

## **.nz Dispute Resolution Service**

**DRS Reference: 459**

**(1) The Gillette Company v Houses.co.nz Ltd**

**(2) Braun GmbH v Houses.co.nz Ltd**

Key words

*Domain names* – duracell.co.nz and braun.co.nz

*Identical or similar trade mark or name* – registered marks – well-known names – identical

*Rights* – no demonstrable preparations to use before Complaint – no legitimate or fair use – not solely tribute or criticism site

*Unfair registration* – offer to sell or otherwise transfer – blocking registration – likely to confuse, mislead or deceive – unfair advantage of or unfairly detrimental to Complainants' Rights – Respondent having no connection with trade marks – pattern of registration

*Procedure* – remedies – transfer

### **1. Parties**

#### **Complainant:**

(1) The Gillette Company  
Prudential Tower Building  
Boston, Massachusetts 02199  
United States of America

(2) Braun GmbH  
Frankfurter Strasse 145  
D – 61476 Kronberg  
Germany

#### **Respondent:**

Houses.co.nz Ltd  
PO Box 714  
Rangiora  
North Canterbury 7440  
New Zealand

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

duracell.co.nz and braun.co.nz ("the Domain Name/s")

### **3. Procedural history**

- 3.1 The Complaint was lodged by the Complainants' representative (Nigel Robb of A J Park at Wellington) on 26 November 2009. The domains were locked on 26 November 2009, preventing any changes to the record until the conclusion of this case. The .nz Domain Name Commission (DNC)<sup>1</sup> notified the Respondent of the validated Complaint by letter dated 27 November 2009.
- 3.2 The Respondent filed a Response to the Complaint on 21 December 2009. The Complainants' representative filed a Reply to the Response on 22 December 2009. The DNC referred the dispute to informal mediation on 23 December 2009. The DNC notified the parties on 21 January 2010 that it had not been possible to resolve the dispute by informal mediation.
- 3.3 By letters dated 21 January 2010, the DNC notified the parties that the Complaint would be referred to an independent expert for decision if the Complainants paid the appropriate fees by 4 February 2010. The Complainants' representative paid the appropriate fees on 26 January 2010.
- 3.4 Mr Terence Stapleton, the undersigned, confirmed to the DNC 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. On 27 January 2010, Mr Stapleton was appointed to act as the independent expert in this case ("the Expert") pursuant to paragraph 9 of the InternetNZ Dispute Resolution Service Policy ("the Policy").<sup>2</sup>
- 3.5 In this case, the Complaint lodged by the Complainants' representative was for two Complainants in respect of two Domain Names. Paragraph 3.1 of the Complaint states "*There are two complainants. The complainants are The Gillette Company and Braun GmbH*". Paragraph 1.1 of the Complaint states "*The complainant The Gillette Company has rights in the trade mark DURACELL*". Paragraph 2.1 of the Complaint states "*The complainant Braun GmbH has rights in the trade mark BRAUN*".
- 3.6 In support of the Complaint, the Complainants' representative (Mr Robb) submitted a statutory declaration from his personal assistant (Philippa Darby) dated 26 November 2009. It is clear from Ms Darby's statutory declaration and the voluminous documents exhibited to her declaration (21 separate exhibits) that the rights asserted by the Complainants in the trade mark DURACELL are currently held by The Gillette Company whose address is Prudential Tower Building, Boston, Massachusetts 02199, United States of America, and that the rights asserted by the Complainants in the trade mark BRAUN are currently held by Braun GmbH whose address is Frankfurter Strasse 145, D – 61476 Kronberg, Germany.
- 3.7 The Gillette Company and Braun GmbH are part of The Procter & Gamble Company group of companies ("Procter & Gamble"). Procter & Gamble is one

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<sup>1</sup> Domain Name Commission Limited is a company wholly-owned by InternetNZ (Internet New Zealand Inc) responsible for the day-to-day oversight of the .nz domain name registration and management system.

<sup>2</sup> Words beginning with uppercase letters in this decision include terms defined in paragraph 3 of the Policy.

of the largest consumer goods companies in the world with 2008 net sales of \$84.9 billion comprising net sales from its beauty, health and well-being, and household care global business units of \$27.8 billion, \$19.4 billion and \$37.7 billion respectively. Procter & Gamble supplies over 300 brands, including GILLETTE, DURACELL and BRAUN, to consumers in over 180 countries.

- 3.8 Although the Complainants are part of Procter & Gamble, they are separate entities, located in different parts of the world, asserting different rights in respect of different trade marks, and their Complaints are in respect of different Domain Names. In essence, the Complainants' Complaints are separate complaints. To ensure the proper consideration and determination of such cases, it may be desirable for complainants or their representatives to submit a separate complaint for each domain name dispute. Any commonality in the factual background can be addressed by referring the separate complaints to the same expert for decision. That course will also avoid the prospect of inconsistent decisions on the separate complaints.
- 3.9 As the Expert in this case, it is essential that I consider the Complaint relating to duracell.co.nz separately from the Complaint relating to braun.co.nz and, in particular, imperative in considering and determining each Complaint that I consider only matters which are relevant to, and admissible in relation to, that Complaint. Accordingly, the Expert considers first the Complaint relating to duracell.co.nz, and secondly the Complaint relating to braun.co.nz. The parties to the Duracell Complaint are The Gillette Company and the Respondent. The parties to the Braun Complaint are Braun GmbH and the Respondent.

#### **duracell.co.nz**

### **4. Factual background**

- 4.1 The Complainant is a long-established and well-known United States company. "Gillette" is a household name in New Zealand and worldwide. The Complainant's many products, including Duracell alkaline batteries, have been distributed and sold in New Zealand for many years and are widely available throughout the country through various wholesalers (including suppliers of office products such as Corporate Express and OfficeMax) and retailers (including department stores and supermarkets).
- 4.2 The Complainant owns trade mark registrations in New Zealand for the word DURACELL and the words DURACELL COPPERTOP. Details of the Complainant's trade marks are as follows:
- (a) trade mark number 79669 for the word DURACELL is registered in class 9 and applies to batteries. The trade mark was filed on 14 October 1965 and is renewed until 14 October 2014;
  - (b) trade mark number 295582 for the word DURACELL is registered in class 11 and applies to apparatus and instruments for lighting, flashlights, and parts and fittings in this class for the foregoing goods. The trade mark was filed on 23 July 1998 and is renewed until 23 July 2015;

- (c) trade mark number 636229 for the words DURACELL COPPERTOP is registered in class 9 and applies to batteries. The trade mark was filed on 17 April 2001 and is renewed until 17 April 2018.
- 4.3 The Respondent was incorporated under the Companies Act 1993 on 26 September 2006. As at the date of this decision, Gary Thomas Mitchell is the Respondent's sole director and shareholder (1,000 shares).
- 4.4 The search details of the Domain Name on the New Zealand Domain Name Registry Limited website record that the Domain Name was registered at 00:34 on 10 June 2009.<sup>3</sup> The search details record the registrant, admin and technical contact names as the Respondent and the registrant, admin and technical contact emails as [gary@houses.co.nz](mailto:gary@houses.co.nz).
- 4.5 In August 2009, the Complainant became aware that the Respondent was using the trade mark DURACELL without its knowledge or authorisation in relation to the Domain Name. By letter dated 18 August 2009, the Complainant advised the Respondent that it was the registered proprietor of the New Zealand trade mark registrations specified in paragraph 4.2 above, that the registration of the Domain Name constituted infringement of the Complainant's Rights and an Unfair Registration under the Policy, and requested the Respondent to take remedial action in respect of the detriment and damage caused to the Complainant by immediately ceasing use of the DURACELL trade marks and immediately transferring the Domain Name to the Complainant or its designee without compensation. There is no evidence before the Expert that the Respondent replied to the Complainant's letter.
- 4.6 By letter dated 7 September 2009, Mr Robb wrote to Mr Mitchell about the matters raised in the Complainant's letter dated 18 August 2009. Mr Robb's letter advised Mr Mitchell that the Complainant was the owner of the well-known trade mark DURACELL and that the Complainant had used the trade mark extensively in New Zealand including previous use of the Domain Name. Mr Robb's letter advised Mr Mitchell that A J Park was authorised to offer NZ\$250 to cover the reasonable costs associated with registration and transfer of the Domain Name. Mr Robb's letter enclosed a transfer form for completion and asked Mr Mitchell to provide details of the account to which payment should be made. Mr Robb's letter stated that A J Park's investigations showed that the Domain Name was being used to drive traffic to Mr Mitchell's website [www.centameter.co.nz](http://www.centameter.co.nz) which promoted an electronic device.
- 4.7 By email at 9.16am on 8 September 2009, Mr Mitchell replied to Mr Robb's letter. He stated that he had legitimately purchased the Domain Name at auction when the previous registration expired. Mr Mitchell stated that *"there are many legitimate justifications for owning and using a .co.nz domain name, however I am more than happy for Gillette to purchase the domain name off me by making a fair offer"*.

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<sup>3</sup> As recorded at paragraph 13.4 of this decision, the search details of the Domain Names record that the two Domain Names were registered at the same time, namely 00:34 on 10 June 2009.

- 4.8 By email at 9.22am on 8 September 2009, Mr Robb thanked Mr Mitchell for his email, noted that he had rejected the offer of \$250, and asked him to *“Please let me know what you would consider a fair offer and I will take instructions from my client”*.
- 4.9 By email on 17 September 2009, Mr Mitchell apologised to Mr Robb for the delay in coming back to him and stated *“I also have the domain name [www.braun.co.nz](http://www.braun.co.nz) if your client would be interested in this also. I will give you a call to discuss”*. Mr Mitchell and Mr Robb then discussed matters by telephone. By email on 18 September 2009, Mr Robb thanked Mr Mitchell for his telephone call *“regarding \$10,000 being a fair price for the two domain names. As commented I do not think it will be acceptable to my client, but I am seeking instructions”*. There is no evidence before the Expert of any further communications between Mr Robb and Mr Mitchell before the Complaint was lodged on 26 November 2009.
- 4.10 The reference in paragraph 4.6 of this decision to the previous use of the Domain Name refers to its use as a website promoting the DURACELL New Zealand Toy Survey. Documents relating to that website and that survey were included in the exhibits to Ms Darby’s statutory declaration.
- 4.11 In relation to the assertion that \$10,000 is a fair price for the two Domain Names, the following matters must be noted:
- (a) the search details for the Domain Names record that the Registrar is DiscountDomains.co.nz;
  - (b) the advertised cost for annual registration of a Domain Name at DiscountDomains.co.nz is \$27.95 plus GST;
  - (c) the registration cost incurred by the Respondent on the registration of the two Domain Names at 00:34 on 10 June 2009 was \$55.90 plus GST (the two Domain Names are registered until 00:34 on 10 June 2010);
  - (d) there is no evidence before the Expert that the Respondent incurred any costs other than the registration cost of \$55.90 plus GST specified above in acquiring, registering or using the Domain Names;
  - (e) a payment of \$10,000 is substantially in excess of, and wholly disproportionate to, the evidence before the Expert of the costs incurred by the Respondent in acquiring, registering or using the Domain Names.
- 4.12 As evidence of the statement in Mr Robb’s letter to Mr Mitchell of 7 September 2009 that A J Park’s investigation showed that the Domain Name was being used to drive traffic to Mr Mitchell’s website [www.centameter.co.nz](http://www.centameter.co.nz), the documentary exhibits attached to Ms Darby’s statutory declaration included printouts of pages from the Centameter website on 3 September 2009. Under the heading *“Want cheaper power bills?”*, the home page referred to *“the award winning CENTAMETER”*, describing it as *“an innovative new electronic device, which measures the electricity being used and displays the cost per hour on a portable display located inside your home or business”*. Under the heading *“Useful Links from Centameter”*, the link page on that website as at 3

September 2009 contained a link to the Respondent, describing the Respondent as *“one of New Zealand’s leading online property listing services”*. Likewise, the contact us page on that website as at 3 September 2009 stated that the contact was Power Save Marketing Limited.

- 4.13 The search details for centameter.co.nz on the New Zealand Domain Name Registry Limited website record that the Centameter Domain Name was registered on 17 May 2005. The search details record the registrant contact name as Power Save Marketing Limited. That company was incorporated under the Companies Act 1993 on 14 May 2004. Mr Mitchell is the sole director and holds 900 of the 1,000 shares of that company.
- 4.14 The Respondent invited the Expert to view the [www.duracell.co.nz](http://www.duracell.co.nz) website. The Expert did so on 8 February 2010. The Expert was directed not to the Centameter website, but to a battery comparison website. Under the heading *“How Does Your Battery Compare?”* on the home page of that website, there then followed an article on batteries. Under the heading *“Disclaimer”* the final page of that website stated *“This is an unofficial site. This site is not associated with Duracell and it’s Affiliates. This is a comparison site and has no relation to Duracell and it’s quality products”*.
- 4.15 In the circumstances, the Expert decided to view the [www.braun.co.nz](http://www.braun.co.nz) website. The Expert did so on 8 February 2010. The results are noted in paragraph 13.6 of this decision. There are striking similarities between the [www.duracell.co.nz](http://www.duracell.co.nz) and [www.braun.co.nz](http://www.braun.co.nz) websites. Apart from the different products in the photographs at the top lefthand corner of the page, and in the main heading (*“How Does Your Battery/Shaver Compare?”*) on the page, the photograph, layout and style of the home pages on the websites are identical. Likewise, apart from the different products in the photographs at the top lefthand corner of the page, and the different text in the disclaimer (Duracell/Braun), the photograph, layout and style of the disclaimer pages on the websites are identical.
- 4.16 As well as being registered trade marks, DURACELL and BRAUN are well-known names and brands. Internet users are reasonably entitled to assume that Domain Names incorporating well-known names or brands will be connected with goods or services relating to those names or brands. In this case, the Domain Names do not connect internet users with DURACELL or BRAUN products, but with battery and shaver comparison websites.
- 4.17 If (as stated on the [www.duracell.co.nz](http://www.duracell.co.nz) and [www.braun.co.nz](http://www.braun.co.nz) websites), the websites have no relation to DURACELL and BRAUN and their quality products, then there is no need for the Respondent to use those well-known names and brands in the website addresses. If the true purpose of the websites is battery and shaver comparisons, then obvious website addresses which will direct internet users seeking battery and shaver comparisons, and not confuse, mislead or deceive them, are [www.batterycomparison.co.nz](http://www.batterycomparison.co.nz) and [www.shavercomparison.co.nz](http://www.shavercomparison.co.nz). Such or similar website addresses would clearly convey to internet users the true purpose and nature of the Respondent’s websites.

4.18 Likewise, if the true purpose of the Respondent's websites is battery and shaver comparisons, then there is no need for the Respondent to incorporate the Complainants' registered trade marks in the website addresses. The Respondent can operate battery and shaver comparison websites without incorporating the Complainants' registered trade marks in the website addresses. The Respondent's registration of the Domain Names prevents the Complainants from using their registered trade marks and well-known names and brands in Domain Names and website addresses for the legitimate promotion of their businesses and products.

## **5. The Complainant's contentions**

5.1 The Complainant contends that the registration of the Domain Name is an Unfair Registration as the registration takes unfair advantage of, or is unfairly detrimental to, the Complainant's Rights as follows:

- (a) the Respondent seeks to transfer the Domain Name to the Complainant for a consideration in excess of the Respondent's out-of-pocket costs;
- (b) the Domain Name is a blocking registration that prevents the Complainant's use of the Domain Name;
- (c) use of the Domain Name is likely to confuse, mislead or deceive people;
- (d) the Domain Name is otherwise unfair within the definition of Unfair Registration in the Policy.

## **6. The Respondent's contentions**

6.1 The Respondent's contentions are as follows:

- (a) domain names in the .nz space are registered on a "first come first served" basis. This is one of the fundamental principles of the .nz policy framework;
- (b) the Domain Name was bought legitimately at auction when its original registration expired. Anybody had the opportunity to bid on it at that time;
- (c) paragraph 6.2 of the Policy provides that "*Fair use may include sites operated solely in tribute to or in criticism of a person or business*". The Domain Name is going to be used in the future as a public site comparing the effectiveness and value for money of different brands of alkaline batteries.

## **7. The Complainant's contentions in reply**

7.1 The Complainant's contentions in reply are as follows:

- (a) the "first come first served" principle does not override the Policy;

- (b) the Respondent's contention in paragraph 6.1(c) of this decision lacks credibility and should be given little weight because the claim was made only after the Complaint had been made;
- (c) the statements on the [www.duracell.co.nz](http://www.duracell.co.nz) website are an acknowledgement of the Complainant's Rights in the DURACELL trade marks associated with batteries.

## 8. Relevant provisions of Policy and elements of Complaint

8.1 The dispute is governed by the Policy. Relevant provisions of the Policy in this case are as follows:

### 3. Definitions

**Rights** includes, but is not limited to, rights enforceable under New Zealand law. However, a Complainant will be unable to rely on rights in a name or term which is wholly descriptive of the Complainant's business;

**Unfair Registration** 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;

### *Part A – Policy*

### 4. Dispute Resolution Service

4.1 This Policy and Procedure applies to Respondents when a Complainant asserts to the DNC according to the Procedure that:

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.

4.2 The Complainant is required to prove to the Expert that both elements are present on the balance of probabilities.

...

### 5. Evidence of Unfair Registration

5.1 A non-exhaustive list of factors which may be evidence that the Domain Name is an Unfair Registration is set out in paragraphs 5.1.1 – 5.1.5:

5.1.1 Circumstances indicating the Respondent has registered or otherwise acquired the Domain Name primarily:

- (a) for the purposes of selling, renting or otherwise transferring the Domain Name to the Complainant or to a competitor of the Complainant for valuable consideration in excess of the Respondent's documented out-of-pocket costs directly associated with acquiring or using the Domain Name;

- (b) as a blocking registration against a name or mark in which the Complainant has Rights; or
- (c) for the purpose of unfairly disrupting the business of the Complainant; or

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;

5.1.3 The Complainant can demonstrate that the Respondent is engaged in a pattern of registrations where the Respondent is the Registrant of domain names (under .nz or otherwise) which correspond to well-known names or trade marks in which the Respondent has no apparent rights, and the Domain Name is part of that pattern;

...

## **6. How the Respondent may demonstrate in its Response that the Domain Name is not an Unfair Registration**

6.1 A non-exhaustive list of factors which may be evidence that the Domain Name is not an Unfair Registration is set out in paragraphs 6.1.1 – 6.1.4:

...

6.2 Fair use may include sites operated solely in tribute to or in criticism of a person or business.

8.2 For an Expert to uphold a Complaint, the Expert must be satisfied that the Complainant has proved the following elements on the balance of probabilities:

- (a) Rights in respect of a name or mark (para 4.1.1);
- (b) identity or similarity between that name or mark and the Domain Name (para 4.1.1);
- (c) Unfair Registration in the hands of the Respondent (para 4.1.2).

## **9. Rights in respect of a name or mark**

9.1 It is well-established that:

- (a) the requirement for a Complainant to prove Rights in respect of a name or mark is not a particularly high threshold test;
- (b) it is not necessary for a Complainant to prove that it holds a registered trade mark or service mark; rather, it is sufficient for a Complainant to prove that its Rights in respect of the name or mark are capable of protection, such as under s 22 of the Companies Act 1993 or by proceedings for passing off or for misleading or deceptive conduct under the Fair Trading Act 1986;
- (c) while a Complainant is unable to rely on rights in a name or term which is wholly descriptive of the Complainant's business, an otherwise

descriptive name or term is not wholly descriptive of the Complainant's business if the Complainant proves that the name or term has acquired a secondary meaning designating the Complainant's business and distinguishing the Complainant's business from other businesses of the same general kind. The Complainant must prove that the name or term is distinctive of the Complainant's business.

9.2 In view of the facts set out in part 4 of this decision, the Expert is satisfied on the balance of probabilities that the Complainant has Rights in respect of a relevant name or mark, namely:

- (a) the DURACELL trade marks set out in paragraph 4.2 of this decision;
- (b) statutory rights in relation to the Duracell name such as for misleading or deceptive conduct under the Fair Trading Act 1986;
- (c) common law rights in relation to the Duracell name capable of protection by proceedings for passing off.

9.3 The Expert is satisfied on the balance of probabilities that the Complainant's Rights set out in paragraph 9.2 of this decision were well-established and had existed for many years before the registration of the Domain Name on 10 June 2009.

9.4 In view of the facts set out in part 4 of this decision, the Expert is satisfied on the balance of probabilities that the Duracell name is not a name or term which is wholly descriptive of the Complainant's business.

## **10. Identity or similarity between the relevant name or mark and the Domain Name**

10.1 It is well-established that Rights in a name cover all conceivable forms<sup>4</sup> in which the name might be used.

10.2 The Expert is satisfied on the balance of probabilities that the facts set out in part 4 of this decision demonstrate that the Duracell name in all its conceivable forms is identical or similar to the Domain Name.

## **11. Unfair Registration**

11.1 The Expert accepts the Complainant's contention that the "first come first served" principle of .nz domain name registration does not override the Policy. All .nz domain name registrations are subject to the Policy.

11.2 While the [www.duracell.co.nz](http://www.duracell.co.nz) website is now being used to compare batteries, it was not being used for that purpose at 3 September 2009 and the Expert accepts the Complainant's contention in reply that the current use of the website should be given little weight as it occurred only after the Complaint was lodged on 26 November 2009 and, indeed, only after the Complainant's

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<sup>4</sup> Including upper and lower cases and singular and plural.

Reply was lodged on 22 December 2009 (at that date, the [www.duracell.co.nz](http://www.duracell.co.nz) website was under construction and was a future site for the comparison of batteries). The Expert accepts that there were no demonstrable preparations by the Respondent to use the Domain Name before the Complaint and no legitimate or fair use before that date.

11.3 The Expert is satisfied on the balance of probabilities that, in all the circumstances, the Domain Name is an Unfair Registration because the facts set out in part 4 of this decision demonstrate that:

- (a) the Respondent registered or otherwise acquired the Domain Name primarily for the purposes of selling or otherwise transferring the Domain Name to the Complainant or to a competitor of the Complainant for valuable consideration in excess of the Respondent's documented out-of-pocket costs directly associated with acquiring or using the Domain Name (para 5.1.1(a)); and/or
- (b) the Respondent registered or otherwise acquired the Domain Name primarily as a blocking registration against a name or mark in which the Complainant has rights (para 5.1.1(b)); and/or
- (c) the Respondent is using the Domain Name in a way that 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 (para 5.1.2); and/or
- (d) the Domain Name was registered or otherwise acquired by the Respondent 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 which were well-established and had existed for many years at the date of registration on 10 June 2009 (para 3); and/or
- (e) the Domain Name has been, or is likely to be, used by the Respondent in a manner which took or takes unfair advantage of, or was or will be unfairly detrimental to the Complainant's Rights which were well-established and had existed for many years at the date of registration on 10 June 2009 (para 3).

11.4 While the Expert notes the Respondent's contention that fair use may include sites operated solely in tribute to or in criticism of a person or a business, the Expert is not satisfied that fair use in terms of paragraph 6.2 of the Policy is established on the balance of probabilities in this case because the [www.duracell.co.nz](http://www.duracell.co.nz) website is not operated **solely** in tribute to or in criticism of a person or business (emphasis added).

11.5 Duracell and Braun are well-known names and trade marks. There is no evidence before the Expert that the Respondent has any apparent rights in those names and trade marks. In the circumstances, especially given the timing of the registration of the two Domain Names at 00:34 on 10 June 2009,

the Expert draws the Respondent's attention to paragraph 5.1.3 of the Policy reproduced on page 9 of this decision.

## **12. Decision**

- 12.1 In view of the findings made in this decision, the Expert directs that the Domain Name [duracell.co.nz](http://duracell.co.nz) be transferred to the Complainant.

## **braun.co.nz**

## **13. Factual background**

- 13.1 The Complainant is a long-established and well-known German company. "Braun" is a well-known brand in New Zealand and worldwide. The Complainant's many products, including Braun appliances and personal care products such as shavers, hair dryers and toothbrushes, have been distributed and sold in New Zealand for many years and are widely available throughout the country through various wholesalers and retailers (for example, L V Martin & Son).
- 13.2 The Complainant owns 21 trade mark registrations in New Zealand for BRAUN as a word and a device. Details of the Complainant's trade marks are as follows:
- (a) one trade mark (57863) is for BRAUN as a device word. That trade mark is registered in class 7, was filed on 15 March 1956, and is renewed until 15 March 2015;
  - (b) six trade marks are for BRAUN as a device. Those trade marks are registered in classes 8, 9(two), 11, 14 and 21. The earliest of those trade marks (57864) was filed on 15 March 1956. The latest date of next renewal for those trade marks is 25 November 2019 (189214);
  - (c) fourteen trade marks are for BRAUN as a word. Those trade marks are registered in classes 1, 3, 4, 7, 8, 9, 10, 11, 14, 16, 21, 26, 35 and 37. They were all filed on 10 November 1995. They are all renewed until 26 May 2016.
- 13.3 The Respondent was incorporated under the Companies Act 1993 on 26 September 2006. As at the date of this decision, Gary Thomas Mitchell is the Respondent's sole director and shareholder (1,000 shares).
- 13.4 The search details of the Domain Name on the New Zealand Domain Name Registry Limited website record that the Domain Name was registered at 00:34 on 10 June 2009. The search details record the registrant, admin and technical contact names as the Respondent and the registrant, admin and technical contact emails as [gary@houses.co.nz](mailto:gary@houses.co.nz).
- 13.5 In September 2009, as a result of the communications between Mr Mitchell and Mr Robb specified in paragraph 4.9 of this decision, the Complainant became aware that the Respondent was using the trade mark BRAUN without

its knowledge or authorisation in relation to the Domain Name. As noted in paragraph 4.9 of this decision, there is no evidence before the Expert of any further communications between Mr Robb and Mr Mitchell between Mr Mitchell's offer to sell the Domain Names for \$10,000 and Mr Robb's lodgement of the Complaint.

- 13.6 In the circumstances recorded in paragraphs 4.12 to 4.14 of this decision, the Expert decided to view the website for the Domain Name, and did so on 8 February 2010. The Expert was directed not to the Centameter website, but a shaver comparison website. Under the heading "*How Does Your Shaver Compare?*" on the home page of that website, there followed general statements about comparing brands, then particular statements about comparing the Braun and Philips brands, and then links to three .com websites. Under the heading "*Disclaimer*" the final page of that website stated "*This is an unofficial site. This site is not associated with Braun and it's Affiliates. This is a comparison site and has no relation to Braun and it's quality products*". As noted in paragraph 4.15 of this decision, there are striking similarities between the [www.duracell.co.nz](http://www.duracell.co.nz) and [www.braun.co.nz](http://www.braun.co.nz) websites which are specified in that paragraph.
- 13.7 The Expert repeats his observations in paragraphs 4.16 to 4.18 of this decision.

#### **14. The Complainant's contentions**

- 14.1 The Complainant contends that the registration of the Domain Name is an Unfair Registration as the registration takes unfair advantage of, or is unfairly detrimental to, the Complainant's Rights as follows:
- (a) the Respondent seeks to transfer the Domain Name to the Complainant for a consideration in excess of the Respondent's out-of-pocket costs;
  - (b) the Domain Name is a blocking registration that prevents the Complainant's use of the Domain Name;
  - (c) use of the Domain Name is likely to confuse, mislead or deceive people;
  - (d) the Domain Name is otherwise unfair within the definition of Unfair Registration in the Policy.

#### **15. The Respondent's contentions and the Complainant's contentions in reply**

- 15.1 Apart from the statement set out at paragraph 6.1(a) of this decision, the Respondent did not advance in the Response any particular contentions in relation to the registration of the Domain Name.
- 15.2 In his Reply, the Complainant's representative noted that the Domain Name had not been referred to in the Response and contended:
- (a) the "first come first served" principle does not override the Policy;

- (b) the statement on the [www.braun.co.nz](http://www.braun.co.nz) website at 22 December 2009 that the website is under construction and is a future site for the comparison of shavers and electrical products lacks credibility and should be given little weight because the claim was made only after the Complaint had been made;
- (c) the statements on the [www.braun.co.nz](http://www.braun.co.nz) website are an acknowledgment of the Complainant's rights in the BRAUN trade marks in connection with electrical products.

## **16. Relevant provisions of Policy and elements of Complaint**

- 16.1 The dispute is governed by the Policy. The relevant provisions of the Policy in this case are set out in paragraph 8.1 of this decision.
- 16.2 For an Expert to uphold a Complaint, the Expert must be satisfied that the Complainant has proved the following elements on the balance of probabilities:
  - (a) Rights in respect of a name or mark (para 4.1.1);
  - (b) identity or similarity between that name or mark and the Domain Name (para 4.1.1);
  - (c) Unfair Registration in the hands of the Respondent (para 4.1.2).

## **17. Rights in respect of a name or mark**

- 17.1 The well-established principles are set out in paragraph 9.1 of this decision.
- 17.2 In view of the facts set out in part 13 of this decision, the Expert is satisfied on the balance of probabilities that the Complainant has Rights in respect of a relevant name or mark, namely:
  - (a) the BRAUN trade marks set out in paragraph 13.2 of this decision;
  - (b) statutory rights in relation to the Braun name such as for misleading or deceptive conduct under the Fair Trading Act 1986;
  - (c) common law rights in relation to the Braun name capable of protection by proceedings for passing off.
- 17.3 The Expert is satisfied on the balance of probabilities that the Complainant's Rights set out in paragraph 17.2 of this decision were well-established and had existed for many years before the registration of the Domain Name on 10 June 2009.
- 17.4 In view of the facts set out in part 13 of this decision, the Expert is satisfied on the balance of probabilities that:

- (a) the Braun name is not a name or term which is wholly descriptive of the Complainant's business;
- (b) in any event, the Braun name has acquired a secondary meaning designating the Complainant's business and distinguishing the Complainant's business from other businesses of the same general kind. The Braun name is distinctive of the Complainant's business.

## **18. Identity or similarity between the relevant name or mark and the Domain Name**

- 18.1 It is well-established that Rights in a name cover all conceivable forms<sup>5</sup> in which the name might be used.
- 18.2 The Expert is satisfied on the balance of probabilities that the facts set out in part 13 of this decision demonstrate that the Braun name in all its conceivable forms is identical or similar to the Domain Name.

## **19. Unfair Registration**

- 19.1 The Expert accepts the Complainant's contention that the "first come first served" principle of .nz domain name registration does not override the Policy. All .nz domain name registrations are subject to the Policy.
- 19.2 While the [www.braun.co.nz](http://www.braun.co.nz) website is now being used to compare shavers, it was not being used for that purpose at 3 September 2009 and the Expert accepts the Complainant's contention in reply that the current use of the website should be given little weight as it occurred only after the Complaint was lodged on 26 November 2009 and, indeed, only after the Complainant's reply was lodged on 22 December 2009 (at that date, the [www.braun.co.nz](http://www.braun.co.nz) website was under construction and was a future site for the comparison of shavers and electrical products). The Expert accepts that there were no demonstrable preparations by the Respondent to use the Domain Name before the Complaint and no legitimate or fair use before that date.
- 19.3 The Expert is satisfied on the balance of probabilities that, in all the circumstances, the Domain Name is an Unfair Registration because the facts set out in part 13 of this decision demonstrate that:
- (a) the Respondent registered or otherwise acquired the Domain Name primarily for the purposes of selling or otherwise transferring the Domain Name to the Complainant or to a competitor of the Complainant for valuable consideration in excess of the Respondent's documented out-of-pocket costs directly associated with acquiring or using the Domain Name (para 5.1.1(a)); and/or
  - (b) the Respondent registered or otherwise acquired the Domain Name primarily as a blocking registration against a name or mark in which the Complainant has rights (para 5.1.1(b)); and/or

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<sup>5</sup> Including upper and lower cases and singular and plural.

- (c) the Respondent is using the Domain Name in a way that 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 (para 5.1.2); and/or
- (d) the Domain Name was registered or otherwise acquired by the Respondent 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 which were well-established and had existed for many years at the date of registration on 10 June 2009 (para 3); and/or
- (e) the Domain Name has been, or is likely to be, used by the Respondent in a manner which took or takes unfair advantage of, or was or will be unfairly detrimental to the Complainant's Rights which were well-established and had existed for many years at the date of registration on 10 June 2009 (para 3).

19.4 While the Expert notes the Respondent's contention that fair use may include sites operated solely in tribute to or in criticism of a person or a business, the Expert is not satisfied that fair use in terms of paragraph 6.2 of the Policy is established on the balance of probabilities in this case because the [www.braun.co.nz](http://www.braun.co.nz) website is not operated **solely** in tribute to or in criticism of a person or business (emphasis added).

19.5 Braun and Duracell are well-known names and trade marks. There is no evidence before the Expert that the Respondent has any apparent rights in those names and trade marks. In the circumstances, especially given the timing of the registration of the two Domain Names at 00:34 on 10 June 2009, the Expert draws the Respondent's attention to paragraph 5.1.3 of the Policy reproduced on page 9 of this decision.

## 20. Decision

20.1 In view of the findings made in this decision, the Expert directs that the Domain Name braun.co.nz be transferred to the Complainant.

**Place of decision** Wellington

**Date** 9 February 2010

**Expert Name** Mr Terence Stapleton

**Signature**

A handwritten signature in black ink, appearing to read 'T. Stapleton', written over a horizontal line.

