

.nz Dispute Resolution Service

DRS Reference: 257

COMPAGNIE GERVAIS DANONE v Triple Eight Holdings Limited

Key words –

Domain name www.danone.co.nz ("the Domain Name")

Identical or similar trade mark or name - Registered mark – trade name – identical

Unfair registration- Unfair registration – unfair use – likely to confuse, mislead or deceive – respondent having no connection with name or trade mark

1. Parties

Complainant:

COMPAGNIE GERVAIS DANONE
17, Boulevard HAUSSMANN
Postal code: 75009
Paris
France

Respondent:

Triple Eight Holdings Limited
P O Box 8990
Symonds Street
Auckland
NZ (NEW ZEALAND)

2. Domain Name/s

danone.co.nz ("the Domain Name")

3. Procedural history

The Complaint was lodged on 28/01/2008 and InternetNZ, through the Office of the Domain Name Commissioner, notified the Respondent of the validated Complaint on 31/01/2008. The domain/s were locked on 28/01/2008, preventing any changes to the record until the conclusion of these proceedings.

The Respondent filed a Response to the Complaint on 20/02/2008 and InternetNZ so informed the Complainant on 20/02/2008. The Complainant filed a Reply to the Response on 3/03/2008. InternetNZ informed the parties on 18/03/2008 that informal mediation had failed to achieve a resolution to the dispute.

The Complainant paid InternetNZ the appropriate fee on 27/03/2008 for a decision of an Expert, pursuant to Paragraph 9 of the InternetNZ Dispute Resolution Service Policy (“the Policy”).

Mr Andrew Brown QC, the undersigned, (“the Expert”) confirmed to InternetNZ on 28/03/2008 that he knew of no reason why he could not properly accept the invitation to act as expert in this case and that he knew of no matters which ought to be drawn to the attention of the parties, which might appear to call into question his independence and/or impartiality.

4. Factual Background

- 4.1. The information provided in the Complaint discloses that the Complainant – Compagnie Gervais Danone – is a company based in France and is a subsidiary of Groupe Danone. The Complainant is a worldwide company and asserts that it is a leader in fresh dairy products. It currently employs 89,499 people throughout the world.
- 4.2. The Complainant’s trade mark DANONE originated around 1919 in Barcelona, Spain, where it was launched for yoghurts. The DANONE mark quickly internationalised and has, since then, developed into a worldwide brand and company. The Complainant claims that its trade mark DANONE is also the world’s top brand for fresh dairy products and represents almost 20% of the international market and is present in 40 countries worldwide.
- 4.3. The Complainant’s trade mark, DANONE, has also been used on the labelling, packaging and promotional literature for its products and has been prominently displayed in supermarkets and grocery stores in various regions around the world.
- 4.4. The Complainant has a number of trade mark registrations internationally for the DANONE trade mark and has registered the trade mark on New Zealand’s trade mark register. The New Zealand registrations include the following:

MARK	No.	APPLICATION DATE	CLASS	SPECIFICATION
DANONE	254971	20 Oct 1995	29	Milk and milk products including milk desserts, yoghurts, cream, cheese, fresh cheese, cottage cheese; meat, fish, ham, poultry, game, delicatessen; preserved, dried and cooked fruits and vegetables, jam and jelly, soup, stewed fruits; canned food partially or wholly made of meat, fish, ham, poultry, game,

				delicatessen; preserved, dried, cooked, frozen or canned ready dishes, partially or wholly made of the aforesaid products; frozen milk products.
DANONE	302272	3 Dec 1998	35	marketing, advertising and promotional services relating to business; acquisition of companies; industrial planning and reorganisation; commercial and business research and development; accountancy; business advice; business administration and planning; business assistance and consultancy services; provision of commercial information; commercial or industrial management assistance, advisory, consultancy and information services in respect of all the aforementioned services
			41	educational services, namely animal training, organisation of examinations or competitions, school education, university education, professional education, professional trainings, correspondence courses, book, newspaper or magazine publishing; miscellaneous recreation services, namely organisation of shows, organisation and management of leisure parks, televised shows and games, radio shows and games, film showings, circus entertainment, plays, public entertainment, concerts, music-halls, variety performances; services organising games of chance, namely casinos, gaming rooms
DANONE	720475	26 Oct 2004	29	Meat, fish, ham, poultry, game, cut meats in particular for appetizers; dried, preserved and/or cooked fruit and vegetables, stewed fruit; jam, fruit purees, jelly; soups; canned food essentially made of meat, of fish, of ham, of poultry and/or of game; prepared, dried, cooked, canned, frozen dishes,

				essentially made of meat, of fish, of ham, of poultry and/or of game; sweet or savoury appetizers made of fruits or vegetables such as potato, flavoured or natural potato chips, dried fruit mix and all prepared oleaginous nuts such as peanuts and cashew nuts, all oleaginous products, particularly prepared nuts, hazelnuts and nuts such as peanuts, cashew nuts, mini cooked meats as appetizers; milk, milk powder, gelled, flavoured and whipped milk; milk products, namely: milky desserts, yoghurts, yoghurt drinks, mousses, creams, dessert creams, fresh cream, butter, cheese spreads, cheeses, ripened cheeses, ripened cheeses with mould, unmatured fresh cheeses and cheeses in brine, cottage cheese, fresh cheeses sold either liquid or in paste, plain or flavoured beverages composed mainly of milk or milk products, milky beverages mainly made of milk, milky beverages comprising fruit; fermented plain or flavoured milky products.
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- 4.5. The Domain Name danone.co.nz was registered on 20 February 2007. The Respondent is shown as the administrative contact name for the Domain Name.
- 4.6. After the Complainant became aware of the Respondent's use of the disputed Domain Name, the Complainant's representative contacted the Respondent by email on 19 April 2007. The email attached a letter addressed to the registrar of the Domain Name at P O Box 1520, Christchurch Mail Centre, Canterbury, New Zealand. In that letter, the Complainant's representative asserted that its client is a worldwide leading company in fresh dairy products. The Complainant owned a number of trade marks around the world which are very well known, especially in the field of food products. It owned, particularly, the trade mark DANONE which is "protected throughout the world".
- 4.7. The letter went on to state that the (the Complainant) was aware that the Respondent was using the Domain Name danone.co.nz and that the Domain Name incorporated the Complainant's trade mark DANONE in its entirety. The Complainant's representative stated that this behaviour constitutes an "infringement to the Trademark Act (sic),

which prohibits reproduction, use or affixing of a mark without the authorisation of the owner of the registration". The letter further stated that the Complainant was, however, prepared to find an amicable settlement provided that the Respondent:

- Immediately ceased using the Domain Name and proceeded to cancel it;
- Agreed not to use the mark DANONE in the future; and
- Assumed the costs in relation to this matter.

4.8. The Respondent replied by way of email dated 21 April 2007. The Respondent, by Mr Alec McGifford, stated that he was not aware of the Complainant or of the Complainant's trade marks. The Respondent also stated that it had a specific purpose for its Domain Name.

4.9. The Respondent requested that the Complainant provide confirmation of its trade mark and further stated that following an extensive search of the Complainant's marks, the Complainant's "threats are in relation to a capitalised version of their name/brand".

4.10. The Respondent went on to note that:

"if there is any breach [the Respondent] can hand over the non-capitalised domain name for what [the Respondent] paid for it and a few extra dollars for [the Complainant] writing such a palaver. A nominal fee, and considering same, if it was so valuable why did your client not already have it registered?"

4.11. The Respondent noted that they had temporarily removed the URL redirection that was previously put in place on the Domain Name as a sign of good faith.

4.12. The Respondent ended its response to Danone's email by stating:

"in initial summary, send [the Respondent] further emails with such a threatening nature again and you might as well start so called proceeding(s) and then you can ask your client about the damage to branding. The New Zealand [Nouvelle Zélande] media whose standards of journalism are extremely poor can then write about how some lawyer writes to a small time firm here in New Zealand threatening them about some so-called breach of trademarks."

4.13. A further email was sent by the Complainant's representative on 23 May 2007 in response to the Respondent's email. This acknowledged the receipt of the Respondent's email dated 21 April 2007. The Complainant went on to state:

“Concerning the registration of <danone.co.nz>, we do not question your good faith and we are grateful that you replied so soon to the cease and desist letter we have sent to you.

Moreover, we took note of its contents and we can propose the sum of [US]\$50 to cover the fees of the registration your assumed (sic). Nevertheless we have to inform you that “Danone” owns several trade marks registered in New Zealand (See the database of Intellectual Property Office of New Zealand.)”

5. PARTIES’ CONTENTIONS

A. Complainant

- 5.1. The Complainant seeks the transfer of the Domain Name in that:
- (a) The Complainant has rights in respect of a name or mark that is identical or similar to the Domain Name. In particular, the Complainant points to the following:
 - (i) The Complainant’s trade mark registration globally and in New Zealand and annexed, as exhibits 5 and 6, copies of these registrations.
 - (ii) The Respondent’s Domain Name reproduces “precisely and entirely” the trade mark DANONE.
 - (iii) The trade mark DANONE is clearly identifiable in the disputed Domain Name.
 - (iv) That it is well established that, when considering the similarity between the trade marks and the Domain Name in question, the .co.nz suffix should not be taken into account as it denotes the country code and is descriptive. It is necessary for the registration of the Domain Name itself.
 - (v) The Complainant also submits the Respondent’s Domain Name, danone.co.nz, is an “obvious infringement of the Complainant’s trademark DANONE” and, complying with paragraph 4.1.1 of the Dispute Resolution Service Policy (the “**Policy**”), “it is clearly and undoubtedly established that the Complainant has rights in respect of the name or mark which is similar to the Domain Name”.
 - (b) The Complainant submits that the following grounds establish, under paragraph 4.1.2 of the Policy, that the Domain Name, in the hands of the Respondent is an unfair registration. Specifically,

the Complainant submits that the Domain Name has been registered and is being used in bad faith as:

- (i) The Respondent is not affiliated with Complainant in any way, and it has not been authorised to use and register the Complainant's trade marks, or to seek the registration of any Domain Name incorporating the Complainant's marks.
- (ii) The Respondent is not known under the name DANONE or any similar term.
- (iii) The Complainant noted that the Domain Name initially directed to a web page under construction. A print out of the web site was annexed as exhibit 7 to the Complaint. The Complainant submits further that it noted the Domain Name was still under construction several months later and that the Respondent had added to the web page the sentence "Do A Number, ONE, coming soon". A print out of the website evidencing this is annexed to the Complaint as exhibit 8.
- (iv) The Complainant submits that the Respondent was, by this, seeking to "justify a legitimate interest regarding the lack of use of this Domain Name" in that it sought to use the words "Do A Number, ONE, as justification for the registration. The Complainant contends that this is clearly evidence of bad faith.
- (v) The Domain Name danone.co.nz is similar to that of the Complainant's trade mark and, in relation to the use of the Domain Name, the Respondent "could not reasonably pretend to develop a legitimate activity here".
- (vi) It is unlikely that a registration of danone.co.nz was a coincidence.
- (vii) The Complainant is a well known firm worldwide and that DANONE is both a well known trade mark and is used as the Complainant's "trade name".
- (viii) A search of Google or any other research engine using the key word DANONE "demonstrates that all first results relate to the Complainant's products or news". A copy of a Google search was annexed as exhibit 9 to the Complaint.
- (ix) The Complainant's parent, Groupe Danone, is famous in the Asia-Pacific region and particularly in New Zealand due to its local subsidiary Frucor, which is the market leader in energy drinks throughout Australasia and through Griffins, which is the leading biscuit company in New Zealand.

- (x) The Complainant also submits that a finding of bad faith can be made where the Respondent “knew or should have known” of the Complainant’s trade mark rights, and nevertheless registered a Domain Name incorporating these marks, in circumstances where the Respondent itself had no rights or legitimate interest. The Complainant relied here on *Myer Stores Limited v Mr David John Singh* WIPO Case No. D2001-0763. A copy of this case has been annexed as exhibit 11 to the Complaint.
- (xi) The Complainant also submits that, although the Respondent answered the Complainant’s first email the Respondent failed to reply to the Complainant’s settlement proposal of US\$50. A copy of this email is annexed as exhibit 12 to the Complainant’s Complaint.
- (xii) The Complainant finally submits that the Respondent threatened to denigrate its trade mark and its trade name.

B Respondent

5.2. The Respondent did not refer to the Dispute Resolution Service Policy in its response. The Respondent has, however, made the following submissions:

- (i) That it is “legally entitled” to retain ownership of the Domain Name as it has a “specific purpose for it”.
- (ii) That it has not breached the Complainant’s trade mark.
- (iii) That communications from the Complainant after the initial letters of 19 and 21 April 2007 may not have been addressed correctly and/or went via spam.
- (iv) That it is “determined to keep the Domain Name” and it seeks to continue with its intended purpose, as outlined below:
 - The word DANONE is a “part acronym” that specifically means “Do A Number, ONE”;
 - It is to form part of a “self development programme” that the Respondent is designing and will complement other Domain Names that the Respondent owns, namely:
 - www.affirmations.co.nz
 - www.goalsetting.co.nz
 - www.21days.co.nz
 - www.8020.co.nz
 - www.achievement.co.nz

- www.clutter.co.nz
 - The “part acronym” “Do A Number, ONE” has been chosen by the Respondent for the following reason:

“People often have bad habits, i.e. eating another serving of food when there is no need but purely because it is there, or having an additional glass of wine which often leads to another. Teaching people the restraint for betterment is the goal here, complemented by similar standards with the other domain names.”
 - It intends to use the internet to market its self development programme.
- (v) The Respondent submits that it did not try to infringe the Complainant’s trade marks. The Respondent distinguishes between its and the Complainant’s marks. The Respondent submits that its Domain Name is in lower case, and its logo, which it has uploaded is “vastly different” from the Complainant’s trade marks. The Respondent also submits that any marketing or reference to its Domain Name in the future would only be done by using the name in lower case with the Respondent’s logo.
- (vi) The Respondent removed the URL redirection that was previously on the website in good faith. Prior to this, the Respondent had on the Domain Name a URL redirection to one of the Respondent’s associate sites which had advertising on it.
- (vii) The Respondent submitted that it was reluctant to put its logo up on this site until it was ready for final development.
- (viii) The Respondent submits that two names “certainly was not a coincidence, as they are (sic) two totally different meanings”.
- (ix) The Complainant’s contention that the Respondent “pretended to develop a legitimate activity is preposterous”.
- (x) The Respondent strongly refutes the Complainant’s contention that it “knew or should have known” of the Complainant’s trade mark right. The Respondent submits that the Complainant trades under a different name in New Zealand - “Fruco beverages” and that the Complainant’s acquisition of this company “was over five years ago”.
- (xi) The Respondent further questions why did the Complainant not purchase the Domain Name upon acquiring its New Zealand

subsidiary. Furthermore, the Respondent questions why it had taken 9 months to file a Complaint against the Respondent.

- (xii) In relation to the Complainant's offer of compensation of USD\$50 the Respondent states that:

"if [the Respondent] is not legally entitled to the domain name perhaps [the Complainant] could reimburse [the Respondent] for registration costs and a little more for wasting [the Respondent's] time".

In relation to the Complainant's submissions of bad faith the Respondent replies that:

"\$50USD is a fairly poor effort especially after being alerted to the fact that [the Complainant] is a multi billion dollar company and of course it will be a fraction of [the Complainant's solicitor's] hourly rate, hence [the Complainant's solicitor's] subsequent correspondence to us either; a) went to spam, or b) it was ignored due to content".

- (xiii) To conclude its submission, the Respondent stated that it sought to keep the Domain Name as it is important to the Respondent and the Respondent's long term plans. The Respondent, however, submitted that:

"At the end of the day, [the Respondent] could possibly phase it out and try another option, but of course that will involve further costs to [the Respondent] of our graphic design and web people. And of course another cost consideration, is that [the Respondent] will have to do trademark checks on any new ideas".

C Complainant's reply

5.3. The Complainant responded on 26 February 2008.

- (i) In relation to the Respondent's submission that the disputed name is a part acronym the Complainant states that it disagrees with this "since the acronym for said expression is DANO and not DANONE."
- (ii) The Complainant further contends that it has not found any evidence showing that the expression "Do A Number, ONE" is used "when one wants to help someone to quit a bad habit or to restrain themselves. However, the said expression that is commonly used to mean 'urinate'".

- (iii) The Complainant relies on two exhibits annexed to its reply which state that “Do A Number, One” is a euphemism for “to urinate”. The Complainant submits that such an expression is obviously not flattering when used in connection with the trade mark DANONE. The annexed exhibits are from *wiktionary.com* and *allwords.com*.
- (iv) The Complainant has no issue with the Respondent’s self development programme per se, but rather the use by the Respondent of the Complainant’s “well known trademarks”. Furthermore, the Complainant contends that it is possible for the Respondent to register a Domain Name not reproducing or imitating its client’s trade mark to mark the Respondent’s programme on the internet.
- (v) In relation to the Respondent’s submission that its disputed Domain Name is not similar to the Complainant’s - as the Complainant’s registered trade mark is in capitals. The Complainant submits that its use of capitals was due to it seeking to make a difference between common names and trade marks. The Complainant submits that capitals are also commonly used to mention trade marks in a text. The Complainant submits further that any comparison between the marks has to be compared with the trade mark copies provided from its IPONZ trade mark search annexed to its initial Complaint.
- (vi) The Complainant contends that before filing a Complaint it sought an amicable settlement to resolve the dispute.
- (vii) In relation to the Respondent’s criticism of the Complainant’s US\$50 offer for the cancellation of the Respondent’s Domain Name since the Complainant is “a multi billion company” the Complainant contends that this:

“clearly expresses the will and determination to obtain very high financial gains by selling the domain name at a price far higher than the pocket expenses. Such behaviour demonstrates two things: the bad faith of [the] Respondent and the fact that the marketing of the ‘self development programme’ is probably an excuse for registering the domain name. We also think that the offer of \$50 was fair when it comes to a domain name that is obviously the reproduction, or for at least the imitation, of the well known trade mark DANONE”.

6. Discussion and Findings

- 6.1 The Expert finds that the Complainant clearly has rights in respect of the DANONE name and trade marks. The Complainant is the owner of

the DANONE trade mark in New Zealand and it also has internationally registered trade marks in the mark. The Expert is satisfied that the Complainant is also commonly known by the DANONE mark world wide.

- 6.2 The Expert is satisfied that the trade mark rights were established and existed prior to registration of the Domain Name on 20 February 2007. The Complainant's trade mark DANONE has been registered in New Zealand since October 1995.

Identical or similar

- 6.3 The Respondent's Domain Name is identical to the Complainant's trade mark registration. The level and country code identifiers (".co" and ".nz") are not taken into account when comparing similarity as they are an inevitable part of a domain name (*Mountain Buggy Trade Marks Limited v Campbell Gower* DRS 186). Furthermore, the registration of the word "DANONE" in capitals on the trade mark register in New Zealand does not mean that the trade mark rights in the name are restricted only to a capitalised version of the word. It is well-established law that a word mark covers all conceivable forms and typifies in which the word might be used including lower case.
- 6.4 Accordingly, pursuant to 4.1.1 of the Policy, the Expert finds the Domain Name to be identical to a mark in which the Complainant has rights in.

Unfair registration

- 6.5 Under rule 4.1.2 of the Policy, the Complainant must show, on the balance of probabilities that the Domain Name is an unfair registration in that it:
- (i) was registered or otherwise acquired in a manner which, at the time when the registration or acquisition took place, took unfair advantage of or was unfairly detrimental to the Complainant's Rights; or
 - (ii) has been, or is likely to be, used in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights.
- 6.6 The Policy provides, at paragraph 5, a series of non-exhaustive factors which may be evidence of an unfair registration. The Expert, after reviewing the submissions of the parties, makes the following findings.

Trade mark infringement

- 6.7 The Complainant's DANONE trade mark is registered in New Zealand inter alia for services in classes 35 and 41 which either cover or are similar to those on which the Respondent intends to use the website.
- 6.8 The Expert finds that there is a strong basis for the Complainant's assertion of trade mark infringement. This is because the Respondent's services and intended services appear to fall within "educational services", namely "...school education, professional trainings..." in the Complainant's class 41 or "consultancy services; ... advisory, consulting and information services in respect of all the aforementioned services" in the Complainant's class 35 registration.
- 6.9 Infringement of the Complainant's mark would clearly fall within the definition of Unfair Registration because the Respondent's use takes advantage of and is unfairly detrimental to the Complainant's Rights.

Para 5.1.2 of the Policy: Likely to confuse, mislead or deceive

- 6.10 This paragraph provides:
- "Circumstances demonstrating that the Respondent is using the Domain Name in a way which is likely to confuse, mislead or deceive people or businesses into believing that the Domain Name is registered to, operated or authorised by, or otherwise connected with the complainant.
- 6.11 The circumstances of the Respondent's present and intended use are such that members of the public encountering the Domain Name *danone.co.nz* are likely to be confused, misled or deceived into believing that they are going to the Complainant's website or a website that is associated or licensed by the Complainant.
- 6.11 It is well established that confusion, misleading or deception can arise where members of the public go into a business (or in this case visit a website) thinking it is connected with a trade mark owner – even though they might be disabused of their confusion after arrival. This is often known as initial interest confusion. The New Zealand Court of Appeal has accepted the applicability of initial interest confusion in cases of misleading or deception under of the Fair Trading Act (*Trust Bank Auckland Ltd v ASB Bank Ltd* (1989) 15 IPR 222, 226).

Bad Faith

- 6.12 One of the Complainant's assertions is that a finding of bad faith should be made as the Respondent knew or should have known of the Complainant's trade mark registration and/or use of its DANONE trade mark prior to registering the domain name.

- 6.13 “Bad faith” is a ground existing under the Uniform Dispute Resolution Policy (UDRP) for top level domain names. By contrast, the NZDRS policy uses the term “unfair registration” and does not specifically require or use the words “bad faith”. Further, the DRS policy differs from the UDRP in that Unfair Registration can either relate to initial registration of the domain name **or** to actual or likely use of the domain name (once registered).
- 6.14 Nonetheless, the list of factors which are contained in paragraph 5.1 as evidence of unfair registration are non-exhaustive. So it is open to the Complainant to rely on a bad faith allegation in relation to the initial registration or to bring this within the definition of “unfair registration” already outlined.
- 6.14 In relation to the Complainant’s contention of bad faith and in particular knowledge of its marks by the Respondent, a careful review of the Response shows that the Respondent does not specifically deny such knowledge. At the same time, the Respondent has itself chosen to provide an explanation for its choice of the domain name. It claims that “the name, as far as we are concerned, is a part acronym, specifically meaning “Do A Number, ONE” and that this is to form part of a self development programme that the applicant intends to design. (This is intended to teach people “the restraint for betterment”.)
- 6.15 The Respondent further submits that it has registered this Domain Name with other domain names so as to create an on-line self help programme. The other domain names which the Respondent has registered are as follows:
- www.affirmations.co.nz
 - www.goalsetting.co.nz
 - www.21days.co.nz
 - www.8020.co.nz
 - www.achievement.co.nz
 - www.clutter.co.nz
- 6.16 As invited by the Respondent, the Expert has reviewed, the websites listed above. All of the websites, with the exception of clutter.co.nz and danone.co.nz, have click through paid advertisement links. It is also noted that all of the websites, with the exception of 21days.co.nz and 8020.co.nz, are holding websites which state, for each website, that it is “another T8H concept coming soon.”
- 6.17 The Expert does not find the Respondent’s explanation credible for a number of reasons:
- (a) The Expert has not heard of a “part acronym”. Furthermore, if the Respondent was seeking to register an acronym here the domain name would be www.dano.co.nz or www.dan1.co.nz.

- (b) The saying “Do A Number, ONE” sounds far fetched in relation to the stated goal of a self development website. The Respondent has not provided any evidence or support for this strained suggestion. The Respondent has not produced any evidence of materials using those words or the “part acronym” for such a betterment course.

6.18 The Expert is satisfied that by allowing the Respondent to continue to use the website with the saying “Do A Number, ONE” on it, that this would be a use of a Domain Name which is unfairly detrimental to the Complainant’s rights. The saying “Do A Number, ONE” is often associated with the practice of urination. The Respondent, by using the Complainant’s well known mark and describing it as “part acronym” which has a derogatory common meaning would be to cause unfair detriment to the Complainant’s rights.

6.19 Accordingly, after reviewing the submissions of the parties, the Expert is satisfied that the Complainant, on the balance of probabilities, has demonstrated that the Respondent’s Domain Name is an unfair registration.

7. Decision

7.1 In view of the findings made in this decision, the expert directs that the Domain Name danone.co.nz be transferred to the Complainant.

Place of decision Auckland

Date 15 April 2008

Expert Name Mr Andrew Brown QC



Signature