.nz Dispute Resolution Service

DRS Reference: 172

NZ Aerial Mapping Limited v Terralink International Limited

Key words -

Identical or Similar Trademark or Name
Trade name – no registered trademark – one name generic, the other descriptive of Complainant.
Complainant commonly known by one name.

Rights
Complainant known by one name for 70 years – other name generic

Unfair Registration
Unfair use – likely to confuse, mislead or deceive-parties' competitors in specialised business

Procedure
Application to file non-standard submission refused – Parties wrongly referring to discussions at mediation. No exceptional need for further submission demonstrated.

1. Parties

Complainant:
NZ Aerial Mapping Limited
P O Box 6
Hastings (represented by Mr Mark Roberts)

Respondent:
Terralink International Limited
P O Box 2872
Wellington (represented by Mr Brett Mansell)

2. Domain Name/s

nzaerialmapping.co.nz
aerialmapping.co.nz ("the Domain Names")

3. Procedural history

The Complaint was lodged on 18/12/2006 and InternetNZ, through the Office of the Domain Name Commissioner, notified the Respondent of the validated Complaint on 21/12/2006. The domain/s were locked on 18/12/2006,

preventing any changes to the record until the conclusion of these proceedings.

The Respondent filed a Response to the Complaint on 18/01/2007 and InternetNZ so informed the Complainant on 18/01/2007. The Complainant filed a Reply to the Response on 31/01/2007. InternetNZ informed the parties on 9/03/2007 that informal mediation had failed to achieve a resolution to the dispute.

The Complainant paid InternetNZ the appropriate fee on 23/03/2007 for a decision of an Expert, pursuant to Paragraph 9 of the InternetNZ Dispute Resolution Service Policy ("the Policy").

The undersigned, The Honourable Sir Ian Barker, QC, on 26 March 2007, confirmed to InternetNZ that he knew of no matters which needed to be disclosed to the parties which might be of such a nature as to call into question his independence and impartiality. On 26 March 2007, Internet NZ appointed him as Expert to determine the domain name dispute between the parties in accordance with InternetNZ's Dispute Resolution Service policy and procedure.

On 26 March 2007, the Complainant indicated to InternetNZ that it wished to file a non-standard submission. In accordance with paragraph B 12.2 of the Policy, the Complainant gave a brief explanation as to why there was an exceptional need for a non-standard Submission. The explanation referred to matters which had transpired at the unsuccessful mediation held between the parties which preceded the appointment of the Expert. The Complainant also indicated that it proposed to file a more substantive claim in view of the failure of the mediation.

The Expert gave the Respondent two working days in which to respond to the Submission. The Respondent opposed the filing of the non-standard submission and gave its version of discussions at the mediation.

Neither party should mention matters raised at the mediation at any stage of the process before the Expert. Clause B 6.3 of the Policy is quite clear. Negotiations between the parties during informal mediation are confidential as between the parties, the mediator and the Domain Name Commissioner. The Parties should not have made any reference to matters discussed at the mediation. The Expert will endeavour to expunge these references from his mind and deal with the Complaint purely on the documentation supplied by the parties.

The Expert declined to allow the Complainant to file a non-standard submission. The reason offered for wishing to do so by the Complainant was unconvincing. The Parties should "get it right first time" and not file a half-strength application against the possibility of mediation failing and then follow up with a full-strength application. The Expert does not see the 'exceptional need' required by Rule B12.2 for the filing of a non-standard submission. Accordingly, the Expert has decided not to allow this further submission.

4. Factual background

Neither the Complaint nor the Response appears to have been prepared with the benefit of legal advice, despite both parties being substantial companies. Neither really addresses the sections of the Policy relevant to this Complaint. Nor are the facts stated with any degree of particularity.

The Complainant provided, as part of its case, a history of NZ Aerial Mapping Limited called "Piet's Eye in the Sky" by Jeff Conly; published in 1986. This book details the history of a company called NZ Aerial Mapping Limited which is not the same legal creature as the present Complainant.

A company called NZ Aerial Mapping Limited (NZAM) was incorporated in May 1936. The present company called NZ Aerial Mapping Limited ("the Complainant") changed its name from Hygrographics Limited on 20 October 2003 when it bought the business of NZAM. Presumably, NZAM no longer exists. The Complainant did not elucidate.

It seems clear from the history (and it is not really disputed) that since 1936 NZAM created a New Zealand-wide business in mapping the landscape from an aerial perspective, generally supplying aerial photography, survey, imagery, mapping and geospatial data. Its activities have extended to other parts of the world, including the Pacific Islands and Antarctica.

The Respondent is also a provider of aerial imagery in Australasia. It claims that its data imagery resources include 80% of the land area of New Zealand captured by high-resolution aerial imagery. It claims a substantial domestic and international customer-base. It is New Zealand-owned and operated. Through its predecessors, it claims over 100 years' experience in land information systems, special data and mapping. It was previously a State-owned enterprise before being sold to the private sector.

Clearly, the Parties are competitors in the very specialised field of aerial mapping and imagery. Their market shares are irrelevant for present purposes.

The Complainant operates a web site under <nzam.com>. The Disputed Domain Name, <nzaerialmapping.co.nz>, was registered on 7 January 2004 and the Disputed Domain Name <aerialmapping.co.nz> was registered on 8 June 2005.

The Complainant has no registered trademark. The meagre evidence supplied by it is hardly sufficient to establish a common law mark. See, for example, *Julian Barnes v Old Barnes Studios Limited* (WIPO Case D2001-0121 and *GAA plc v Bob Larkin,* WIPO Case D2004-0555).

5. Parties’ contentions

a. Complainant

The Complainant has gained its reputation, as a premium aerial sensing company in New Zealand since NZAM’s incorporation in 1936. Although the company currently using the name was not the same company as that incorporated in 1936, the Complainant purchased the business of NZAM. Whilst the name NZ Aerial Mapping Limited is modified by popular speech to several expressions, including NZAM, the Complainant acquired the name NZ Aerial Mapping when it bought NZAM. That name has acquired a secondary meaning that goes well beyond merely describing the company and the nature of its services. This fact makes the use of the domain names by the Respondent unfair.

The Complainant became aware of the Domain Name <nzaerialmapping.co.nz> after being informed by a client that it had been directed to the site of the Respondent which is one of its major competitors.

The Respondent is using the Domain Names in a way that is likely to confuse, mislead or deceive persons and businesses into believing that the Domain Names are registered or operated by or authorised or otherwise connected to the Complainant. Such use constitutes unfair trading practice on the part of the Respondent.

b. Respondent

The Respondent is the largest provider in the Australasian market of imagery resources. It employs some 60 aerial imagery and mapping-solutions specialists. It operates its own aircraft for most of its aerial mapping requirements, with the balance of its imagery acquisition being met by contractors. The Domain Names describe its core business. It does not purport in any way to be affiliated or associated with the Complainant.

The Domain Names are used by prospective clients looking for an aerial-imagery provider in New Zealand. The wording of the Domain Names is common usage in describing the industry and should not be allowed to be appropriated by a single entity. It is not fair for one entity to hold all the domain names relating to an industry, merely because that company has a name descriptive of the industry in general. Relevant potential customers will make considered decisions which is unlikely to be based simply on accessing a particular domain.

The Domain Names direct internet users to the Respondent’s home page which in no way creates the impression that it has any connection with the Complainant. The Complainant has no inherent right to own the

Domain Names as they are descriptive of the main function of the Respondent's core business which has been its and its governmental predecessor's core business for the past 100 years.

The Complainant has only recently claimed the right to use the Disputed Domain Names. It has traditionally traded as 'NZAM' for which it obtained a domain name with the top-level suffix of ".com". The Respondent should not be made to surrender the Domain Names because they are descriptive of the industry and fairly and accurately reflect its core business. The Domain Names are simply used to direct customers to the Respondent's website without indicating in any way that the Respondent is the same as the Complainant.

c. Complainant's Reply

The Complainant contests the relevance of the Respondent's comments regarding the size of the market. Even if the Respondent is the largest provider in the market, that does not give it the right to use a domain name that precisely names one of its competitors, on the basis that it bears some relevance to the industry. The Complainant contests the graph provided by the Respondent which indicated that it was a large private sector supplier because it is not clear what is actually being measured.

The Respondent also deals with satellite imagery and other products and it is impossible to determine the size and relevant proportion of its business which is multi-faceted aerial mapping is only one part.

The Complainant also owns a fleet of aircraft. It has performed aerial mapping for over 70 years. Although the current company known as NZ Aerial Mapping Limited is relatively new, the business has throughout its life been known as NZ Aerial Mapping Limited, despite changes of ownership. The business has retained the same logo, staff, aircraft, premises and equipment in common throughout.

The letters NZAM have often been used in documents and on the web sites but that fact does not detract from the fact that NZ Aerial Mapping Limited has always been used as the name for the business. When the web site was originally registered in 1997 as NZAM, it was considered that a short name would be preferable and that other web users would feel that NZ Aerial Mapping was too long and difficult to read and that punchy names were more appropriate.

There is no reason why somebody else should use the Complainant's name.

6. Discussion and findings

The first matter which the Complainant has to prove is that it has rights in respect of a domain name or trade mark which is identical or similar to the Domain Names. The definition of "rights" in the Policy is "*Rights includes but is not limited to rights enforceable under New Zealand law. However, the Complainant will be unable to rely on rights in an name or term which is wholly descriptive of the Complainant's business*".

In many cases, a complainant need point only to a trade mark registered in New Zealand or possibly in a foreign jurisdiction to prove the necessary rights. If there is no registered trade mark, then an unregistered trade mark, if proved, can be dispositive.

In cases under the UDRP decided by WIPO and NAF Panelists, a fairly high threshold for establishing a common law trade mark is required. Far more extensive evidence than the generalisations supplied by the Complainant in the present case would be required. In fact, one of the criteria described in a WIPO case is "*would the plaintiff succeed in a common law claim under the tort of 'passing off'*?" – See the *Julian Barnes case (cit.supra)*.

However, decisions under the English Nominet Policy show that the requirement to demonstrate rights is not a particularly high threshold test – See DRS 00248, *seiko-shop.co.uk* and DRS 00359, *parmaham.co.uk.* The English definition of "rights" is similar to that in the New Zealand Policy.

It is clear that the Complainant or its predecessor has traded as "NZ Aerial Mapping Ltd" since the company was founded in 1936. It has gained a reputation not only in New Zealand but elsewhere for aerial mapping and associated activities. Consequently, the Complainant has established a 'Right' under the Policy in respect of the Domain Name <nzaerialmapping.co.nz>.

The Complainant has "rights" only in respect of the Domain Name <nzaerialmapping.co.nz> and not in respect of the name <aerialmapping.co.nz>. This latter name is generic and could apply to any player in this specialised field.

From this point on, the decision will focus solely on the Domain Name <nzaerialmapping.co.nz>. The Complaint, as regards <aerialmapping.co.nz> has to be dismissed, since the Complainant has not established rights in that latter Domain Name.

The more difficult question is whether there is an "unfair registration" which is defined relevantly in the Policy as:

> "a domain name which either:
>
> (1) was registered or otherwise acquired in a manner which at the time when the registration took place took unfair advantage of or was unfairly detrimental to the Complainant's rights; or

(2) has been or is likely to be used in a manner which took unfair advantage of or was unduly detrimental to the Complainant's rights."

The Expert is forbidden by Clause 5.4 of the Policy to consider acts or omissions amounting to unfair registration which occurred more than three years before the date of filing of the Complaint (i.e. before 17 December 2006). The Expert must obviously take the Complainant's reputation and use of the name into account as well as its efforts to promote it over the years.

It is important to note that unfair registration is not the same as passing off or trade mark infringement (see the *seiko* and *parmaham* cases).

A non-exhaustive list of facts which may be evidence that a disputed domain name is an unfair registration is set out in paragraphs 5.1.1 to 5.1.5 of the Policy. The only one relevant here is para. 5.1.2 viz:

5.1.2 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…"

A non-exhaustive list of factors which may be evidence that the Domain Name is not an Unfair Registration is set out in Paras 6.1.1 to 6.1.4 of the Policy. The only possibly relevant provisions are:

6.1.1 Before being aware of the Complainant's cause for complaint (not necessarily the Complaint itself), the Respondent has:

(a) used or made demonstrable preparations to use the Domain Name or a Domain Name which is similar to the Domain Name in connection with a genuine offering of goods or services;

(b) been commonly known by the name or legitimately connected with a mark which is identical or similar to the Domain Name;

(c) made legitimate non-commercial or fair use of the Domain Name; or

6.1.2 The Domain Name is generic or descriptive and the Respondent is making fair use of it in a way which is consistent with its generic or descriptive character…"

These parties are competitors in a highly specialised field in which there must be very few players. Not only are they competitors, but also suppliers to and customers of one another. Those seeking to use aerial mapping services are likely to be fairly discerning. Before making a choice of provider, unlike the usual patron of a 'click-through' website seeking consumer goods, such

persons will weigh up the advantages and disadvantages of using one or other of a limited number of providers. However, the fact of a discerning market is no excuse for using the trading name of a competitor as a domain name.

Many of those visiting the websites of the parties will be aware of their history, the ongoing competition between them and the fact that they were once in a closer association than they appear now to have.

The Respondent must have known, before registering the Domain Name, that a company called NZ Aerial Mapping Limited had been in business for many years and had achieved a considerable reputation over that time in this specialised area. The Respondent has never been known as "NZ Aerial Mapping Ltd". The Domain Name <nzaerialmapping.co.nz> is descriptive of the Complainant. The letters 'nz' take the Domain Name <nzaerialmapping.co.nz> out of the generic category.

It is no answer for the Respondent to say that those visiting the Disputed Domain Name would be directed to the Respondent's website and that they are discerning customers. The sort of confusion that Clause 5.1.2 has in mind is implicit in the Domain Name itself. It is the use of the letters 'nz' before the generic term 'aerialmapping' that is what is special about the Domain Name. A disclaimer is not usually sufficient to dispel the inference of unfair registration. See DRS 00583 <club1830uncovered.co.uk> and WIPO D2000-0869 <esteelauder.net>.

The Respondent is a company carrying out aerial mapping in New Zealand. In this specialised market, the letters NZ in front of the words "aerial mapping", are the identifier which has been used by the Complainant for many years to market its aerial mapping services.

The Expert is prepared to infer that the Respondent's use of a name, which has for so long been associated with the Complainant, is likely to confuse, mislead or deceive internet users into believing that the Domain Name was registered to, operated or authorised by or otherwise connected with the Complainant. Accordingly, there is an unfair registration in terms of the Policy.

7. Decision

The decision, therefore, is that the Domain Name nzaerialmapping.co.nz should be transferred to the Complainant by the Respondent. The Disputed Domain Name aerialmapping.co.nz must remain with the Respondent.

Place of decision: Auckland

Date: **10 April 2007**

Expert Name: **Hon. Sir Ian Barker, QC**

Signature ______________________________