

## **.nz Dispute Resolution Service**

**DRS Reference: 423**

**Deacon Holdings Limited v SpecName**

Key words -

### **1. Parties**

Complainant:

Deacon Holdings Limited

G.J. Gardner Homes

Mr Peter Butler

19 Tarndale Grove

Albany

Auckland

New Zealand

Respondent:

SpecName

Main Office Tower

Financial Park Complex

Labuan

Malaysia

### **2. Domain Name/s**

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

### **3. Procedural history**

The Complaint was lodged on 17/08/2009 and Domain Name Commission (DNC), notified the Respondent of the validated Complaint on 20/08/2009. The domain/s were locked on 18/08/2009, preventing any changes to the record until the conclusion of these proceedings.

There was no response filed by the Respondent.

The Complainant paid Domain Name Commission Limited the appropriate fee on 15/09/2009 for a decision of an Expert, pursuant to Paragraph 9 of the .nz Dispute Resolution Service Policy ("the Policy").

Hon Barry Paterson QC, the undersigned, ("the Expert") confirmed to the DNC on 15/09/2009 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.

The Complaint when lodged showed the Complainant as "G.J. Gardner Homes". It appeared from the Complaint that this was a trade name and not an entity. Further, the Complainant did not adequately explain the rights which it allegedly had in the "mark" upon which it relied. A request for further information was made pursuant to paragraph B12.1 of the Policy. The Complainant was advised to take legal advice.

The additional information provided did not adequately address the name of the Complainant. It is apparent from the material provided that the actual complainant is Deacon Holdings Limited. The letter lodging the Complaint with DNC was on a letterhead of G.J. Gardner Homes but was signed on behalf of Deacon Holdings Limited, Master Franchisee for G.J. Gardner Homes New Zealand. The two alternatives available were to dismiss the Complaint without prejudice to the right of Deacon Holdings Limited to lodge a further complaint, or to treat the Complaint as being from Deacon Holdings Limited. Because of the letter which accompanied the Complaint and other information now provided, the Expert has determined that the Complaint will proceed in the name of Deacon Holdings Limited and will not be dismissed.

#### **4. Factual background**

The G.J. Gardner Homes franchisees have been trading in New Zealand for approximately 12 years and has operated the website [gjjardner.co.nz](http://gjjardner.co.nz) during that time. The group advertises extensively on television. The advertisements include a reference to its website. Its website states that it has franchisees in more than 25 areas throughout New Zealand. The G.J. Gardner Homes group claims to be New Zealand's leading group housing organisation and is a network of independently owned businesses where each franchise is locally owned and operated.

G.J. Gardner Homes originated in Australia in 1983 and the New Zealand franchise rights are held by Deacon Holdings Limited under a master New Zealand franchise agreement. The Australian franchisor is Netdeen Pty Limited.

The Domain Name is registered to SpecName whose address is given at Main Office, Tower Financial Park Complex, Labuan, Malaysia.

The Domain Name website has related searches to Houses for Sale, G.J. Gardener Homes new house plans and other services. There are related searches to [LittleBigBuilding.co.nz](http://LittleBigBuilding.co.nz), [SignatureHomes.co.nz](http://SignatureHomes.co.nz), [TheHouseco.nz](http://TheHouseco.nz) and [Generation.co.nz](http://Generation.co.nz), all competitors of the G.J. Gardner Homes group.

#### **5. Parties' contentions**

##### **a. Complainant**

The Complainant's position is that G.J. Gardner Homes has been trading using [gjjardner.co.nz](http://gjjardner.co.nz) for 12 years. The Respondent seeks to deliberately

attract web users, when web users incorrectly connect to the Respondent's website by erroneously and incorrectly typing into the computer the Domain Name instead of the Complainant's domain name. This is said to be a common occurrence by web users and non web users alike.

The Respondent advertises links which are in direct competition to the Complainant's business, namely for home building, house for plans, and for plans. There are then links to various other building organisations.

The Complainant says it does not want web users to be accidentally directed to the Domain Name when it does not represent the Complainant's business and promotes competitive businesses and is potentially misleading to prospective clients.

The Complainant relies upon a registered trade mark, namely **G.J. Gardner. HOMES**. This trade mark is now registered in the name of Corporate IP Holdings Pty Limited. Under a licence agreement the registered holder of the trade mark has authorised the master franchisor, Netdeen Pty Limited, to use its trade or service marks, logos and domain names in both Australia and New Zealand.

Under its master franchise agreement, the Complainant is authorised to use the registered trade mark and its other business marks in New Zealand.

#### **b. Respondent**

The Respondent did not respond to the Complaint when served on it.

### **6. Discussion and findings**

Paragraph 4.1 of the Policy requires the Complainant to prove, on the balance of probabilities, both:

- 4.1.1 The Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name; and
- 4.1.2 The Domain Name, in the hands of the Respondent is an Unfair Registration.

The first element is whether the Complainant does have Rights in respect of a name or mark which is identical or similar to the Domain Name. There are two differences between the registered trade mark upon which the Complainant relies and the Domain Name. In the Domain Name there is the addition of the letter "e" after the letter "d" in the word "Gardner". The only difference in the "name" portion of the Domain Name and the trade mark is this additional letter. In this respect, the Domain Name is very similar to the distinctive "name" portion of the trade mark.

The issue is whether the absence of the word "Homes" from the Domain Name means that it is dissimilar to the trademark.

The Complainant advertises regularly. It refers in its television advertisements to its website [gigardner.co.nz](http://gigardner.co.nz). The Complainant and the group which it represents is often known as GJ Gardner. The abbreviated name is an unregistered trade mark which has achieved a reputation. In the circumstances the Complainant has established that it does have rights in respect of a name or mark which is similar to the Domain Name.

Unfair Registration is defined as:

means a Domain Name which either:

- 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.

The Policy contains a non-exhaustive list of factors which may be evidence that the Domain Name is an Unfair Registration. The list includes:

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;

The close similarity of the Complainant's domain name and the Domain Name and the use to which the Respondent has utilised the Domain Name is likely, in the Expert's view, to confuse, mislead or deceive people into believing that the Domain Name is operated or authorised by the Complainant. Persons who wish to respond to the Complainant's advertisements and make a mistake in typing in the Domain Name by adding the additional letter "e" will find a website which is misleading. There is a reference to related searches and the first four references are in larger type than the remainder. They are:

Houses For Sale  
G.J. Gardener Homes  
New House Plans  
Floor Plans

The prominence of G.J. Gardener Homes is significant. A person wishing to obtain details of homes or franchisees of the G.J. Gardner Homes Group and who has inadvertently typed in the wrong domain name is unlikely to realise his or her mistake. There are then links to competing house builders.

Thus the use of the Domain Name will lead prospective home buyers to a website which refers prominently to G.J. Gardener Homes. The words G.J. Gardner Homes appear prominently on the Complainant's website. The manner in which the Respondent's website has been set up leads to the view that this is a case of "typosquatting" or similar conduct. Persons viewing the website are likely to believe they are viewing the website of the Complainant. The fact that the website of the Respondent also refers to other services does not in the Expert's view diminish the likely confusion and deception caused by the manner in which the Respondent is using the Domain Name.

The close similarity to the Complainant's domain name for a website which advertises competing products and competing builders to the franchisees in the GJ Gardner Homes group is in the Expert's view likely to confuse, mislead or deceive people into believing that the Domain Name is operated or authorised by the Complainant. The close similarity of the two domain names is likely to mean that prospective purchasers wishing to contact a GJ Gardner Homes franchisee is likely in many circumstances to type in the wrong name and to connect to a website which is advertising competitors of the Complainant. The fact that it also has related links to other types of services does not remove the likely confusion.

Neither the Domain Name nor the Complainant's domain name includes the word "Homes". However, the word appears prominently on the home page of both websites. The Complainant's television advertisements state its domain name. Persons wishing to contact the national group of franchisees known as GJ Gardner Homes are likely to be further misled when they reach the website of the Respondent, if they have wrongly typed in the domain name. The presence of the word "homes" prominently on the home page of the Respondent's website is likely to further mislead.

The conclusion is that the Complainant has Rights in a name similar to the Domain Name and the registration of the Domain Name was an Unfair Registration because it is likely to confuse, mislead or deceive people into believing that the Domain Name is operated or authorised by the Complainant.

## 7. Decision

In view of the findings, the Expert directs that the Domain Name [gjpgardener.co.nz](http://gjpgardener.co.nz) be transferred to the Complainant

**Place of decision** Auckland

**Date** 6<sup>th</sup> October 2009

**Expert Name** Hon Barry Paterson QC

**Signature**

