

.nz Dispute Resolution Service

DRS Reference: 1355

**Dell Inc.
Sanjiv Sarwate**

v

Michelle Bryant

Key words –

Domain name

delllaptopbattery.co.nz

Identical or similar trade mark or name

Registered mark – unregistered mark – well-known mark – identical – similar

Unfair registration

Unfair registration – unfair use – likely to confuse, mislead or deceive – pattern of registration – unfairly disrupting the business of the complainant – respondent having no connection with name or trade mark

Registrar

1. Parties

Complainant:

Dell Inc.
Sanjiv Sarwate
One Dell Way
Round Rock
Texas 78682
United States of America

Respondent:

Michelle Bryant
1937 Davis Street, Ste. B Unit 31
San Leandro
California
United States of America

2. Domain Name

delllaptopbattery.co.nz

3. Procedural history

- 3.1. The Complaint was lodged on 02 April 2019 and Domain Name Commission (DNC), notified the Respondent of the validated Complaint on 05 April 2019. The domain was locked on 02 April 2019, preventing any changes to the record until the conclusion of these proceedings.
- 3.2. No Response was received
- 3.3. The Complainant paid Domain Name Commission Limited the appropriate fee on 19 May 2019 for a decision of an Expert, pursuant to Paragraph 9 of the .nz Dispute Resolution Service Policy (“the Policy”).
- 3.4. Sheana Wheeldon, the undersigned, (“the Expert”) confirmed to the DNC on 17 July 2019 that she knew of no reason why she could not properly accept the invitation to act as expert in this case and that she knew of no matters which ought to be drawn to the attention of the parties, which might appear to call into question her independence and/or impartiality.

4. Factual background

The Complainant’s rights

- 4.1. The Complainant is Dell Inc. of Texas in the USA. According to the Complaint it was founded in 1984 and is a global technology leader and one of the world’s most renowned manufacturers of laptops, desktops, networking devices, electronics, parts and accessories.
- 4.2. The Complainant owns several New Zealand trade mark registrations for the word DELL in both plain and logo forms, in class 9 covering, amongst other things, computer hardware and software, computer peripherals and their component parts. The earliest of these registrations, no. 179015, dates from 26 April 1988 and covers the word trade mark DELL.
- 4.3. The Complainant also owns New Zealand trade mark registrations for the marks LATITUDE, INSPIRON, DELL PRECISION, XPS and ALIENWARE. These date from between 1995 and 2010, and all cover, in general terms, computers, computer peripherals and their component parts.
- 4.4. The Complainant has sold DELL branded laptops and parts, including batteries, in New Zealand, online and through authorised retailers since at least 1996.
- 4.5. The Opponent has provided a printout from its webpage concerning its celebration in 2016 of 20 years in New Zealand. It has also provided printouts of a media article in 2016 on the same topic, and another in 2010 reporting the Complainant having added a second retail outlet in New Zealand.
- 4.6. On 25 August 1997 the Complainant registered the domain name dell.co.nz which redirects to its website at www.dell.com/en-nz, which the Complainant uses to target New Zealand customers. It has provided printouts from that website including printouts showing its sale of laptop batteries. It has provided no information as to the date of the printouts nor for how long the website has displayed these contents. Presumably the printouts are relatively recent.

- 4.7. The Complaint goes on to assert that due to its use and registration of the DELL mark in New Zealand, the mark is exclusively associated with the Complainant and distinctive of its business. It says it “has acquired significant goodwill and a reputation in the DELL mark which is protectable under the common law” and that accordingly the Complainant “has unregistered rights in the DELL mark, as well as registered rights in New Zealand, the United States of America and several other countries”.

The Respondent's activities

- 4.8. The Respondent is Michelle Bryant whose address is in California in the USA. The Domain Name was registered on 21 November 2012.
- 4.9. In or around July 2018 the Complainant became aware of the website resolving at the Domain Name, on which laptop batteries were being sold. The Complainant has provided copies of screenshots of this website, which show numerous different batteries for DELL computers being offered for sale. Many are described with reference to the particular model of computer, these models including INSPIRON, LATITUDE, PRECISION, XPS and ALIENWARE, all of which are the Complainant's registered trade marks.
- 4.10. The Complainant instructed an investigation company to complete an undercover purchase from this website. An investigator completed a covert purchase of an item described as a “Replacement for Dell 7D1WJ battery – 61Wh, 6 cells” for NZ\$124.76 including a shipping fee. The product duly arrived and was then shipped to the Complainant.
- 4.11. The Complainant has provided a copy of the private investigator's report which includes images of the battery the subject of this covert purchase. It has the DELL trade mark printed on it though this has been roughly scribbled out. The Complainant says the battery was a counterfeit product. By this I take it the Complainant means it is a battery not associated with or authorised by the Complainant, but carrying the Complainant's registered trade mark.
- 4.12. The Expert was invited to view the website at the Domain Name, and did so. It appears currently to be in the same form as indicated in the screenshots provided with the Complaint. That is, it offers for sale batteries for a very large number of different DELL computer models.
- 4.13. It does not appear the batteries in question are being described as genuine DELL batteries, and none of the images of products displayed on the website shows the trade mark DELL on the products. Nevertheless from the battery purchased by the private investigator it is clear that at least some of the products being sold on the website do carry the DELL trade mark though they are not the Complainant's products.
- 4.14. Further, there is no statement or other indication that the batteries being offered are not genuine DELL batteries or authorised by the Complainant. The overall impression is of a site dedicated to batteries for DELL laptops, with use of the trade mark DELL in all the product descriptions, often alongside a model name such as LATITUDE. Typical of the commentary on the website is the following:

“Replacement for Dell Laptop Batteries

*Thank you for visiting DellLaptopBattery.co.nz! We supply quality laptop batteries for your Dell laptop. All batteries are high quality and warranty 100% OEM compatible **original** Dell batteries. Please select the battery for your Dell laptop from the list below” (emphasis added).*

- 4.15. This excerpt, in particular the reference to “original Dell batteries” contains an implication that the batteries on sale are DELL batteries, not simply generic batteries suitable for DELL laptop computers. That implication is strengthened by the fact the website includes what seem to be exhaustive lists of model names and numbers for DELL laptop computers. It is also strengthened by the name of the website, “DellLaptopBattery.co.nz” which suggests this is the New Zealand website for purchasing batteries for DELL laptops.
- 4.16. The Complainant has ascertained that the Respondent is the registrant of at least the following domain names which are comparable to the one at issue here:
- a. hplaptopbattery.us
 - b. dell-laptop-battery.net
 - c. delllaptopbattery.us
 - d. apple-laptop-battery.com
- 4.17. The Complainant has provided details of various relevant New Zealand trade mark registrations demonstrating that the mark HP is owned by HP Hewlett Packard Ground LLC and the mark APPLE is owned by Apple, Inc., in relation to class 9 goods.
- 4.18. The Complainant points out that there is no connection in trade between it and the Respondent. It has not licensed or authorised her use of the DELL trade mark in New Zealand or elsewhere.
- 4.19. The Complainant, through its lawyers, sent a letter by email on 5 October 2018 to the Respondent, at the address provided to the Registrar, pointing out its rights in the DELL trade mark and asking that the Respondent cancel the Domain Name registration or transfer it to the Complainant. It received no response.

5. Parties’ contentions

Complainant

- 5.1. The Complainant seeks to have the Domain Name transferred to it from the Respondent.
- 5.2. As mentioned earlier the Complainant asserts registered and unregistered rights in the trade mark DELL in New Zealand.
- 5.3. The Complainant asserts that the Domain Name in the hands of the Respondent is an Unfair Registration based on the following:

- a. The Respondent has registered the Domain Name for the purpose of unfairly disrupting the business of the Complainant (paragraph 5.1.1(c) of the Policy). In support of this assertion the Complainant says:
 - i. The Respondent has specifically targeted the Complainant's well-known brand – the Domain Name contains DELL and is being used to sell counterfeit batteries under or by reference to the Complainant's registered trade marks as well as its individual laptop model numbers.
 - ii. The Complainant sells laptop batteries in New Zealand at least via its website at www.dell.com/en-nz.
 - iii. The Respondent is in direct competition with the Complainant and is using the Domain Name to cause initial interest confusion, capture consumers searching for DELL laptop batteries, and sell counterfeit DELL products.
- b. The Respondent is using the Domain Name in a way which is likely to confuse, mislead or deceive people or businesses into believing it is registered to, operated by, or otherwise connected with the Complainant (paragraph 5.1.2 of the Policy). In support of this assertion the Complainant says:
 - i. Consumers in New Zealand searching for batteries for a DELL branded laptop are likely to type the words "dell laptop battery" into a search engine and be directed to the Domain Name.
 - ii. The Respondent is using the Domain Name to house a website offering for sale and selling counterfeit DELL laptop batteries.
 - iii. Consumers are likely to visit the website resolving at the Domain Name believing it is registered to, operated by, or otherwise connected with the Complainant, because the unauthorised use of the DELL mark before the generic words "laptop" and "battery" is what is special about the Domain Name and constitutes its only distinctive part.
- c. The Respondent has 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 (paragraph 5.1.3 of the Policy). In support of this assertion the Complainant points to the Respondent's ownership of the HP, APPLE and other DELL domain names mentioned earlier.

Respondent

5.4. The Respondent has filed no response.

6. Discussion and findings

6.1. Given the absence of a Response, the Expert is able to consider only the information and submissions provided by the Complainant, which are undisputed, and to make appropriate inferences from the available facts.

Relevant Provisions of the Policy

- 6.2. The Complainant is required to prove that it has met the requirements in paragraph 4 of the Policy namely that:
 - a. The Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name; and
 - b. The Domain Name, in the hands of the Respondent, is an Unfair Registration.
- 6.3. Paragraph 4.2 requires the Complainant to prove to the Expert that both elements are present on the balance of probabilities.
- 6.4. The Policy provides that 'Unfair Registration' means a Domain Name which either:
 - a. 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
 - b. 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.
- 6.5. Paragraph 5.1 of the Policy sets out a series of non-exhaustive factors which may be evidence that a Domain Name is an Unfair Registration. They include the following:
 - a. Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily:
 - i. 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; or
 - ii. as a blocking registration against a name or mark in which the Complainant has rights; or
 - iii. for the purpose of unfairly disrupting the business of the Complainant; or
 - b. 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;
 - c. 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;

Application of the Policy in this case

- 6.6. The first question is whether the Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name. Rights must be enforceable under New Zealand law and may be registered or unregistered.

Complainant's rights

- 6.7. The Expert finds that the Complainant has registered rights in respect of the trade mark DELL in New Zealand by virtue of its various trade mark registrations including no. 179015.
- 6.8. The Complainant is also asserting unregistered rights in the DELL trade mark. While the Expert is aware that DELL computers have been available in New Zealand for some years, the Complaint provides insufficient information on which to assess the level of awareness and reputation in the mark here. No information has been provided on sales quantities or value, nor on promotion and promotional expenditure. The only relevant evidence comprises the website and media articles described earlier, and the current contents of the Complainant's website.
- 6.9. Given this absence of factual information there can be no finding of unregistered trade mark rights.
- 6.10. The Domain Name is delllaptopcomputer.co.nz while the Complainant's trade mark is DELL. As the Complainant has pointed out, the elements "laptop" and "battery" are not distinctive and do little if anything to differentiate delllaptopbattery from the DELL mark. The Complainant argues that the essential identity of the Domain Name and the DELL mark are identical or similar. The Expert finds that the Domain Name is effectively identical to the DELL trade mark in which the Complainant has rights.

Is the Domain Name, in the hands of the Respondent, an Unfair Registration?

- 6.11. Under paragraph 4.1.2 of the Policy the Complainant must show, on the balance of probabilities, that the Domain Name is an unfair registration in the hands of the Respondent.
- 6.12. The definition of Unfair Registration includes a Domain Name which either:
- a. 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
 - b. 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.
- 6.13. The Expert notes that under paragraph 5.4 of the Policy:
- 5.4 In making the decision, the Expert shall not take into account any evidence of acts or omissions amounting to unfair registration or use which occurred more than three (3) years before the date of the Complaint.

- 6.14. In the present case the date of the Complaint is 29 March 2019, so the Expert cannot take into account acts or omissions amounting to unfair registration or use which occurred prior to 29 March 2016.
- 6.15. The Domain Name was registered in 2012. To the extent that the Complainant asserts that the Respondent's *registration* of the Domain Name amounts to unfair registration, the Complainant cannot succeed. This is relevant to the Complainant's assertion that the Respondent registered the Domain Name for the purpose of unfairly disrupting the business of the Complainant (paragraph 5.1.1(c) of the Policy).
- 6.16. Due to the three year limitation the Expert cannot take into account the Respondent's actions in registering the Domain Name but can take into account the activities carried out through the Domain Name since March 2016. These include the activities carried out through the website associated with the Domain Name, which are described in the Complaint.

Respondent has registered the Domain Name for the purpose of unfairly disrupting the business of the Complainant

- 6.17. The Complainant has referred to paragraph 5.1.1(c) of the Policy.
- 6.18. Due to the timing issue mentioned above, the Expert cannot take into account the Respondent's actions in registering the Domain Name. However the activities of the Respondent since that time are relevant.
- 6.19. The specific assertions the Complainant has made in this context are set out in paragraph 5.3 above. In summary, the Complainant says the Respondent has specifically targeted its brand DELL and is selling counterfeit DELL laptop batteries in competition with it using the Domain Name.
- 6.20. It says the Respondent registered the Domain Name to unfairly disrupt its business by diverting business away from it.
- 6.21. Though the Complainant specifically refers to the Respondent's registration of the Domain Name for the purposes of this aspect of the Policy, it is clearly also complaining of the Respondent's ongoing activities via the website the Domain Name resolves to. Those activities have taken place recently and well within the three year period the Expert can take into account.
- 6.22. It is inconceivable that the Respondent was unaware of the Complainant and its trade mark DELL either when registering the Domain Name or today, when the Domain Name is being used for a website selling batteries for DELL laptop computers, which are unauthorised by the Complainant.
- 6.23. Based on the Respondent's recent activities, the Expert finds that the Respondent's acquisition of the Domain Name, and use of it, was primarily for the purpose of unfairly disrupting the business of the Complainant.

Respondent is using Domain Name in a way 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 (paragraph 5.1.2 of the Policy)

6.24. The Complainant argues that this aspect of the Policy is met because its trade mark DELL is the only distinctive part of the Domain Name, and consumers' resulting belief the Domain Name is associated with the Complainant will be reinforced by:

- a. The advertising or selling of laptop batteries under or by reference to DELL laptop model numbers.
- b. The use of the DELL mark on at least some of the laptop batteries being sold.
- c. The dominant use of the DELL mark on the homepage of the website.
- d. The repeated use of the DELL mark on the resolving website, either alone or in combination with the Complainant's other registered marks, including DELL PRECISION, LATITUDE, INSPIRON, XPS and ALIENWARE.

6.25. The Complainant claims the website resolving at the Domain Name does not contain disclaimers sufficient to disabuse consumers of their confusion, but that in any event such disclaimers would be insufficient to dispel the assertion that the registration is an unfair registration. It refers to DRS decision 172¹ in which it was found that the sort of confusion paragraph 5.1.2 has in mind is implicit in the Domain Name itself.

6.26. The Complainant also refers to the principle that confusion, misleading or deception can arise when members of the public go into a business (or in this case visit a website) thinking it is connected with a trade mark owner – even though they might be disabused of their confusion after going there. This principle, known as “initial interest confusion” has been accepted by the New Zealand Court of Appeal as constituting a breach of the Fair Trading Act 1986².

6.27. The Expert accepts that in this case a degree of likely confusion is implicit in the Domain Name itself, and that the factors pointed out by the Complainant and listed above reinforce that confusion. In reviewing the website at the Domain Name the Expert did not see any evidence of disclaimers. In a situation of this kind a disclaimer would not in any event negate the initial interest confusion so as to take the Respondent's activities outside the scope of paragraph 5.1.2.

6.28. The Expert therefore finds that the Respondent is using the Domain Name in a way likely to confuse, mislead or deceive people or businesses as set out in paragraph 5.1.2 of the Policy.

¹ *NZ Aerial Mapping Ltd v Terralink International Ltd*, 10 April 2017 at page 8

² For example, *Trustbank Auckland Ltd v ASB Bank Ltd* (1989) 15 IPR 222 at 226

Respondent is engaged in a pattern of registrations of domain names 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

6.29. As described earlier the Respondent owns at least four other domain names that correspond to well-known names or trade marks. The Respondent has no apparent rights in those names.

6.30. The Respondent also has no apparent rights in delllaptopbattery.co.nz.

6.31. Therefore the Expert finds that the Respondent is engaged in a pattern of registrations as described in paragraph 5.1.3 of the Policy, and the Domain Name is part of that pattern.

6.32. Given all the above the Expert finds that the Domain Name has been used in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's rights.

6.33. As mentioned earlier, the Respondent has filed no response, so has not disputed the Complainant's assertions.

6.34. There is no evidence of any of the factors listed in paragraph 6.1 of the Policy as potential evidence that the Domain Name is not an Unfair Registration.

6.35. The Expert is satisfied that the Complainant has shown that the Domain Name is an Unfair Registration.

7. Decision

7.1. In view of the findings made above the Expert directs that the Domain Name delllaptopcomputer.co.nz be transferred to the Complainant.

Place of decision: Auckland

Date: 31 July 2019

Expert Name: Sheana Wheeldon

Signature:

