

.nz Dispute Resolution Service

DRS Reference: 313

Budget Rent A Car System, Inc. v Ian Willis

Key words -

Domain Name

Budgetrentalcars.co.nz

Identical or similar trade mark or name

Registered mark – unregistered mark – well-known mark- identical similar – mark with generic word

Unfair registration

Unfair registration – unfair use – offer to sell, rent or otherwise transfer – likely to confuse, mislead or deceive

1. Parties

Complainant:
Budget Rent A Car System, Inc.
6 Sylvan Way
Parsippany
USA

Respondent:
Mr Ian Willis
Ian Willis
25, Crofton Way
Swanmore
Southampton
ENGLAND

2. Domain Name/s

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

3. Procedural history

- 3.1 The Complaint was lodged on 20 August 2008 and Domain Name Commission (DNC) notified the Respondent of the validated Complaint on 25 August 2008. The domain/s were locked on 21 August 2008, preventing any changes to the record until the conclusion of these proceedings.

- 3.2 There was no response filed by the Respondent.
- 3.3 The Complainant paid DNC the appropriate fee on 26 September 2008 for a decision of an Expert, pursuant to Paragraph 9 of the .nz Dispute Resolution Service Policy ("the Policy").
- 3.4 Hon Robert Fisher QC, the undersigned, ("the Expert") confirmed to DNC on 29 September 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 Budget Rent a Car System, Inc. ("Budget") of the United States of America is the registered proprietor of the trade mark "Budget" under Trade Mark No. 182273 for Class (511) 4/39 "renting and leasing of motor vehicles in this class". The trade mark application was filed on 2 May 1988, was accepted and published on 26 July 1996 and has since been renewed until 2 May 2009.
- 4.2 The complaint filed by Budget is sparse on detail but it appears that in New Zealand Budget has licensed its trade mark to an unnamed New Zealand subsidiary which operates as master franchisor in New Zealand. The subsidiary appears to have granted franchises and associated trade mark licences to individual franchisees in New Zealand which in turn rent vehicles under the "Budget" brand to the public.
- 4.3 I take judicial notice of the fact that in addition to Budget's registered trade mark, Budget and its New Zealand subsidiary and/or franchisees have a well established goodwill in New Zealand in the name "Budget" associated with the renting of vehicles to the public.
- 4.4 On 1 December 2007 the Respondent registered the Domain Name "budgetrentalcars.co.nz". The respondent is shown as having an address in Southampton, England. His website is a "click-through" site for access to other car rental businesses. There is no evidence that the Respondent is himself engaged in the business of renting vehicles. The website states that the domain is for sale for US\$5,000.

5. Parties' contentions

- 5.1 The Complainant contends:

"Registrant has intentionally registered and used the domain name in bad faith. Registrant is not a Licensee of BUDGET nor does it have any affiliation with complainant or any of its related companies. Registrant has never been known by the term BUDGET in connection with any businesses, products or services. Registrant's website is not

being used to make a bona fied offering of any goods or services. Registrant is not engaged in the business of vehicle rentals in either the United Kingdom or New Zealand. The addition of the term 'rentalcars' to the domain name registration is generic use and case law states that such use is of no import in determining the outcome of the complaint. The domain name registration is confusingly similar to complainant's trademark rights."

5.2 The Respondent has not advanced any argument or case in opposition.

6. Discussion and findings

6.1 The dispute is governed by the Policy issued by the office of the Domain Name Commissioner on behalf of DNC . Critical portions of the Policy for present purposes are these:

"3. Definitions ...

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.

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
- 4.1.1 The Domain Name, in the hands of the Respondent, is an Unfair Registration.

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;

5.1.4 The Complainant can demonstrate that the Respondent has knowingly given false contact details to a Registrar and/or to the DNC; or

5.1.5 The Domain Name was registered arising out of a relationship between the Complainant and the Respondent, and the circumstances indicate that it was intended by both the Complainant and the Respondent that the Complainant would be entered in the Register as the Registrant of the Domain Name;”

6.2 It will be seen that to support a complaint of this kind the Complainant must satisfy three elements:

- (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); and
- (c) Unfair registration in the hands of the Respondent (para 4.1.2).

7. (a) Rights in respect of a name or mark

7.1 I accept that by the time the Respondent registered the Domain Name in 2007 Budget already had a registered trade mark in that name in relation to the renting and leasing of motor vehicles. I accept also that Budget and/or its related companies had an established goodwill in respect of that name.

7.2 For present purposes I accept that at the time when the Respondent registered the Domain Name, and at present, the Complainant had, and still has, rights in respect of the name “Budget” in association with the renting of motor vehicles to the public.

8. (b) Identical or similar

8.1 The second requirement is that the Complainant show that the Domain Name is “identical or similar” to the name or mark in respect of which the Complainant has rights.

8.2 In the present case “budgetrentalcars” is not identical to the name “Budget” but the root word is identical and the full name confusingly similar in the present context. I accept Budget’s contention that the addition of the term “rentalcars” to the word “budget” is a generic use which, in the present context, will be taken by the ordinary reader to be a reference to the nature of the business as distinct from the identity of the proprietor. Although in many contexts the same could be said of the word “budget” itself, that word has been accepted as a registered trade mark and, in the context of the renting of vehicles, does appear to have acquired a particular association with the Complainant in the eyes of the public.

8.3 I therefore accept that for present purposes the Domain Name should be regarded as “identical or similar” to the name or mark in respect of which the Complainant has rights.

9. (c) Unfair registration

9.1 The Policy includes a non-exhaustive list of factors which may be evidence of unfair registration (paras 5.1.1 to 5.1.5).

9.2 In my view there are “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”.

9.3 There is no direct evidence that the Respondent’s use of this Domain Name has confused, misled or deceived. However, it seems a reasonable inference that a substantial proportion of those using the Domain Name will be doing so through a confusion with the Complainant’s business.

9.4 I am also prepared to conclude from the established reputation of the Complainant’s business that the Respondent must have been aware of the use of the name in that business when the Respondent registered the Domain Name and that he would be aware of the likelihood that there would be indirect benefits to him in misleading at least some of those using the Domain Name into thinking that they were communicating with the Complainant.

9.5 I conclude that in terms of para 5.1.2 there are circumstances demonstrating that the Respondent is using the Domain name in a way which is likely to confuse, mislead or deceive people into believing that the Domain Name is connected with the Complainant.

9.6 It is also a reasonable inference that the Domain Name was registered primarily for the purpose of selling it for excess consideration in terms of para 5.1.1(a).

9.7 I conclude that the Respondent’s registration was an unfair one for the purposes of para 5 of the Policy.

10. Decision

10.1 The complaint is upheld. I direct that the dispute Domain Name “budgetrentalcars.co.nz” be transferred to the Complainant or its nominee.

Place of decision

Auckland

Date

30 September 2008

Expert Name

Hon. Robert Fisher QC

Signature

A handwritten signature in black ink, appearing to read 'R Fisher', written in a cursive style.