.com.au.Ltd. with which the Respondent has a clear relationship and agreement.

- k) As regards Paragraph 4 (b) (i) (see C (e) above) the Respondent says:

6.3.5. “The Complainant asserts that these bad faith circumstances should be inferred, thereby conceding that it has provided no evidence of any actual conduct by the Respondent which indicates that it has taken any steps to enter into negotiations for the sale, rental or otherwise of the disputed domain name registration to any third parties”

6.3.6. “No such inference should be drawn on the basis that the disputed domain name is clearly intended to be used in the near future for the purpose of online sales of motor vehicles and related information and re-direction of visitors to the carsales.com.au site ceased well before this complaint was made.”

6. DISCUSSIONS AND FINDINGS.

6.1. Jurisdiction

All Domain Name licences issued in the open 2LDs from 1 August, 2002, are subject to a mandatory administrative proceeding under the auDRP. At the time of publication, the open 2LDs are asn.au, com.au, id.au, net.au and org.au. Domain name licences that were issued before 1st August, 2002, are not subject to a mandatory administrative proceeding under the auDRP:

- a) until the domain licence is renewed; or
- b) unless the registrant voluntarily elects to be bound by the auDRP before their domain name licence is renewed.

The Domain Name is an open 2LD within the meaning of this provision. It was registered with the Registrar on 6th June, 2000, and became due for renewal on the 7th June, 2004. It is therefore subject to the mandatory administrative proceeding prescribed by the auDRP

6.2. Basis of Decision

Paragraph 15(a) of the auDRP Rules states:

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

6.3. The elements of a successful Complaint have been outlined above.

The relevant portions of Paragraph 4 (a) are cumulative as the Respondent is at pains to stress. All three grounds must be proved if a complaint is to be upheld.

A. Paragraph 4(a)(i)

Is the Domain Name Identical or confusingly similar to a name, trademark or service mark in which the Complainant has rights?

Common Law Trademark.

a) The Panel must determine whether, on the basis of the factual and legal submissions before it, the Complainant has rights in a relevant name, Trademark or service mark.

b) **Note 1** to the au DRP Policy states,

‘For the purposes of this policy, auDA has determined that a “name.... in which the Complainant has rights” refers to

a) *the Complainant’s company, business or other legal or trading name, as registered with the relevant Australian government authority;*

b) *the Complainant’s personal name.”*

c) Sub-Paragraph (b) does not apply. Sub Paragraph (a) does.

d) auDA has gone to some trouble, in Note 1, to determine that the relevant “name” is a “business or other or trading name, as registered with the relevant Australian Government authority”

I have considerable material before me from both parties with respect to the phrase “JUST CARS” described by the Complainant’s solicitors as its “common law trademark”.

Most of that factual material has not been reflected above because the legal position is that a common law trademark is not a trademark which is “registered with the relevant Australian Government Authority” regardless of any other issues as to its status.

- e) Given that the type of issue that has been put before me with respect to a Common Law Trademark is better determined by a Court is not difficult to understand why the Policy has developed in this matter.
- f) Paragraph 4 (a) (i) of course uses the phrase “Name, Trademark or Service Mark” thus distinguishing between a “name” and a “trademark”.
- g) It is not clear whether the note is intended to distinguish between registered Trademarks and “common law Trademarks” but clearly the phrase “business or other legal or trading name” is intended to be very wide. In my view its ambit is sufficiently wide to cover what the Complainant describes as it “common law trademark”.
- h) Whilst the Complainant has characterized the use of the phrase “JUST CARS” as a common law trademark I have no evidence before me of any stylized use, which may be of some help to me. The evidence before me in fact suggests that the phrase is as much one which has been adopted by members of the public and other motor industry magazines as it is an identifying mark which the Complainant has adopted on its own initiative.

In the absence of further evidence from the Complainant it seems to me that it is better described as a trading name than a trademark.

- i) The Complainant cannot rely on the alleged status of “JUST CARS” as a common law trademark to establish a breach of Paragraph 4 (a) (i).
- j) The Complainant in fact submits that the domain name is “identical” to its common law mark. Even after ignoring the 2LD, elements this is not the case. “justcars” is not the same as “JUST CARS” although it can be argued easily enough that the two are confusingly similar.

Registered Trade Mark.

- a) The Complainant relies separately upon the submission that the Domain Name is “confusingly similar” to the Complainant’s registered Trademark.
- b) There is a deal of law, referred to by both parties, on “confusingly similar” and I have noted the relevant portion of the Respondent’s submissions and references (Paragraph 4.5).
- c) This is a useful analysis and the Respondent submits that applying same there is no confusing similarity.

- d) Whilst the Respondent emphasises that there is to be no comparison to a “contraction or corruption of the registered trademark”, (see above) each case depends on its own circumstances and the impression given by an actual comparison between the alleged offending use on the one hand and the relevant trademark (in this case) on the other.
- e) “Confusion” is not a word used to describe a legal concept but one minted to describe, in the main, the state of mind of a person who is being misled whether intentionally or mistakenly, whether actively or passively.

We frequently say that a set of circumstances is “likely to confuse” without knowing whether it will. We frequently say that somebody is confused and we accept that regardless of our ability to predict whether something is likely to confuse we will most often be able to tell whether somebody has been actually confused.

I will return to this point.

- f) In the meantime the Respondent submits, correctly in my view, that the “totality of the registered trademark” Just *World Cars magazine*” must be considered for comparison sake. The matter does not, however, end there.
- g) The Respondent provides some useful references (Paragraph **4.5.4.**) to cases which have dealt with “Confusing similarity” and “deceptive similarity”. Ultimately these tests are best applied, not in a theoretical vacuum but in practice and in this case against the perceptions of a target audience(s) of the Complainant’s magazine and:-
 - o The Complainant has produced a number of items from the printed media which indicate that that part of its target audience, leaving the relevant dates of publication to one side, regard the Complainant’s Trademark and the Domain Name as sufficiently similar to use the latter to identify the magazine which carries the former.
 - o The Complainant asserts (Paragraph 39 of its submissions) that on a number of occasions the Complainant has received calls enquiring as to whether it is affiliated with the carsales.com.au website as a result of actual confusion and that the Domain Name in contest “is being used to divert customers looking for the Complainant to the competitor’s website.

This submission is made in the context of the “bad faith” issue.

This is, however, evidence that members of the largest portion of the Complainant's target audience have actually being "deceived" or "confused".

Whilst the Policy imposes a higher threshold than Section 52 of the Trade Practices Act, which requires only that a person be deceived or be likely to be deceived, that threshold has been met.

The Respondent makes some submissions as to weight.

Again it is open to the Panel to call for sworn documentation but this is a complaint which needs to be dealt within 14 days and there have already been three separate submissions (the second and third of which have advanced the matter little) from each party.

Given the use of the phrase "Just Cars" by the media to identify the Complainant's magazine, no quantum leap is required to accept that members of the public might do likewise, and have in fact been confused.

- h) It may be that the confusion has arisen because the trademark is dominated by the words "just" and "cars" but there appears to be no point in analyzing why the confusion has occurred if it can be proved that the "confusingly similar" standard has actually been met on a number of occasions.
- i) Approaching the matter differently the Respondent does not deny that there is active use of the Domain Name.

Both parties assert, in different ways and for different reasons, that the phrase "JUSTCARS" is not one that would naturally spring to mind when the ordinary purchasing member of the public was looking for the type of product supplied by the Complainant, the Respondent or any entity related to the Respondent.

On the evidence before me the only reason I can find for anybody to visit that website by using the Domain Name would be because of an assumed relationship with the Complainant and this through familiarity with the Complainant's trademark.

- j) On this basis the Complainant has satisfied Paragraph 4 (a) (i) of the auDRP Policy.

B. Paragraph 4(a)(ii)

The Respondent has no rights or legitimate interests in respect of the Domain Name?

- a) The auDRP requires the Panel to have regard to several matters when considering whether the Respondent has “any rights or legitimate interests” in respect of the Domain Name.
- b) Firstly, Note 2 to the auDRP Policy States,
- “For the purposes of this policy, auDA has determined that “rights or legitimate interests in respect of the domain name” are not established merely by a registrar’s determination that the Respondent satisfied the relevant eligibility criteria for the domain name at the time of registration”*
- c) This means Paragraph **4(a)(ii)** of the auDRP Policy is not satisfied simply because the Respondent has previously been treated as eligible for the Domain Name.
- d) Paragraph **4 (c)** of the auDRP Policy sets out particular circumstances, any of which, “if found by the Panel to be proved based on its evaluation of all evidence presented, is to be taken to demonstrate....rights or legitimate interests to the domain name for purposes of Paragraph **4(a)(ii)**. These circumstances include:
- i) *before the Respondent is notified 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 acquired for the purpose of selling, renting or otherwise transferring); or*
 - i) *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*
 - ii) *the Respondent is making a legitimate non-commercial 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”*
- e) Paragraph **4(c)** of the auDRP Policy states that the above circumstances are “without limitation”, so that rights or legitimate interests could exist in respect of a domain name even if none of the above circumstances are applicable in the particular case.
- f) The first question is whether the Respondent, prior to being notified of the subject matter of the present dispute, made “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” (Paragraph 4(c)(i)). There is no requirement that the nature of the goods or services have any connection with the Domain Name.

- g) The Respondent’s first submissions contained a detailed explanation of relationships between and the activities of various legal entities (Paras. 5.2 to 5.9 inclusive)
- h) These submissions appear to demonstrate an ignorance of the principle, trite law since 1897, as enunciated in *Salomon v. Salomon & Co. Pty Ltd.*, AC 22 to the effect that a company is an artificial legal entity separate and distinct from its members. It follows of course that each company is an artificial entity separate from each other.

Whilst some companies are said to be “related” pursuant to the Corporations Act, use by related company does not satisfy the requirement that the Respondent itself demonstrate a bona fide use, or demonstrable preparations to use.

The Respondent’s submissions in fact appear to support the Complainant more than the Respondent.

They are to some degree confusing.

If anything the Respondent seems to attempt to prove that carsales.com.au.Ltd. has some interest in the Domain Name and that this is sufficient to meet the onus that lies on the Respondent.

In fact, if this was proved, it would have the reverse effect.

- i) I use the phrase “if proved” because the Respondent’s evidence on the issue is sparse.

In fact the original use of the Domain Name appears to have been to lead people, who might chose to use it, to a rival of the Complainants.

- j) The Respondent’s references to an intended assignment and to a “coming soon” banner are consistent with an intention to maintain a similar position but simply to substitute one-third party for another. They do not assist the Respondent in establishing that it has some right or legitimate interest in respect of the name.

- k) In its second submission, the Respondent asserts that (Para 3.6):-

“In February, 2005, at the very latest significant work and preparation had already been undertaken in developing the current website operated under the disputed Domain Name

and demonstrates a clear legitimate intention to use the disputed Domain Name in conjunction with goods and/or services.”.

It would be difficult to disagree with this. The Respondent's difficulty is that it has to demonstrate that it has “rights or legitimate interests” in the nature of a “use” or “preparations to use” and this “in conjunction with goods and/or services”.

In fact I cannot see anything in the Respondent's material which asserts the first of these necessary ingredients.

In the first instance the name is stated to resolve to a website owned by Carsales Pty. Ltd. The Respondent proceeds to deal with the relationship between various companies and then to assert in its first submissions (Para 5.8) that the Domain Name is to be transferred to carsales.com.au.Ltd. and that “formal assignment is currently in process”.

The Respondent's submissions assert, at their briefest, that the Domain Name was not originally used in connection with the Respondent and that an assignment is/was intended which would prevent this ever happening in the future. Nowhere in the submissions is there a clear statement that recent events have been a preparation for use of the name in connection with goods or services to be made available by the Respondent and therefore in such fashion as would create “rights or legitimate interests” in the Respondent.

- l) At no stage does the Respondent attempt to meet the Complainant's assertion that it does not actively carry on business. In such circumstances I do not see how the Respondent can refute Paragraph **4 (a) (ii)**. I do not see how an inactive Respondent can demonstrate that it either uses, or is preparing to use, a Domain Name
- m) In saying this I have not ignored the assertion in the Respondent's second submission (Para 2.9) that the Respondent has provided “*its own evidence in support of its legitimate use of the website prior to the complaint*”. This, however, is precisely what the Respondent has not done.

Whilst the Respondent's reliance upon Paragraphs 5.2 – 5.9 of its initial submissions and similar subsequent submissions works against it, it is perhaps possible that more information assist the Respondent. I see that as unlikely but the Respondent says that any relevant agreements are “commercially sensitive” and that there “content is confidential” and such as “will clearly provide a commercial benefit to the Complainant”. (Second submission Para. 3.15).

Whilst the last point is qualified, in a somewhat contradictory manner, by the reference to the fact the Complainant “claims to be a competitor”, one wonders why the information is not made available if the Respondent adheres to an argument that the parties are not competitors.

Be that as it may, the Respondent has made its choice. If it has failed to adduce evidence which would assist it the Respondent must live with the consequences.

Nothing before me, the type of relationship having been broadly outlined, would suggest any commercial sensitivity. In the circumstances it appears that the principle enunciated in *Jones v. Dunkel (1959) 101 CLR 298*, to the effect that if evidence available to a party is not produced then one must assume that it would not assist that party, applies.

- n) The Respondent does not attempt to demonstrate satisfaction of the second or third examples (in Para. 4 (c)) which might demonstrate that the Respondent has rights or legitimate interests in the Domain Name for the purposes of Paragraph 4 (a) (ii).
- o) In the circumstances the Complainant has satisfied Paragraph 4 (a) (ii) of the Policy.

C. Paragraph 4 (a) (iii)

The Domain Name has been registered or subsequently used in bad faith.

- a) It is to be noted that, if the Complainant is successful as regards the other two criteria, it still has to prove that the Domain Name was either registered or subsequently used in bad faith to be successful in this Application.
- b) The Policy states that for the purposes of Paragraph 4 (a) (iii) the following circumstances, in particular but without limitation, if found by the Panel to be present, shall be evidence of the registration and use of a Domain Name 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 another person for valuable consideration in excess of your documented out-of-pocket costs directly related to the Domain Name;
 - ii. you have 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;

- iii. you have registered the Domain Name primarily for the purpose of disrupting the business or activities of another person;
- iv. by using the Domain Name, you have 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.

- c) The Respondent's submission is (Paragraph 6.3.(i)) to the effect that:-

"When the disputed domain name was registered in June, 2000, the Respondent was not aware of the Complainant's publication and therefore did not consider the Complainant to be a competitor."

- d) This proposition has led me to consider the following:-

- i) The domain name was registered, as previously stated, on the 6th June, 2000, and the Prospectus for carsales.com.au Ltd was registered approximately 3 months prior on the 10th March, 2000.
- ii) A Prospectus is a document which must be prepared with great particularity and accuracy and there are heavy penalties for misrepresentation.
- iii) This Prospectus contains a comment by the then "interim Chairman" that he had "been traveling to the Annual Convention of the National Automotive Dealers Association in the U.S.A. for most of the last 20 years" and the following further quotations.

"The owners of Reynolds & Reynolds Pty. Ltd, Australia's leading Dealer Management System supplier, established carsales.com.au, which generated its first revenues in September, 1998. Since then, carsales' used car inventory has grown to over 16,000 and a New Vehicle Lead Management Service has been established. carsales is regularly ranked as the number 3 non-factory, automotive site (as independently rated by top 100.com.au). The Directors believe carsales is number 1 in lead

generation, the most important measure of success to Dealers.”

“An investment in carsales represents an opportunity to take a stake in an automotive cross-brand internet sites, designed to serve the needs of Dealers, car buyers and sellers at a time when the Internet and E-commerce is becoming an increasingly important consideration for the motor industry. The Directors’ vision is for carsales.com.au to become the dominant automotive cross-brand internet site in Australia.”

“The Directors believe that the site holds the largest Internet based inventory of used cars for sale by Dealers across Australia. It provides facilities for research into new or used cars and submission of inquiries to a Dealer, via carsales.”

“carsales.com.au is regularly ranked as the 3rd most visited non-factory automotive internet site in Australia, and regularly the 5th most visited automotive site in Australia as ranked by www.top100.com.au.”

*“In addition to the existing sources of revenue, the Directors are planning to extend carsales’ services to include **private car sales**.”*

“The Directors believe that the company is the leading player in Australia by number of leads and has the largest and most up to date inventory of any automotive internet site in Australia.

“It has developed a well recognised brand name with a growing number of consumers accessing the site”.

Reynolds is a leading supplier of IT and technology services (through its ERA product) to Dealers. carsales’ relationship with Reynolds provides immediate access to many of the leading Dealers in Australia.”

“Through the relationship with Reynolds, carsales already has access to the necessary software and technology, including DealerLink, the differentiate carsales from its competitors. Many of the larger Dealers have already installed the DealerLink system which allows for real time updating of vehicle inventory.”

“carsales has an experienced management team, with extensive experience not only in automotive internet solutions, but also in Dealer relationships and knowledge of the automotive industry.”

- e) These quotations, in this important document bespeak leadership in the industry, extending to private car sales, a deep involvement in the internet and a great deal of experience, both through the original car sales initiative and “the” Reynolds relationship.
- f) It is difficult to understand how ignorance of the existence of the Respondent’s magazine (and name) can be maintained by the Respondent in the circumstances.
- g) Again the issue as to the onus (see Global above) is relevant.

If one accepts the inference that the Domain Name was registered at a time when the Respondent’s Trademark was known to Mr. Roebuck, who makes submissions on behalf of the Respondent, then the domain name must surely have been chosen in the knowledge that it was likely to cause confusion.

Whilst this appears clearly to be the case it is relevant here not only as an example of “bad faith” but also as a re-enforcement of the Complainant’s contention that there is confusing similarity, that the Respondent was aware of it, and that the Domain Name was chosen precisely because of this.

- h) As regards “subsequent use” in bad faith the Respondent’s clear assertion that it intends to assign the name to another entity, whilst “defending” this complaint in its own name, speaks for itself.

7. COMPLAINANT’S BAD FAITH.

It follows from the above findings that the Complainant has not acted in bad faith as alleged in Paragraph 7 of the Respondent’s submissions.

8. 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.

9. CANCELLATION AND/OR TRANSFER OF DISPUTED DOMAIN NAMES.

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

10. **ELIGIBILITY OF THE COMPLAINANT TO REGISTRATION OF THE DISPUTED DOMAIN NAMES.**

The Complainant has requested a transfer of the Domain Name.

Eligibility for a domain name in the open 2LDs is governed by auDA's Domain Name Eligibility and Allocation Rules for the Open 2LDs ("**Eligibility Rules**"). Schedule C of the Eligibility Rules relates to "com.au" domain names, and provides:

- 1. To be eligible for a domain name in the com.au 2LD registrants must be:*
 - (a) An Australian registered company:*
- 2. Domain names in the com.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 or 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's submissions as to confusing similarity are obviously relevant to the need to satisfy the Eligibility Rules. In this instance it seems to me that Rule 2C is likely to be satisfied and that, once again, the relevant test is the actual experience of the Complainant's target audience, particularly members of the public.

The Panel therefore finds that, on the face of it, the Complainant does satisfy the Eligibility Rules for the transfer of the Domain Name to it. Subject to a final determination by Melbourne I.T. the Panel directs that the Domain Name be transferred to the Complainant.

11. **DECISION.**

- a) The Complainant has made out all of the elements of Paragraph 4(a) of the auDRP.
- b) The matter is referred to the Registrar Melbourne I.T. for a determination as to whether the Complainant is eligible for

registration of the Domain Name under the auDA Eligibility and Allocation Rules.

- c) If the Complainant is eligible, the Panel directs that the Name, justcars.com.au be transferred by Melbourne IT to the Complainant.
- d) If the Complainant is regarded as ineligible to take a transfer of the Domain Name, the Panel directs the cancellation of the Domain Name.
- e) The Panel dismisses the Respondent's claim that the Complainant has, in breach of Paragraph 15(e) of the AuDRP Policy acted in bad faith.

Dated.....26th...../ May /2005.

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John McDermott.
Sole Panelist.