ADMINISTRATIVE PANEL DECISION

Environics Pty Ltd v. Connectus Pty Ltd

auDA 03_09
engineer.com.au

1 The Parties

The Complainant is **Environics Pty Ltd**, a company which shares an address with its principal, Mr Lawrence Lyons, of Coolum Beach on the Queensland Sunshine Coast. It is represented in the proceedings by Mr Grant Cunning of Gall Standfield & Smith, Solicitors, of Southport, Queensland.

The Respondent is **Connectus Pty Ltd**, a company which has an address in Collingwood, a suburb of Melbourne, Victoria. It is represented in the proceedings by Mr Erhan Karabardak of Cooper Mills, Lawyers of Melbourne, Victoria.

2 The Domain Name and Registrar

The Disputed Domain is <engineer.com.au>. The registrar of the Disputed Domain is Domain Central.

3 Procedural History

This is an administrative proceeding pursuant to the .au Dispute Resolution Policy adopted by auDA on 13 August 2001, which commenced operation on 1 August 2002 ("auDRP"); the auDA Rules for .au Dispute Resolution Policy ("Rules") and the LEADR Supplemental Rules to Rules for .au Domain Name Dispute Resolution Policy ("LEADR Supplemental Rules").

The Complainant lodged the complete application with LEADR on 28 April 2009, and a copy was posted to the Respondent and the Registrar the following day. The Respondent confirmed to LEADR by telephone on 6 May 2009 that the Complaint had been received. On 15 May 2009 the Registrar advised LEADR that the Disputed Domain had been locked. auDA was also advised of the Complaint by email on 29 May 2009. A Response was supplied electronically on 21 May and in hard copy on 25 May 2009.

The Panel was appointed on 27 May 2009 having advised LEADR that there was no conflict of interest with either of the parties. All other procedural requirements appear to have been satisfied.

4 Factual Background

The Complainant became the registrant of <engineer.net.au> on 3 October 2002 after failing to obtain registration of the Disputed Domain due to it not being "the first eligible application received" in what the Panel assumes to be auDA's auction of generic domain names.

The Respondent registered the Disputed Domain on 4 November 2008 after its prior registration lapsed. The Respondent used the services of "a facility that snaps expiring domains".

The Complainant has hosted an engineering blog at www.engineer.net.au since 30 August 2007. The Respondent has hosted an engineering blog at www.engineer.com.au since 10 November 2008.

The Complainant had been awaiting the expiration of the Disputed Domain so that it could become the registrant of the Disputed Domain but was 'beaten to the punch' by the Respondent. The Complainant is aggrieved.

5 Parties' Contentions

Complainant

The Complainant makes the following principal contentions:

A. The Disputed Domain is identical or confusingly similar to a name trademark or service mark in which the Complainant has rights.

- It has common law trademark rights in "ENGINEER.NET.AU"
- It has hosted an engineering blog at www.engineer.net.au since 30 August 2007 which is well known within the engineering profession.
- The mark is distinctive of the engineering weblog services provided by the Complainant to the Australian engineering community.
- The Complainant's common law trademark is for the services in class 41 ("weblog services") and class 42 ("creating and maintaining weblogs for others and hosting of weblogs").
- Since 1 July 2005 the Complainant has expended approximately A$9,200 on advertising and promotion of the "Complainant's domain and trademark".
- The Complainant relies on the Queensland Supreme Court case of *Architects Australia v Witty Consultants* [2002] QCS 139 which upheld a passing off case despite the generic quality of the two constituent words of the Plaintiff's name because they had acquired a distinctive secondary meaning signifying the Plaintiff.
- The Complainant asserts that the Disputed Domain is confusingly similar to its trademark "given that the only difference between the two domain names is that they contain different suffixes" in the form of the g2LDs ".com" and ".net".

- Consumers who view advertising containing the Complainant's trademark but mistakenly visit the Respondent's website "will be misled to believe that they are visiting the Complainant's domain because of the confusing similarity" of the Disputed Domain and the Complainant's trademark.

B. The Respondent has no rights or legitimate interests in respect of the Disputed Domain.

- There is no evidence of the Respondent having used or demonstrably prepared to use the Disputed Domain in connection with a bona fide offering of goods or services prior to being put on notice of the Complainant's claim.

- On or about 5 November 2008 the Disputed Domain "was not hosting any information".

- There ensued correspondence between the Complainant and the Respondent in which the Complainant expressed the view that it had a better claim to the Disputed Domain in respect of online engineering weblogs.

- At no time before the Respondent had notice of the Complainant's claims had it "been associated with the engineering profession, conducted services in the field of engineering or had any recognised engineering education or experience".

- On 14 November 2008 the Complainant wrote to the Respondent explaining that the confusing similarity between the Respondent's hosted material and that of the Complainant would cause the Complainant damage.

- The Respondent has not been known by any name that connotes or is associated with engineering.

- The Respondent has not been commonly known by the Disputed Domain.

- The Respondent has no trademark rights in relation to "engineer" or "engineer.com.au".

- The Respondent's other websites at www.youcompare.com.au and www.broadbandguide.com.au provides services to small businesses and consumers to enable them to make informed decisions about broadband services.

- The Respondent's areas of expertise are "Mobile & Wireless Communications; Data Communications; Multimedia".

- The Respondent has no claim to a legitimate interest in the Disputed Domain under paragraphs 4(c)(i) or (ii) of the auDRP.

- The Respondent is not making bona fide or legitimate commercial use of the Disputed Domain because the Respondent is using it to misleadingly divert consumers away from "the Complainant's domain" and to diminish the Complainant's common law mark which the Complainant has legitimately marketed and promoted for two years.

- The Respondent is using the Disputed Domain to host misleadingly similar content though not of the same high standard as the Complainant's hosted

information. The Respondent is also, like the Complainant, using a Wordpress powered blogging system.

- In the six months following its registration of the Disputed Domain the Respondent has only updated its website three times, which is inconsistent with the Respondent's website being a legitimate weblog.

- The Respondent could have used the Disputed Domain for a number of other channels of commerce or simply maintained it as a parked domain until selling it.

- The Respondent therefore cannot claim legitimacy under paragraph 4(c)(iii) of the auDRP.

- The word "engineer" is not entirely generic because an engineer is a person qualified in a branch of engineering, especially as a professional. Therefore the Respondent's use of 'engineer' is not legitimate because it has no relationship with engineering.

C. The Disputed Domain *was* registered "and" *is being used* in bad faith.

- The Complainant asserts that the Disputed Domain was registered *and* is being used in bad faith by the Respondent "as evidenced by the actions of the Respondent including but not limited to "having offered to sell the Disputed Domain to the Complainant, noting its valuable consideration" and "attracting users from the Complainant's website by creating a likelihood of confusion with the Complainant's trademark <engineer.net.au>".

- The Complainant submits that the Respondent does not have any "long term" legitimate uses for the Disputed Domain and has registered it primarily to sell it for a profit in excess of the Respondent's out of pocket expenses. The Complainant interprets the Respondent's claim that it had plans "to develop out the domain over the next 6 months" as a thinly veiled attempt to attract the operation of auDA's domain name transfer policy under which a name cannot be transferred within the first six months of registration.

- The Respondent has simply placed content on the domain to attempt to claim some legitimacy.

- The Respondent could have used the Disputed Domain for a number of other channels of commerce but has purposefully chosen the same channel of commerce as the Complainant "in an attempt to transgress upon the goodwill attaching to the Complainant's domain".

Respondent's Response

The Response begins by noting that the Complainant's website comprises free weblogs and webmail for members of the engineering community and that it does not appear to sell anything.

The Respondent concedes that "at present" it does not sell anything through the website to which the Disputed Domain resolves though it intends to "develop out" the site for commercial purposes which will take a significant amount of time and money.

The Respondent also adverts to a process which preceded this administrative proceeding under which the Complainant allegedly requested auDA to rule that the Respondent was ineligible to register or hold the Disputed Domain on grounds that are not revealed. In any event that application was apparently not upheld and the Complainant subsequently commenced this proceeding.

The Response then goes on to address the Complaint by making the following main submissions:

- The Complainant is seeking a monopoly in the word "engineer" for domain names hosting engineering related websites, at least in Australia, even though the Complainant holds no registered trademark for that word or for either <engineer.net.au> or <engineer.com.au>.

- The Complainant has to show that the Respondent's use of the Disputed Domain comprises common law passing off or misleading and deceptive conduct under the Trade Practices Act 1974.

- The domain name system fundamentally accepts that there may be the same core name with different suffixes such as [word].com.au, [word].net.au, [word].org.au and so on.

- Internet users are highly aware of the distinction between the .com and the .net g2LDs in the .au ccTLD and "are more aware of that distinctiveness the more descriptive the [word] is".

- The Complainant has no relevant reputation in the website – it is the website itself which must hold the reputation

- It is difficult to assess the size of the market of persons who might be interested in a website offering engineering information and resources. However, Australian census figures suggest there would be at least 100,000 Australian engineers who would have an interest in such a site.

- The Complainant only asserts that it has been using its common law mark for less than two years in respect of its engineering weblog, which is insufficient time within which to establish a reputation in a descriptive mark.

- There are at least 148 engineering blogs listed in the technology/engineering category at www.blogged.com.

- The Complainant's submission that the word "engineer" is not generic does not stand scrutiny. The question is whether the host of a website providing resources to engineers would want to use the name "engineer" in good faith.

- The Complainant does not have a name, trademark or service mark in which it has rights.

- The Respondent is hosting a functional and useful website "at" the Disputed Domain. It has not and does not intend to offer the Disputed Domain for purchase to the Complainant, the references to sale only having occurred in correspondence initiated by the Complainant

- The Respondent began to set up a useful website within 7 days of registering the Disputed Domain and the Complainant simply complains that it was beaten to the ownership of an obviously descriptive and attractive domain name.

- The Complainant's application to auDA having been dismissed, auDA must be taken to have accepted that the Respondent has a close and substantial connection with the Disputed Domain under its published eligibility policy.

- The Complainant has not discharged its onus of proof in relation to paragraph 4(b)(ii) of the auDRP

- The Respondent spent A$1,155 to acquire the Disputed Domain through the use of a facility that "snaps expiring domains" and it had no knowledge of the Complainant or the Complainant's website when it chose the generic Disputed Domain.

- The Complainant has not discharged its onus of proof.

- The Complainant's website offers an email service and other hosting services which are different to the services offered on the Respondent's website.

- The Complainant has failed to make out the three elements required under the auDRP and has engaged in reverse Domain Name Hijacking on the basis that it sought to acquire the Disputed Domain by initiating communications, made numerous threats when the Respondent refused to sell the name, filed a complaint with auDA, which was dismissed, has brought this administrative proceeding in bad faith, and does not have any trademark or business name as required for it to succeed.

6 Discussion and Findings

Paragraph 15(a) of the auDRP Rules requires the Panel to "decide a complaint on the basis of the statements and documents submitted in accordance with the auDRP, the 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 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 ; and

(iii) the Disputed Domain has been registered or subsequently used in bad faith.

The onus of proof is on the Complainant in relation to all three of these elements.

Identical or Confusingly Similar to a trademark in which the Complainant has rights

This is an unusual case, as much because it involves a generic domain name as because of the Complainant's contention that the domain name which resolves to its website comprises a common law trademark in which it has sufficient rights to bring this proceeding.

It is apparent from the Wayback Machine (www.archive.org) that the title of the landing page to which the Complainant's domain name resolved before 2007 was "Australian Network of Engineers". This, combined with the apparently altruistic purposes recited in the 'About' section of the site, suggests to the Panel that the .net.au g2LD was a perfectly appropriate one for the site's original manifestation. Nevertheless the Panel has no reason to doubt the Complainant's assertion that it first sought the Disputed Domain and found it to be unavailable.

The Panel does not propose to cite the abundance of authority both under UDRP and auDRP to the effect that the g2LD ".com.au", like the gTLD ".com", can usually be ignored for the purposes of the comparison required under subparagraph 4(a)(i) of the auDRP. The reason for these UDRP and auDRP decisions is simply that the gTLD/g2LD elements of a domain name are fixed, and define the universe within which identicality/similarity are judged.

However, when the g2LD is part of the trademark being relied upon by a complainant, then the exercise needs to be a little more careful. Here the Panel's view is that the inclusion of the ".net.au" g2LD in the Complainant's asserted common law trademark makes it impossible for the Complainant to assert that the Disputed Domain is identical to its trademark, and it is relegated to the "confusingly similar" test. The relevance of this is that the latter test is more difficult to satisfy requiring as it does that the use of the Disputed Domain *per se* gives rise to a likelihood of confusion on the part of Internet users as to the trade source of the Respondent's goods or services.

Since the Disputed Domain is simply one of many possible g2LDs in which the word "engineer" might appear, and the authorities under both the auDRP and the UDRP make clear that the test under this limb of the Policy does not involve any reference to the content of the website to which the Disputed Domain resolves, the Panel cannot find in favour of the Complainant on this issue without explaining why to do so does not implicitly find that each 3LD under the .com.au g2TLD is confusingly similar to the same 3LD under the .net.au g2LD. This Panel's view is that where a 3LD has acquired trademark distinctiveness then the use of that 3LD in conjunction with an alternative g2LD may be found to be confusingly similar if the evidence otherwise makes that good. Here the Complainant relies on less than two years' use of its domain name to support a finding of distinctiveness. It is puzzling that the Complainant did not seek to rely on its more than six years' use of the domain name. The Panel can only infer that the limited time period was chosen to support the Complainant's contention that its common law trademark is for services in Class 41 and Class 42 of the Nice Classification system. That submission was adopted to enable the Complainant to contend that the Respondent's activity involved use of the Disputed Domain in relation to the same classes of services, thereby rendering the Respondent's use of the Disputed Domain confusingly similar.

As noted, the confusing similarity test does not involve a consideration of the content of the website to which the Disputed Domain resolves. It is solely a comparison of character strings between the Complainant's trademark and the Disputed Domain. The Complainant's submission is therefore misconceived. Despite this, the Panel does have evidence of the Complainant's use of <engineer.net.au> from October 2002 and the Wayback Machine both corroborates that this use was in relation to services related to the engineering profession and also, more importantly, that the Complainant used its domain name as a trademark (and, to some extent, also as its business name). In the Panel's view that use is sufficient to give the Complainant common law trademark rights of a kind that support its commencement of this proceeding, but only barely so. When ".net.au" is

treated as part of the Complainant's trademark instead of merely as a g2LD designator, the Panel finds that the ".com.au" component of the Disputed Domain is not sufficient to prevent the Disputed Domain from being confusingly similar to the Complainant's trademark and the Complainant thus succeeds in relation to the first limb of the auDRP.

Rights or Legitimate Interests

The dictionary shows "engineer" to be a noun denoting, inter alia, a person with professional qualifications in an engineering discipline. It is very difficult for a Complainant to show that a Respondent has no rights or legitimate interests in respect of a domain name that comprises such a common English word together with only a 2LD and ccTLD designator. auDRP proceedings are designed to deal with relatively straight forward cases of cybersquatting; that is conduct that classically involves a respondent registering as a domain name another person's trademark. The further the facts depart from that classic conduct the harder is a complainant's task under the second and third limbs of the auDRP.

Here the Complainant's effort to discharge its burden is to a large extent directed to demonstrating that the Respondent cannot avail itself of paragraph 4(c) of the auDRP. That provision simply gives a respondent the opportunity to more easily demonstrate the legitimacy of its rights. Negating its operation does not result in a complainant succeeding under paragraph 4(a)(ii) of the auDRP. The Respondent puts its case on the basis that it proposes to establish a website of interest to engineers and related to engineering matters. Its website ostensibly does that, although the Complainant asserts that the content is too infrequently updated and that most of it is copied and pasted from www.articledashboard.com and www.ezinearticles.com. It is not for the Panel to evaluate the quality of the Respondent's website beyond satisfying itself that, on its face, it provides plausible support for the Respondent's asserted intentions. It may or may not be a sham; this proceeding is ill-equipped to test the evidence with any rigour. The Respondent's submissions are to be given as much weight as those of the Complainant absent any basis for disbelieving the Respondent, and here there is none.

Although the Panel might suspect that the Complainant's allegations could be true, the evidence falls a long way short of establishing that on the balance of probabilities. The word "engineer" is inherently one in respect of which a diverse range of respondents could have a diverse range of legitimate interests and the Panel is simply unable to find against the Respondent based on the material put forward by the Complainant.

Accordingly, the Complainant has not made out paragraph 4(a)(ii) of the auDRP and the Complaint cannot succeed.

Registered or subsequently used in bad faith

Paragraph 4(a)(iii) of the auDRP requires the Complainant to demonstrate that the Disputed Domain was *either* registered *or* subsequently used in bad faith. The Complaint, however, asserts that the Disputed Domain was both registered and is being used in bad faith.

The introductory notes to the auDRP draw to a prospective complainant's attention the differences between the auDRP and the UDRP. Despite the Complainant's approach, the Panel must determine whether the Disputed Domain was either registered in bad faith or if the Respondent has subsequently used the Disputed Domain in bad faith.

The Respondent has explained that it identified the Disputed Domain as one that it would like to use, and instructed a service provider to register it as soon as it became available following its expiry. The Complainant also intended to register the Disputed Domain as soon as it became available. Unfortunately the Respondent was the more nimble. The Complainant was aggrieved and its email exchanges with the Respondent made that clear, occasionally in somewhat accusatorial language. The Panel does not know on what basis the eligibility complaint was made to auDA and the Complainant did not provide the Panel with documentation relating to that exercise. The Respondent asserts, and the Panel has to accept, that the outcome was unhelpful to the Complainant. That only made the Complainant more aggrieved. It may have grounds to feel that "the system" has worked unfairly and to some extent it seems to be the case that the Respondent's more detailed knowledge of how expired names can be obtained has enabled it to beat the Complainant to register the Disputed Domain that the Complainant had been waiting to register for many years. It is a matter for auDA as to whether its policy in relation to when expired domain names become available for registration could be clarified, especially in relation to keenly sought after generic words.

The Complainant relies heavily on the exchanges of email with the Respondent to ground its assertion of bad faith. The Panel cannot discern any bad faith in the Respondent's communications. There are instances where the Respondent on the face of the documents seems restrained in the face of some strong words from the Complainant. Whether testing of the evidence would reveal its approach to have been commendable or in fact a taunt the Panel cannot determine. The Respondent gets the benefit of the doubt.

The Complainant has not made out any of paragraphs 4(b)(i) to (iii) of the auDRP. The closest it gets to making out subparagraph 4(b)(iv) is to suggest that Internet users who might mistakenly visit the Respondent's website when they were intending to visit the Complainant's website would see content that at first blush has some similarity to the content of the Complainant's website. Perhaps the Respondent could add a disclaimer or redirection for the benefit of those visitors. It is not obliged to do so. The Panel is not persuaded that paragraph 4(b)(iv) applies. Nor is the Panel persuaded that on any other basis it could find that the Disputed Domain had been either registered in bad faith or subsequently used in bad faith, especially in the face of the Respondent's explicit and superficially plausible denial.

On any objective view, the Complainant has failed to make out paragraph 4(a)(iii) of the auDRP, and the Panel so finds.

7 Reverse Domain Name Hijacking

The Panel accepts that the Complainant is aggrieved that it was unable to secure the Disputed Domain when it expired and accepts that there is a possibility that the Respondent in a more conventional proceeding in which evidence could be tested might be found to have registered or used the Disputed Domain in bad faith. It is also true that the Complainant's communications to the Respondent occasionally adopt an accusatory tone which bristles with the Respondent. However, the Panel does not accept the Respondent's contention that the Complainant has brought the proceedings in bad faith, and finds to the contrary.

8 Decision

The Complainant having failed to make out all of the elements of paragraph 4(a) of the auDRP, the Complaint is denied.

Dated this 9th day of June 2009

P Argy

Philip N Argy

Sole Panellist