



## ADMINISTRATIVE PANEL DECISION

**Frenbray Pty Ltd v. Weyvale Pty Ltd**

**LEADR - auDRP06/06 newcars.com.au**

### **1 The Parties**

The Complainant is Frenbray Pty Ltd, a company which trades from premises in Chatswood, a suburb of Sydney.

The Respondent is Weyvale Pty Ltd, a company whose registered office is at Ringwood, a suburb of Melbourne.

### **2 The Domain Name and Registrar**

The Disputed Domain is <newcars.com.au>. The registrar of the Disputed Domain is Planet Domain.

### **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 with LEADR on 18 May 2006 a document purporting to be a Complaint under the auDRP, and a copy sent to the Respondent on 22 May 2006 by express post and email. The Respondent was advised that it had until 11 June 2006 to submit all materials it wished to have considered by the Panel. LEADR also notified auDA of the ‘Complaint’. The document lodged did not comply with paragraph 3(b)(xv) of the Rules because it annexed a copy of the Registration Agreement but did not annex a copy of the auDRP. [The Panel has nevertheless determined under paragraph 10(a) and (b) of the Rules to treat the document in question as a Complaint under the auDRP].

On 22 May 2006 the Registrar acknowledged receiving notice of the Complaint and confirmed that it had locked the Disputed Domain pending the determination of this proceeding.

The Respondent sent a short e-mail to LEADR on 10 June 2006 headed ‘*Response newcars.com.au complaint*’. That email did not comply with sub-paragraphs 5(b)(i), (ii), (iii), (vii) or (viii) of the Rules. Furthermore, no hard copy was provided. [The Panel has

nevertheless determined under paragraph 10(a) and (b) of the Rules to treat the email in question as a Response under the auDRP].

On 23 June 2006, after the first draft of this decision had been written, LEADR furnished to the Panel a copy of a letter dated 15 June which the Complainant wrote to LEADR. The letter asked that “you and the panellist accept the following further statements on its behalf”. No reasons were given for the request, nor argument put as to why the Panel ought to allow the statements, which were essentially in reply to the Response. Rule 12 gives the Panel discretion to seek or permit further statements or documents. In the Panel’s view the principles underlying the exercise of a panel’s discretion under this Rule should be the same as those applying under the equivalent rule of the UDRP regime. It is well-established by UDRP decisions that a Reply or other supplemental filing will rarely be considered. In *DK Bellevue, Inc. d/b/a Digital Kitchen v. Sam Landers*, [WIPO Case No. D2003-0780](#) the panel stated as follows:

“As is by now well established, the Rules do not provide any right of reply. *Parfums Christian Dior S.A. v Jadore*, [WIPO Case No. D2000-0938](#). Although supplemental submissions may be accepted to address new legal developments, see e.g., *Pet Warehouse v. Pets.Com, Inc.*, [WIPO Case No. D2000-0105](#), or to rebut unexpected factual assertions, see e.g., *Pacific Fence & Wire Co. v. Pacific Fence and Jim Paradise*, [WIPO Case No. D2001-0237](#), they should be allowed sparingly”.

The Panel sees no reason to receive the Complainant’s further statements, especially since the Complainant did not give one - they are accordingly not taken into account in reaching a decision.

All other procedural requirements appear to have been satisfied.

#### **4 Factual Background**

On 15 March 2001 the Respondent first registered the Disputed Domain. In Australia domain name licences have a two year term. The Disputed Domain was renewed on 15 March 2003 and again on 15 March 2005. It is due to expire on 15 March 2007 if not renewed. As the auDRP did not come into force until 1 August 2002, it therefore did not apply to the Disputed Domain until after its first renewal in March 2003.

According to the names register kept by the *Australian Securities and Investments Commission*, and freely searchable online at <http://www.abr.business.gov.au>, on 19 July 2002 the Complainant registered “Private Fleet” as a business name under the NSW Business Names Act. On 11 April 2006 it registered both “Fleet Sales” and “Private Fleet Sales”, on 1 May 2006 it registered “New Cars Australia”, “Autosearch” and “Motor Brokers” and on 16 May 2006 the Complainant registered “New Cars”.

The Complainant claims that it “has been servicing the automotive needs of both business and private individuals for nearly seven years and the Complainant plans to continue to use [New Cars] in the future for the same purposes”. It also claims to have been the registrant of the domain name “new-cars.com.au” “for a significant amount of time” and that that domain name resolves to the Complainant’s new car business website: <http://new-cars.com.au/>. The copyright claim at the foot of the page to which that URL resolves reads “© 1999-2006 Frenbray Pty. Ltd. (Trading As Private Fleet)”.

The Respondent claims to have “owned and operated over 700 domain names since 1998 (includes hundreds of .com.au domains)”. It also claims to have always offered a service

in the form of “a new cars search business for Australians and Australian car dealers who serviced the new car leads generated by the website”.

The Respondent also claims to have “at different times ... displayed a link to the google new cars search results, thus providing a search service to all newcars.com.au visitors”.

## 5 Parties’ Contentions

### 5.1 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 rights in the registered Business Name “New Cars” and the registered Trading Name “New Cars”
- If one compares “New Cars” to “newcars.com.au”, they are “*virtually identical*”
- The g2ld “.com.au” should be ignored, the decision in *GlobalCenter v Global Domain Hosting Pty Ltd*, WIPO Case No DAU2002-0001, being cited in support of the submission, that being a decision by a three member panel chaired by the present panelist.
- The Disputed Domain is so similar to the Complainant’s Business Name and Trading Name that, however the concepts of “identical” and “confusingly similar” are construed, paragraph 4(a)(i) of the auDRP must be regarded as satisfied.

#### **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.
- The Respondent has only used the Disputed Domain for the purpose of renting it, or alternatively for the purpose of selling it for valuable consideration in excess of the Respondent’s out of pocket expenses.
- The Respondent has not been commonly known by the Disputed Domain and has not been making a legitimate non-commercial or fair use of the Disputed Domain.

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

- The Respondent registered the Disputed Domain primarily for the purpose of selling, renting it, or otherwise transferring it to the Complainant or to a competitor of the Complainant for valuable consideration in excess of the Respondent’s out of pocket expenses.

In support of this primary contention the Complainant also relies on the following:

- An email dated 16 December 2005 from the Respondent to the Complainant which advises that “the current tenant agreement is \$1100 per month for 2 years”;
- A second email dated 16 December 2005 from the Respondent to the Complainant which offers to sell the Disputed Domain to the Complainant for A\$35,000;
- A copy of the page to which the Disputed Domain resolves

## **5.2 Respondent’s Response**

The Response does not address the allegations made in the Complaint in the way required by Rule 5(b)(i) and, apart from the factual assertions referred to in section 4 above, articulates no discernable argument in relation to the three grounds in section 4(a) of the auDRP and referred to in 5.1 A, B and C above.

## **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 auDRP 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, and that would remain the case even if the Panel had determined that the Response was not a response for the purposes of paragraph 5 of the auDRP.

### **6.1 Identical or Confusingly Similar to a name in which the Complainant has rights**

This is an unusual case, as much because it involves a generic domain name as because of the time at which the Complainant registered “New Cars” as a business name.

It is self evident that newcars.com.au is identical in all material respects to the Complainant’s registered business name “New Cars”, and 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. 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 identity/similarity are judged.

However, what is less clear is whether “New Cars” is a name in which the Complainant has rights. Note 3 to the report of auDA’s Dispute Resolution Working Group that adapted the auDRP from the UDRP (<http://www.auda.org.au/policy/audrp>) records that “the addition of the words “a name” [to paragraph 4(a)(i)] is intended to provide a ground of complaint where a respondent has registered or is using in bad faith the business (or other)

name of another person. A complainant would not need to have trademark rights in the name in order to bring a dispute under the auDRP". Since a business name registration under Australian law confers no rights to use the name (it merely being a legal condition of trading under a name other than an entity's real name) the fact of the Complainant's business name registration is inconclusive.

The auDRP as promulgated by auDA includes an administrative footnote to the effect that "a name in which the complainant has rights" includes, inter alia, "the complainant's company, business or other legal or trading name, as registered with the relevant Australian government authority". That footnote is not, of course, a formal part of the auDRP, nor binding on an administrative panel, although a panel ought to give due deference to a complainant's good faith reliance on the note.

The intent of the auDRP, much like the UDRP, is to provide a swift and inexpensive remedy for what is colloquially called cybersquatting. That is to say, the registration of a domain name that comprises, includes or is very similar to another person's trademark or trading name. It was never intended to operate so that a complainant could register a business name that was the same as an existing domain name, and then invoke the auDRP to seek to obtain a transfer of the domain name if the other grounds of the auDRP could be made out. The *Certificate of Registration of Business Name* annexed to the Complaint is dated 16 May 2006, more than five years after the Disputed Domain was first registered. The provisions of Rule 15(e) in relation to complaints brought in bad faith, or in furtherance of Reverse Domain Name Hijacking (as it is defined in Rule 1), come to mind in this regard. However, as will become apparent, it is not necessary to pursue this provision.

"New Cars" is not a term that is capable of being distinctive of the Complainant's goods or services, so it is not a term the use of which would ordinarily give rise to a common law trade mark in relation to the services of selling motor vehicles and ancillary services, or to goods in the form of motor vehicles. Even if it could, none of the evidence submitted by the Complainant is sufficient to demonstrate that it had acquired rights from using the business name "New Cars" in the two days between its registration and the commencement of this proceeding. Indeed the Complaint seems less than clear when it comes to determining whether the Complainant claims to have been using the business name for a substantial part of the seven years' trading to which it refers. Certainly it is illegal to trade under an unregistered business name (see section 4(1) of the NSW Business Names Act 2002), so the Panel cannot infer that the Complainant was doing that. Were it not for the guidance note that auDA has included with the auDRP, the Panel would have concluded that the Complainant had not demonstrated that it had any rights in the name "New Cars" at the time the Complaint was filed.

Suspicious though the Panel is that the Complainant has not brought this proceeding in good faith, and that it is engaged in Reverse Domain Name Hijacking, a suspicion is not sufficient to amount to a finding and, accordingly, for the purposes of paragraph 4(a)(i) of the auDRP, the Panel holds that the Disputed Domain is identical to a name in which the Complainant has rights.

## **6.2 Rights or Legitimate Interests**

auDA has indicated in a second footnote to the auDRP 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. This is important because the .com.au 2LD is not a completely 'open

slather' domain' like the .com gTLD. Rather, an applicant has to establish some textual nexus between the domain name applied for and a name or mark by which it or its products are known. In the present case the Respondent's eligibility for the Domain Name is unclear, but presumably based on its operation of a "New Cars" portal for new cars. However, "New Cars" was neither the Respondent's name nor the name by which its products were known. At its highest it both generically described the products of others to whose sites links were provided from the Respondent's portal, and the subject matter of the Respondent's portal. Given that the Disputed Domain was first registered before the auDRP came into force, has been in use for more than five years, and appears on the evidence submitted by the Complainant, as well as from the Respondent's own contentions, to be a portal on which new car sellers might advertise their products, the Panel inclines to the view that the Disputed Domain is one in respect of which the Respondent does have rights or at least legitimate interests.

The Wayback Machine ([www.archive.org](http://www.archive.org)) corroborates the Respondent's contentions about its historical use of the Disputed Domain. For example the 31 March 2001 version of the page to which the Disputed Domain resolves has the following tag line under a picture of new cars: "Welcome to Australia's Premier New Car Sales Domain - NewCars.com.au Team".

The Complaint takes some trouble to try to demonstrate that paragraph 4(c) of the auDRP does not apply. However, that overlooks the onus on the Complainant to demonstrate that the Respondent has no rights or legitimate interests at all for the purposes of paragraph 4(a)(ii), rather than no deemed rights or legitimate interests resulting from paragraph 4(c). And although paragraph 4(c) of the auDRP sets out bases upon which a respondent is able to demonstrate rights or a legitimate interest in respect of a domain name, they are not exhaustive.

The Complainant also confuses the Respondent's legitimate rental of 'places' on its portal as the rental of the domain name itself, which is the carve out from subparagraph 4(c)(i) that deems use of the domain name prior to notice of a dispute to be evidence of rights or legitimate interests. By 'rental' of a domain name is meant the effective sublicensing of a domain name so that the domain name registrant cedes day to day control of the domain name to its sublicensee. That is not what a portal involves and does not appear to be what the Respondent was doing. The 'rental' of space to advertisers on the Respondent's portal site is not the rental of a domain name contemplated in paragraph 4(c)(i) of the auDRP.

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

### **6.3 Registered and 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* 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 misguided approach, the Panel must determine whether the Disputed Domain was registered in bad faith or if the Respondent has subsequently used the Disputed Domain in bad faith. In support of the latter proposition the Complainant repeats the evidence it sought to use to refute the existence of circumstances that might have availed the Respondent under paragraph 4(c).

It is hard to see how the Complainant could make good its assertion that the domain name was originally registered in bad faith, especially when its own Business Name was registered more than five years after the Disputed Domain was first created. It appears to the Panel from both The Wayback Machine historical snapshots, as well as the snapshots annexed to the Complaint, that the Disputed Domain has always resolved to what appears to be a portal for new cars.

The Complainant then argues that the fact that the Respondent has registered a number of domain names which are hyperlinked in the “footer” of the Respondent’s home page as at 18 December 2003 demonstrates its bad faith registration. The Panel does not agree. Nor can the Panel see the relevance of that fact to the issue of whether the Disputed Domain is now being used in bad faith. If the Respondent operates many different portal sites, no cross referencing of each of them to each other, without more, can amount to bad faith. The fact that there were 57 sites linked in December 2003 and only 42 links in May 2006 is not to the point. Even if the Respondent were trading in the other domain names the subject of the hyperlinks in question, and the Panel makes no such finding, that fact is not probative of whether the Respondent is using the Disputed Domain in bad faith, because both of the versions of the page annexed to the Complaint retain on their face the character of a portal. That is and always has been a legitimate use of a domain name.

The Panel is in no position to determine whether the Respondent’s website is a real portal or a sham portal - on its face it claims to be “an internet portal providing links and information re ‘New Cars’”. The Complainant has not disproved that. Advertisements from the Respondent on its own portal, soliciting prospective advertisers for the portal, seem to be corroborative of its use as a portal rather than the reverse. If the Complainant had proven that the portal was not real, the position might be different.

The Complainant has proven that some of the domain names formerly owned by the Respondent are no longer owned by the Respondent. These are the 15 domain names no longer promoted at the foot of the Respondent’s site’s entry page. The Complainant argues that this is evidence that the Respondent has a history of registering and then selling domain names for valuable consideration in excess of the Respondent’s out of pocket costs. However, the evidence does not show that at all. At best it shows that the Respondent in the past operated numerous portals some of which now appear to be operated by others. That might be because those who now operate those portals recognised sufficient goodwill in them to buy the domain names from the Respondent. There is no evidence before the Panel of the price at which any of those domains were transferred, nor whether the price at which they were transferred included any goodwill. It is altogether quite inadequate to make good the Complainant’s contentions.

Another matter that troubles the Panel is the apparent incompleteness of the email chains submitted with the Complaint. For example, the Subject in every email chain annexed to the Complaint begins with “Re:”, suggesting that each is responsive to an earlier email. However, no root emails are included. That might be because they are not relevant, or it might be because they would cast a different light on the Respondent’s answers. In either event the Panel considers that fairness dictates that email chains tendered in evidence before a panel should be complete, extending back to the initiating or root email of the chain, so that a panel has the benefit of more of the context in which the exchanges relied upon took place.

There is a suggestion in the Response that the Complainant owes a debt to the Respondent in relation to an advertisement for the Complainant’s ‘Private Fleet’ business on the Respondent’s portal. This proceeding is not the place for that dispute to be resolved, but

it does highlight the need for a panel to be cautious not to place too much weight on evidence in the form of incomplete email chains.

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

**7 Decision**

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

Dated this 24th day of June 2006

***P Argy***

Philip N Argy

Sole Panellist