



ABN 69 008 651 232

**LEADR Domain Name Dispute Administrative Panel Decision (single panelist)
Regarding the domain name: <perthairport.com.au>**

Between

Westralia Airports Corporation Pty Ltd and Package Computers Pty Ltd.

Matter: auDRP 07/08

1. The Parties

- 1.1 The Complainant is Westralia Airports Corporation Pty Ltd, represented by Messrs Craig Smith and Tony Joyner of Freehills. The address for service is: L2, 2 George Wiencke Drive, Perth Airport, WA 6845.
- 1.2 The Respondent is Package Computers Pty Ltd, represented by Ari Goldberger Esq. of ESQwire.com PC, and Pau Lam at P.O. Box 273, Villawood NSW 2163.

2. Subject Matter of Complaint

- 2.1 Domain Name in Dispute: perthairport.com.au
- 2.2 Trademarks (rule 4A auDRP): Perth Airport

3. Basis of Determination

- 3.1 This dispute has been brought for determination by a single panelist under the provisions of Schedule A of the .au Dispute Resolution Policy ("auDRP").
- 3.2 Section 4 covers Mandatory Administrative Proceedings.
- 3.3 Section 4(a) deals with Applicable Disputes and states: *"You are required to submit to a mandatory administrative proceeding in the event that a third party (a "Complainant") asserts to the applicable provider, in compliance with the Rules of Procedure that:*
 - i) Your domain name is identical or confusingly similar to a name, trademark or service mark in which the Complainant has rights; and*

ii) *You have no rights or legitimate interests in respect of the domain name; and*

iii) *Your domain name has been registered or subsequently used in bad faith.*

In an administrative proceeding, the Complainant bears the onus of proof."

4. Procedural History

4.1 On 30th October 2008 the Complainant lodged a complaint, dated 27th October 2008, with LEADR in accordance with the auDRP Policy and Rules.

4.2 On 3rd November 2008:

i) LEADR received a hard copy version of the complaint.

ii) LEADR advised the Respondent that it had received a complaint by email and sent a dispute notification letter and copy of the complaint to the Respondent, by Express Post.

iii) LEADR sent copies of the dispute notification letter and complaint to MelbourneIT.

iv) LEADR advised the Australian Domain Name Administrator ("auDA") of the complaint by email.

4.3 On 6th November 2008 LEADR contacted the Respondent by phone to confirm that it had received the complaint sent on 3rd November.

4.4 On 7th November 2008 MelbourneIT confirmed to LEADR that the website had been locked.

4.5 On or before 24th November 2008, LEADR received a response from the Respondent, dated 22nd November 2008.

4.6 On 24th November 2008:

i) LEADR contacted the panelist.

ii) The panelist confirmed to LEADR: his availability; his absence of known conflicts and his willingness to act as a single panelist in this matter.

4.7 On 27th November 2008:

i) LEADR posted the parties' submissions to the panelist and sent a Further Statement from the Complainant to him, electronically.

- ii) LEADR received a request from the Respondent to be allowed to provide its own Further Statement in Response to the Complainant's Further Statement.
 - iii) LEADR passed the request onto the panelist for a procedural ruling, by email.
- 4.8 On 28th November the panelist confirmed to LEADR that he was willing to exercise his discretion under auDA's Schedule B Rules, sections 10 and 12, and the Rules of Natural Justice and Procedural Fairness, to allow the Respondent until close of business on 3rd December to provide a Further Statement in Response, which he required to be limited to the issues contained in the Complainant's Further Statement.
- 4.9 On 3rd December 2008:
- i) LEADR received the Respondent's Further Submission.
 - ii) LEADR transmitted the Respondent's Further Submissions to the panelist, electronically.
 - iii) The panelist confirmed to LEADR that he was in possession of both parties' initial and further Submissions and Statements and was therefore finally in a position to commence his review and the determination process.

5. The Complainant's Case - Factual Background and Arguments

The dispute domain name is identical or confusingly similar to a name, trade mark or service in which the Complainant has rights:

- 5.1 On 2 July 1997 the Complainant:
- i) Obtained a 99 year lease to operate Perth Airport from the Federal Government.
 - ii) Obtained the registered business name "Perth Airport", previously held by the Federal Airports Corporation.
- 5.2 The Complainant is the sole operator of Perth Airport.
- 5.3 The Complainant owns Australian Trade Mark Application No. 1253734 for "Perth Airport".
- 5.4 The Complainant claims to own a common law trade mark in the name "Perth Airport" by virtue of the long-standing operation of Perth Airport.

The Respondent has no rights or legitimate interests in respect of the domain name:

- 5.5 The Respondent does not have the requisite rights or legitimate interests in the disputed domain name because: (a) it is not a geographical domain name of the type that became legitimately registrable following a change in auDA policy in 2005 which released previously reserved names to the public on a “first come first served” basis and, (b) it is not used by the Complainant (*Panelist’s note: I believe this reference was meant to refer to the Respondent*) in the same way it uses all of its other domains.
- 5.6 Perth airport is not a “geographical region”, as defined.
- 5.7 The allocation of a discreet postcode to Perth airport in itself does not establish its status as a geographical region.
- 5.8 The Complainant does not challenge the validity of the Respondent’s registration of the disputed domain, it relies rather on the assertion that the disputed domain has been used in bad faith.

The Respondent has no connection with the Perth airport or with the Complainant:

- 5.9 The Respondent is based in Sydney and has no connection whatsoever with either Perth airport, or with the Complainant.
- 5.10 The majority of major airports in Australia have their own domains in the style of the disputed domain name.

The Respondent is misrepresenting that it has a connection with the Perth Airport:

- 5.11 The Respondent falsely represents its website to the public as being the official Perth Airport website by virtue of the public’s interpretation and perception of the domain name itself, with reference to the domain names of other airports.
- 5.12 The Respondent represents its website as being the official Perth Airport website by designing it to look and feel like an “official” airport website.
- 5.13 The Disclaimer on the third (ie: current) website provides the only indication that it is not an official airport website. There is no link provided to the official Perth Airport website within the Respondent’s website and it is asserted that the disclaimer is indistinct and inadequate.

The domain name was registered or is being used in bad faith:

- 5.14 The Complainant relies only on the fact that the Respondent has *used* the domain name in bad faith within the meaning of section 4(a)(iii) of the policy.
- 5.15 The Respondent registered the domain perthairport.com.au on 19 November 2005.

Until February 2007 it contained only generic GeoDomains content.

The Complainant sent a letter of demand to the Respondent in February 2007.

Shortly thereafter the Respondent started a second (ie: revised) website at the domain.

On 7th March 2007 there was a telephone conversation between the Complainant's legal representatives and the Respondent.

The Complainant's legal representative enquired whether the Respondent was intending to sell the domain to the Complainant. The Respondent denied this to be the case, as it was against auDA rules to do so.

On 28th March 2007 there was a telephone conversation between David Price, the Complainant's company secretary, and the Respondent. The Respondent offered to allow the Complainant to "access" the domain for a fee of \$2,000.00 per month, in perpetuity.

In June 2008 the Respondent offered to sell the domain name to the Complainant for \$2 million.

In July 2008 a third web site was started at the same domain. Like the second website, it was designed to look like an official airport website.

- 5.16 It is argued that the changes to the websites (versions 2 and 3), after receipt of the Complainant's letter of demand, were designed to confuse consumers into believing they had accessed an official website and thereby extract a higher price from the Complainant for the purchase of the domain. It is also noted that the content in the disputed domain is quite different to the content of all other Respondent domains. It is asserted that all of these items constitute bad faith under 4(a)(iii) of the policy.

Attracting internet users for commercial gain by creating a likelihood of confusion.

- 5.17 As an alternative argument, paragraph 4(b)(iv) of the Policy defines, with reference to 4(a)(iii) of the Policy, "evidence of the registration and use of a domain in bad faith" as:

4(b)(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".

- 5.18 The Respondent's second and third websites contain links to various businesses by way of advertising. These are evidently designed to produce commercial gains for the Respondent. It is alleged that the Respondent represented to the public that the advertisers were endorsed and/or recommended by the operator

of Perth Airport for purposes of directing business towards these advertisers, expecting that they would, in turn, continue to pay fees or commissions to the Respondent.

5.19 Until they were removed, the Respondent's websites also contained unauthorized reproductions of the logos of various Western Australian government departments. It is alleged that they were placed prominently on the site to add to the impression that it was an official site (Annexure 15).

5.20 The disclaimer on the third website which indicates that the site is not an "official" site is presented in a very small font at the bottom of the homepage and is far less prominent than all of the other indicators of the site's status.

Offering to sell the domain name for an inflated price.

5.21 On 11th June 2008 the Respondent offered to sell the domain to the Complainant for \$2 million. This confirms that the Respondent had no legitimate interest in the domain. It is alleged that after this offer was rejected the website was altered to increase consumer confusion in order to place additional pressure on the Complainant to purchase the domain.

Offering rights to the domain name to third parties.

5.22 The Respondent's continuing offers to the public of sub-domains and free emails associated with the domain name are consistent with the original use of the domain, and with the Respondent's general business model for "community domains". In the wholly different context associated with the disputed domain, it is alleged this provides further evidence of bad faith.

Remedy Sought

5.23 Transfer of the domain: <perthairport.com.au> to the Complainant.

6. The Respondent's Case - Factual Background and Arguments

6.1 There is no basis for transferring the domain to the Complainant as it forms part of the ordinary business of the Respondent.

6.2 The Respondent's legitimate right to use the disputed domain does not rely on the fact that Perth airport is a *geographic area*. It is based on the idea that a *geographically descriptive* term may be incorporated in a domain name and then used in a manner that is appropriate to the description. Thus, it is an acceptable use of a domain to provide bona fide offerings of goods and services connected with the place described in the website.

- 6.3 The Respondent's offer of personalized e-mails and third level domains reflects the interest of many Internet users to be legitimately associated with places of interest in Australia.
- 6.4 The manner in which the Respondent has used the disputed domain is allowed under the principle of "nominative fair use", which permits names, and even trademarks to be used by others provided they are only used for purposes of description.
- 6.5 The Respondent has placed an appropriate disclaimer on the site and has never overtly represented itself as being the official Perth airport site.
- 6.6 The modifications to the website do not indicate any bad faith intent, rather they were sensitive and rational responses to the Complainant's demands.
- 6.7 The Respondent's offer to sell the domain to the Complainant was made in response to the Complainant's counsel's enquiry as to whether the domain was for sale. The Respondent did not initiate this discussion. It cannot, therefore, be taken as evidence of a lack of good faith. The original enquiry was rejected as it was against current auDA policy to sell .com.au domains. When this policy changed on 1st June 2008 the original enquiry was reinstated and followed up.
- 6.8 Respondent purchased its geographic domain name portfolio in 2005 at a cost of \$315,810 through participation in the auDA commercial geographic names ballot. This was a legitimate, open and public auction process.
- 6.9 Initially, the site was operated in the same way as other GeoDomains sites.
- 6.10 When the Respondent received the Complainant's cease and desist demand in February 2007 it immediately terminated its third level offerings and changed the site's content - as a direct response designed to avoid escalation of a dispute.
- 6.11 Accepted - the disputed domain website is different to all other Respondent websites.
- 6.12 The Respondent has made various attempts to discuss and negotiate with the Complainant, but has generally not received any constructive responses.
- 6.13 The Respondent did not have any original intention to sell the disputed domain to the Complainant, or to anyone else. It was purchased to form part of its portfolio of around 300 domains, all of which were based on geographically descriptive content.
- 6.14 After a change in auDA policy on 1st June 2008, which allowed the sale of domain names, the Respondent contacted the Complainant to progress their earlier conversation, which had been commenced by the Complainant, re the possible sale of the domain. This did not result in a deal.

Bases for Respondent to retain the disputed domain

Complainant's trademark and the disputed domain are not identical or confusingly similar.

6.15 The Respondent does not take a position on whether or not the Complainant's trade mark is enforceable.

Respondent has rights and a legitimate interest in the disputed domain.

6.16 Perth Airport is a geographically descriptive term and it doesn't matter whether or not the term refers to a geographic region. It is entirely legitimate to use geographically descriptive terms in domains and websites.

6.17 The original use of the domain for free emails and third level sub-domains was consistent with the Respondent's normal business model, covering some 300 geographically descriptive domains. This is supported by the listings on its website.

6.18 The second and third changes to the Respondent's websites were a direct response to the Complainant's formal cease and desist demand and should not be taken to indicate any admission of bad faith, guilt or wrongdoing.

6.19 The Respondent's use of the disputed domain to offer bona fide goods and services establishes its legitimate interest in the domain name.

6.20 The Respondent placed a disclaimer on the website before this dispute commenced. It does not overtly state, anywhere on the website, that it is the official website of Perth Airport.

Respondent's use of the disputed domain for a website about Perth Airport constitutes a nominative fair use under the Policy.

6.21 The Respondent is using the website to describe service offerings in a clear and fair manner. There is no evidence of any attempt to deceive consumers. It is entirely legitimate, under the nominative fair use principle, to use descriptions and trademarks to fairly describe goods and services marketed by a third party.

6.22 The Respondent has honestly described the services it offers in a non-confusing manner, which establishes its good faith use of the domain name.

The dispute domain was not registered, nor is it being used in bad faith.

6.23 There is no evidence led that the disputed domain was registered, or has ever been operated, in bad faith. As the onus is on the Complainant to prove its case, this part of the claim should be dismissed.

7. Complainant's Further Statement.

Perth Airport as a geographically descriptive term.

7.1 Rejects the Respondent's defence that the combination of a geographic location with a generic description produces a "geographically descriptive term" if the domain name clearly refers to a specific and uniquely identifiable facility.

Good faith changes to the website.

7.2 Rejects the Respondent's defence that changes to the websites were either adequate or appropriate in response to the cease and desist demand. Notes that the Respondent does not explain why it changed the websites the way it did.

The disclaimer argument.

7.3 Rejects the Respondent's defence regarding the adequacy of the disclaimer notice on the third website and notes the absence of a disclaimer on the second website, which was launched after receipt of the cease and desist demand.

The manchesterairport.com argument

7.4 Notes various conflicting decisions and the non-binding nature of precedent in domain name disputes. Requests a decision based on the inherent merits of this case.

The nominative fair use argument.

7.5 Quotes *Oki Data Americas v. ASD* (WIPO) as an authority re the sale of authorised goods using a domain that incorporates the manufacturer's trade mark. The case places various requirements on the domain holder to establish the legitimacy of its actions.

8. Respondent's Further Statement

The Perth Airport as a geographically descriptive term.

8.1 Secondary meaning of the term "Perth Airport" is not relevant because there is no argument over the ownership or use of the Complainant's trademark.

Good faith changes to the website.

8.2 Asserts that the changes made by the Respondent related to third party use of the domain. The bona fide use of the domain has already been argued in the Respondent's initial submission.

The disclaimer argument.

8.3 Accepts there was no disclaimer on versions 1 and 2 of the website, but notes its presence on the current version and its inclusion there before this complaint was officially raised.

The manchesterairport.com argument

8.4 Argues that the Complainant's quoted cases (Aberdeen Airport and Sydney Airport) actually support the Respondent's case as they indicate that legitimate interests will usually exist when a domain holder makes bona fide commercial use of a domain to offer goods and services. The Respondent's use of the domain and website was consistent with its use of many other domains. This confirms the absence of bad faith dealings in this case.

8.5 Notes that the Manchester Airport case remains on point – a legitimate interest in a domain is established where there is a bona fide offering of goods and services.

9. Decision, with brief reasons

9.1 The parties have both prepared and presented comprehensive arguments through competent counsel, backed by impressively long lists of precedents.

9.2 The basic facts of the matter are not in dispute.

9.3 There is fundamental disagreement over the intentions of the Respondent, and how this translates into good or bad faith dealings with the disputed domain.

9.4 In its Further Statement, at paragraph 13, the Complainant requests that I make my decision on the merits of this dispute.

9.5 The essential issue is whether the Complainant has proved that the Respondent has failed all three tests contained in section 4(a) of Schedule A of the auDRP (quoted in full at 3.3 above):

Question 1: Per 4(a) (i) - is the domain name identical or confusingly similar to a name, trademark or service mark in which the Complainant has rights?

9.6 **I find** that the name: "perthairport.com.au" is clearly "identical or confusingly similar" to the name, the trade mark and the service mark in which the Complainant has rights.

9.7 I base my finding on the plain facts and on a view that any reasonable person would consider "perthairport" to be confusingly similar to "Perth Airport".

9.8 I am not persuaded that the extensive arguments raised regarding geographical descriptions carry much weight on this issue.

Question 2: Per 4(a) (ii) – has the Complainant established that the Respondent has no rights or legitimate interests in respect of the domain name?

- 9.9 **I find** that the Complainant has failed to prove that the Respondent lacks rights or legitimate interests in respect of the domain name.
- 9.10 The Respondent produced evidence demonstrating that he acquired the right to use the disputed domain, for valuable consideration, in an officially sanctioned and open ballot, conducted in 2005. It was not contended by the Complainant that the then operator of Perth Airport – the Federal Airports Corporation – was in any way prevented from competing in the open ballot to acquire rights to use the domain name at that time. Prima facie, the Respondent acquired full licensee rights over the disputed domain at that time by competing, winning and paying for it in an open, and officially sanctioned marketplace.
- 9.11 From a review of the evidence presented and an internet visit made to the Respondent’s current Geo Domains website, I have confirmed to my satisfaction that the Respondent operates a sophisticated, internet-based business that obtains commercial returns by leveraging the sale of goods and services from a large number of geographically-based websites (approximately 300).
- 9.12 All of these domains are geographically focussed, insofar as they relate to specific and recognisable locations, which in some cases (as here) are also specific facilities (eg: Port Adelaide). I accept that perthairport.com.au is reasonably consistent in name and nature to some of these other domains, although I did not find any other domain being used in the same way as the disputed domain. This lends extra weight to the view that the domain was acquired for legitimate business purposes, that it was intended to be operated, and that it was initially operated, in accordance with a business model that has been rolled out over a large number of domains.
- 9.13 The fact that a domain becomes worth more than its original purchase price is a factor of perceptions and market forces, and is subject to all the usual vagaries of business risk. The protection of name, reputation and commercial property (eg: trade marks) is already adequately covered by developed civil laws in all mature jurisdictions. It is not the main purpose of the domain name dispute resolution process to provide parties with additional protection.

Question 3: Per 4(a) (iii) – has the Respondent registered or subsequently used its domain name in bad faith?

- 9.14 **I find** that the Complainant has not proved that the Respondent *registered* the disputed domain in bad faith.
- 9.15 **However, I do find** that the Respondent has subsequently *used* the disputed domain in bad faith, as defined by paragraph 4(b) (iv) of the auDRP.

- 9.16 The reasons for my first finding in this section are largely the same as for Question 2 (9.10 to 9.13) and are not repeated. I have not been persuaded that there is any valid evidence of “cyber-squatting”, or other bad faith intent, upon the original registration of the disputed domain.
- 9.17 I accept the Complainant’s assertions that the current website has been consciously designed to emulate an “official” airport website and that when consumers arrive at the website they are likely to be confused “as to the source, sponsorship, affiliation or endorsement of that website or location or of a product or service on that website or location”. I accept that, as a direct consequence, the current disclaimer should be more prominent to prevent reasonable visitors from being confused on this point.
- 9.18 I also accept that “by using the domain name (the Respondent has) intentionally attempted to attract, for commercial gain, Internet users to a website or other online location, by creating a likelihood of confusion with the complainant’s name or mark as to the source, sponsorship, affiliation or endorsement of that website or location or of a product or service on that website or location”.

10. Remedies Requested

- 10.1 In accordance with 4(i) of the Policy, the Complainant requests a decision that transfers the domain to the Complainant.
- 10.2 The Respondent requests that the domain not be transferred.
- 10.3 I find, for the reasons given above, that the Complainant has succeeded on only two of the three required arguments and accordingly, in compliance with auDA policies, I deny the request to order the transfer of the disputed domain from the Respondent to the Complainant.



Jon Kenfield
Panelist
17th December 2008