

.nz Dispute Resolution Service

DRS Reference: 334

The Country Channel Ltd v The Country Channel Limited

Key words

Domain name

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

Identical or similar trade mark or name

Unregistered mark – similar – not generic – descriptive

Rights

Demonstrable preparations to use

Unfair registration

Unfair registration – unfair use – likely to confuse, mislead or deceive – presumption of unfair registration

Procedure

Evidence – weight – aware of cause of complaint – remedies – transfer - cancellation

1. Parties

Complainant:

The Country Channel Ltd
Mr Paul Aitken
Unit 2 Gate Farm Offices
Park Road
Kiddington
Woodstock
Oxfordshire OX20 1DB
United Kingdom

Respondent:

The Country Channel Ltd
Mr Andy Tyler
The Country Channel Ltd
Po Box 137 246
Parnell
Auckland
NZ (NEW ZEALAND)

2. Domain Name/s

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

3. Procedural history

The Complaint was lodged on 7/10/2008 and Domain Name Commission (DNC), notified the Respondent of the validated Complaint on 7/10/2008. The domain/s were locked on 7/10/2008, preventing any changes to the record until the conclusion of these proceedings.

The Respondent filed a Response to the Complaint on 30/10/2008 and the DNC so informed the Complainant on 30/10/2008. The DNC informed the parties on 2/12/2008 that informal mediation had failed to achieve a resolution to the dispute.

The Complainant paid Domain Name Commission Limited the appropriate fee on 19/12/2008 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 22/12/2008 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 Both the Complainant and the Respondent are incorporated companies, registered in the United Kingdom and New Zealand respectively, which have the same names.
- 4.2 The Complainant was registered in the United Kingdom in March 2006. In June 2006, it launched an internet TV channel on www.countrychannel.tv. The home page of that site states:

"Country Channel TV is a free to view web broadcast service.

Streaming over the internet 24/7 and accessible worldwide.

A wide variety of programmes on Farming, Lifestyle, Wildlife and Animals, Recreation, Equestrian and Country Sports."

- 4.3 When the Expert viewed the home page, it noted that the latest Country Channel programmes included:

Your Horse Live 2008 – part 3;
The Pembrokeshire Country Show 2008;
Orkney Marketing;

Farming Futures – Smart Technology;
 From Farm to Fork;
 The Country Channel Trust Launch;
 The Croesoch Vintage Tractor Run;
 The Art of Wood;
 Mountain Biking at the Outdoor Show 2008;
 The Pembrokeshire County Show.

- 4.4 The Complainant's user guide notes that the Country Channel runs in schedules on six strands. Those strands are farming, equestrian, lifestyle, wildlife and animals, recreation and country sports. It notes that there are a large number of on-demand programmes available. Further there are programmes available in the "Soap Box" which is used for airing prominent countryside people's views.
- 4.5 The Complainant has a registered trademark under the United Kingdom's Trademark Act 1994 for both its name (without "limited") and its logo. The registration certificate shows that the marks were registered as of 5 April 2006.
- 4.6 The Respondent was registered in New Zealand on 16 April 2008.
- 4.7 The Respondent provides a television channel called "The Country Channel" on the local Sky TV pay-television platform. A viewer wishing to view the programme is required to subscribe for The Country Channel via Sky TV and to pay a subscription fee.
- 4.8 The home page of the Domain Name invites viewers to subscribe to The Country Channel by calling Sky now on 0800 800 759. The welcome on the home page states:

"Welcome to The Country Channel, New Zealand's first business to business TV Channel and the world's first true agribusiness channel. Put simply it's television for farmers, designed by people with farming experience, who understand the rural sector."

It contains details of the weather, a market report and the latest news. The copy viewed by the Expert noted that a DVD of the Royal New Zealand Show was for sale. The website contains information on how to subscribe to The Country Channel, namely by calling Sky. The cost is \$14.50 per month. Another page gives details of the programmes. The advertising material on the website makes it clear that the emphasis is on farming programmes.

- 4.9 The Respondent's home page, before 1 October 2008 noted that The Country Channel was to provide the first direct television communication route to the farming and agri-business sectors of New Zealand. The content was to "include a rich selection of the very best agricultural, horticultural and rural programmes along with a locally produced agri-business and rural use programmes". It noted that The Country Channel was a Sky Premium

(subscriber) Channel and was to be positioned adjacent to other business communication channels on Sky 99. It also said:

“The Country Channel content will include a 60 minute daily flagship programme with agri-business content including:

- *Daily news segments with focus on rural issues*
- *Daily weather updates and forecasting*
- *Daily market segments for commodity trading, farm gate prices and market outlooks.”*

It referred to specialist New Zealand focused programming covering rural niches, but also noted that there would be “offshore sourced programming with a strong emphasis on information and subjects of interest to the rural sector. These will include previously unseen programmes from sources such as the BBC, ABC in Australia and the PBS Network in the US.”

- 4.10 The Complainant became aware of the Respondent’s existence when on 16 July 2008 the managing director of the Respondent sent an email to an executive officer of the Complainant noting that the two companies shared (almost) a name and some objectives. The Respondent sought programme material for its channel. There was then a series of email exchanges between executives of the two companies. In an email on 12 August 2008, the chief executive officer of the Complainant advised the Respondent that it was not happy with the Respondent’s proposal to launch The Country Channel from 1 October 2008 because the channel would be trading directly across the Complainant in the marketplace. The email noted that the Complainant had viewers throughout the world, including New Zealand, and broadcast content about all countryside issues with one of the Complainant’s six strands dedicated to the farming community. The email suggested that the Respondent change the name of the channel before the planned launch and advised that if it did not do so, the Complainant was investigating how to protect its business and its name. In one email the Complainant advised that it intended to develop the Complainant’s Country Channel worldwide and it already had viewers in New Zealand.

5. Parties’ contentions

(a) Complainant

- 5.1 The Complainant noted that when it was advised of the proposed launch it immediately contacted the Respondent by email to inform it that it had trade marked its name and logo and that the launch would undoubtedly cause confusion in the marketplace as it had viewers all over the world (including in New Zealand). Its submission was that the launch would be trading directly across the Complainant’s programme.
- 5.2 The Complaint was filed immediately before the launch. The Complainant provided a list of programmes which the Respondent had published prior to

the launch which showed that over 50% of those programmes were UK based and covered issues around the UK countryside and farming. The Complaint is that these programmes cover exactly the subject matter that the Complainant has been producing programmes about and broadcasting for over 2 years and that they are not New Zealand based as represented to the Complainant by the Respondent. Examples of these programmes are:

Berkley – an English Country Estate;
Birmingham Dog Show;
British Cheese Awards Highgrove – a Prince's Legacy;
Lucinda Green Clinic;
National Trust Estates;
Pony of the Year (a UK programme);
The Royal Show.

- 5.3 The Complainant also alleges that the Respondent only registered its Domain Name in June 2008, fully aware of the Complainant's existence, and 2 years after the Complainant first started broadcasting.
- 5.4 The Complainant also relies upon its action in trade marking both its name and logo in the United Kingdom.
- 5.5 The basic Complaint of the Complainant is that the Respondent's channel, "with a name and remit identical to our own, will undoubtedly cause confusion in the marketplace – for our audience, our advertisers, our sponsors – and hamper our channel and business development". The Complainant also submits:

"Their website already looks very similar to ours, as does their logo, and we believe that they are directly trading across us, and could indeed be deemed to be passing off. We have a number of customers and sponsors who have chosen to use our channel to promote themselves, specifically because we broadcast primarily on the internet and can therefore reach a worldwide audience."

- 5.6 In a Response to the Respondent's submissions the Complainant added:
- (a) A significant proportion of the Respondent's programming has been produced and is already shown in the United Kingdom. The majority of these programmes are also of general interest and are not "agri-business" at all. Also, most of the content or people/locations featured in these particular programmes already feature on The Country Channel UK.
- (b) The Complainant's channel has viewers throughout the world and has a number of registered users in New Zealand who receive its regular newsletters.

- (c) According to www.alexacom.com (which gives world ranking on websites), the Complainant's channel's user base is 88% UK and 12% worldwide, while the Respondent's user base is 25% worldwide and 75% UK.
- (d) There has already been confusion in the market. In support of this allegation, the Complainant produced copies of three emails from New Zealanders which indicate that viewers of the Complainant's programme had thought that programmes screened by the Respondent were in fact screened by the Complainant.
- (e) The Complainant produced a copy of a "Google Alert" about the Respondent's flagship programme "Farm gate". The review was not particularly complimentary and the Complainant's submission was that its channel and reputation was based on high quality programming and it cannot afford for either its viewers, sponsors, advertisers or investors to associate it with low quality content.
- (f) The Complainant did have a presence on conventional television as it has been broadcasting for 10 hours per week on Sky 166 and 167 in Europe for over 2 years. It is currently in negotiation for a 24 hour presence on Sky early next year.
- (g) In Response to the Respondent's submission that it had invested a substantial amount of time, effort and money in developing and launching The Country Channel in New Zealand, without knowledge of the Complainant's existence, it was submitted that its efforts were obviously inadequate as by typing in "the country channel" to either Google or Yahoo!, www.countrychannel.tv comes up right at the top, and this has been the case for 2½ years.

(b) Respondent

- 5.7 The Respondent notes that the Complainant claims to have viewers in New Zealand but has not provided any evidence of this.
- 5.8 The Respondent places reliance on the fact that its offering requires viewers to subscribe for The Country Channel via Sky TV and to pay a subscription fee. It states that in terms of its legal arrangements with Sky TV, it is not permitted to broadcast programming on any other media, including the Internet. Furthermore, other programming purchasing arrangements with overseas suppliers specifically exclude the Respondent's right to broadcast on the Internet.
- 5.9 The Respondent's position is that although its programme contains overseas content, the channel is aimed at New Zealand viewers who are interested in rural and agricultural matters. Its flagship programme is a one hour daily current affairs programme called Farm gate. This is locally produced.
- 5.10 The website is an adjunct to and a means of promoting the Sky TV channel. The website does not broadcast programmes.

- 5.11 The Complainant's broadcasts are over the Internet and its programmes can be freely assessed via that medium. It alleges that the Complainant has no presence on conventional television, at least not in New Zealand. It is clear from the Complainant's website that its programmes are overwhelmingly British in focus, subject matter and appeal.
- 5.12 The Respondent has registered under the name "The Country Channel Limited" in New Zealand on 16 April 2008 and on 14 July 2008 filed a trade mark application in New Zealand in respect of the trade mark THE COUNTRY CHANNEL. It invested a substantial amount of time, effort and money in developing and launching The Country Channel in New Zealand without knowledge of the Complainant's existence until shortly prior to The Country Channel's launch on Sky TV in New Zealand in October 2008.
- 5.13 Before being aware of the Complainant's cause for Complaint, it made demonstrable preparations to use the Domain Name in connection with a genuine offering of goods or services.
- 5.14 In support of the last submission the Respondent refers to negotiations by Mr Tyler a director of the Respondent in respect of some of the programmes. One went back 18 years but there is no suggestion that the words "The Country Channel" were involved in any of the prior proposals before 2006 when Mr Tyler and Mr Ward, another director of the Respondent, met and discussed a proposal for a television channel with a rural farming focus. It was only in early 2008 that the name The Country Channel was chosen to fit in with the Sky formula of other channels such as the History Channel, the Living Channel, the Documentary Channel and the Arts Channel. The name of the company was reserved with the Companies Office on 17 March 2008.
- 5.15 When the Complainant's concern was made known, the Respondent saw no reason why it should not launch under the name "The Country Channel" because the Complainant was not a television channel in the conventionally understood sense and was also based in the United Kingdom and focused on a British audience.
- 5.16 The Respondent says that there was no subterfuge on its part and this is demonstrated by the email exchange, details of which were provided by the Complainant. After learning of the Complainant's existence Mr Tyler established contact with the Complainant in an effort to obtain programmes from it.
- 5.17 Finally, the Respondent again makes the point that the Domain Name is descriptive and the Respondent is making fair use of it in a way which is consistent with its descriptive character.

6. Discussion and findings

- 6.1 Under the Policy (the Dispute Resolution Service Policy), a complainant is required to establish that it has Rights in respect of a name or mark which is identical or similar to the Domain Name and that the Domain Name in the hands of the Respondent is in an Unfair Registration (para 4.1 of Policy).
- 6.2 The Policy does not exclusively define Rights but states that it “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.”
- 6.3 The basic Right upon which the Complainant relies is the registration of its trade mark in the United Kingdom. Registration of a trade mark in the United Kingdom does not of itself create a right in New Zealand. This is not a case where it is alleged that the Respondent obtained the Domain Name for the purposes of blocking registration of a name or mark in New Zealand on which the Complainant has Rights. Thus this is not a case where registration of the mark in the United Kingdom creates Rights. The trade mark and the use of it and the use of the name “Country Channel” can however be the basis of Rights in this country if the words have achieved a reputation in fact in New Zealand.
- 6.4 It has been held in respect of the Nominet Policy in the United Kingdom, albeit in a different factual context, that the requirement to demonstrate Rights is not a particularly high threshold test: DRS 00248 *seiko-shop.co.uk*.
- 6.5 The issue therefore is whether the Complainant has a reputation in fact in New Zealand in the mark “COUNTRY CHANNEL”. It is not disputed, nor does the Expert believe it can be, that the mark “COUNTRY CHANNEL” is identical or similar to the Domain Name. There are three factors which are relevant to this consideration, namely:
- (a) The Complainant’s assertion that it has a number of registered users in New Zealand, who receive its regular newsletter. It is correct that this assertion is made in general terms and there is very limited evidence in support. However, in these days of the invasion and pervasion of the Internet, it would be very unusual for there not to be viewers in New Zealand. The Complainant should however have provided evidence supporting its assertion that there were registered users and the number who received its regular newsletter.
 - (b) The three emails provided by the Complainant in Response in support of the allegation that there is confusion in the market do indicate that in at least three cases there are New Zealand viewers. All three emails originated within New Zealand within a month of the launch of the Respondent’s TV programme, and the three authors were clearly viewers of the Complainant’s programme.

- (c) Further evidence is the ranking given on www.alexacom.com. While it does not specifically refer to New Zealand it states that 11.9% of the Complainant's users come from outside the United Kingdom. While the Expert would not be prepared to rely fully on these rankings, because no evidence has been adduced as to the reliability of Alexa which is a web information company and because the figures come from a three month period only, the figures are supporting evidence which gives some weight to the Complainant's position.
- 6.6 On the basis that the test to establish Rights is not a high threshold, the Expert is prepared to accept that the Complainant does have rights in New Zealand in the words "The Country Channel". The three emails support the Complainant's contention that it has a reputation in the "Country Channel" in New Zealand.
- 6.7 Under the Policy the Complainant cannot rely upon Rights in a name or term which is wholly descriptive of the Complainant's business. The Respondent relies upon this exclusion. The fact that the Complainant has achieved registration of the trade mark in the United Kingdom suggests that the mark is not "wholly descriptive" of the Complainant's business.
- 6.8 The Complainant's home page on www.countrychannel.tv states that it is "a free to view web broadcast service". Its user guide refers to the six strands referred to in para 4.2 above. A programme which has strands screening Lifestyle, Recreation and even Equestrian programmes can not be said to be wholly a Country Channel. The Complainant is not prevented from having this matter considered because the name is "wholly descriptive of the Complainant's business".
- 6.9 The Policy describes an Unfair Registration of a domain name. In this case the Respondent's position is that it did not acquire the Domain Name being aware of the Complainant's trade mark or programmes. This assertion is not directly challenged by the Complainant, which would not be in a position to make such a challenge. It is noted however that if years of planning went into what has finished up as the Respondent's product, it would be very surprising if the Respondent was unaware of the Complainant's programmes. It is possible to draw an adverse inference against the Respondent in this respect, because it seems inconceivable to the Expert that the Respondent would not have Googled, the words "the country channel" before it decided on a name. Mr Tyler had been considering such a programme for many years.
- 6.10 Whether there is an Unfair Registration falls for determination under the second limb of the definition of Unfair Registration, which provides that it is an Unfair Registration if the Domain Name:
- "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."*
- 6.11 Paragraph 5 of the Policy contains a non-exhaustive list of factors which may be evidence that a Domain Name is an Unfair Registration. On the facts of

this case the only relevant factor is that contained in paragraph 5.1.2 which states:

“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 Complainant does not raise any other allegation of Unfair Registration.

- 6.12 The matter for determination therefore is whether 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 Respondent is basically using the website to advertise a pay TV programme screened in New Zealand. The Complainant's use of the mark is in respect of programmes which it screens on the Internet originating from the United Kingdom. Based on the programmes which the parties are screening, it is obvious that to a large extent they are producing programmes in the same programme area. Viewers of the Complainant's programmes would be interested in programmes of the Respondent and vice versa. This is perhaps demonstrated by the Alexa figures which show that 75% of the users of the Respondent's website are in the United Kingdom. It does not follow however that these users would have access to the Respondent's programmes. Indeed, the opposite would appear to be true. Thus the fact that viewers in the United Kingdom may view the Respondent's website adds little weight to the Complainant's case.
- 6.13 The evidence from the three emails referred to in paragraph 5.6(d) above supports the submission that the Respondent's use of the Domain Name is confusing, misleading or deceiving people into believing that the Domain Name belongs to the complainant. Three emails from confused viewers within a month of the Respondent's launch, the known pervasive influence of the internet and the similarity of the parties' products, albeit delivered by different media, suggest that there is likely to be the confusion referred to in paragraph 5.1.2 of the Policy. The Complainant has established that there is an Unfair Registration. Continued use of the Domain Name by the Respondent is likely to be unfairly detrimental to the Complainant's rights. The onus shifts to the Respondent to establish that the registration is not unfair.
- 6.14 It is necessary to consider the provisions of paragraph 6.1.1 of the Policy. If the Respondent can establish that before it was aware of the Complainant's cause of Complaint, it had used or made demonstrable preparations to use the Domain Name in connection with a genuine offering of goods or services, the registration was not unfair.
- 6.15 The evidence demonstrates that the Respondent was incorporated in April 2008. It applied on 14 July 2008 for a trade mark in New Zealand. At that time it says it was not aware of the Complainant's cause for complaint. The

evidence establishes that it did not become aware of the Complainant's position until the middle of August 2008.

- 6.16 In complaints of this nature it is virtually impossible for a complainant to rebut an assertion similar to that made by the Respondent. As indicated in paragraph 6.9 above I have drawn the inference that the Respondent would have known of the Complainant's programmes from the time it was incorporated. Planning of the Country Channel TV programme had a long gestation. During its planning a number of possibilities for TV channels were considered and a business plan was developed. The original proposal was for the name to be The Farm Television Network. The inferences drawn are that at the date of incorporation the officers of the Respondent knew of the Complaint and that its programmes were viewed in New Zealand. This was before the Respondent made demonstrable preparations to use the Domain Name. Having determined that the Respondent was aware of the Complainant's programmes, it is necessary to apply an objective test to determine whether a person with such knowledge was "aware of the ... cause of complaint". In the Expert's view a person with such knowledge should have been alerted to the issue of the likely confusion which use of the Domain Name would cause. On this objective test the Respondent was aware of the cause of complaint. It has not discharged the onus on it and therefore is not entitled to rely on the provisions of paragraph 6.1.1 of the Policy.

7. Decision

- 7.1 For the reasons given, there was an Unfair Registration of the Domain Name.
- 7.2 A transfer of the Domain Name to the Complainant is ordered.

Place of decision Auckland

Date 21 January 2009

Expert Name Hon Barry Paterson QC

Signature

