

Resolution Institute **auDRP_17_03**

Domain Name Administrative Panel

CARSALES.COM LTD

Complainant

and

MOHAN LAL

Respondent

Single member panel

Determination re: constructionsales.net.au; carfacts.net.au; tyresales.net.au

Procedural History and summary of outcome

1.(a) The complaint was submitted to Resolution Institute (RI) on 19 January 2017 for decision in accordance with the .au Domain Name Dispute Resolution Policy (“the auDRP” or “the Policy”). The Policy was approved by auDA in 2001, commenced operation on 1 August 2002 and was most recently approved by the auDA Board and published as Policy 2016-01 on 15 April 2016. The Policy includes the Rules for .auDRP (“the Rules”) and the RI Supplemental Rules for .auDRP (“the Supplemental Rules”). The complainant requested determination of the complaint by a single-member panel.

(b) On 19 January 2017, RI acknowledged receipt of the complaint. An amendment to the complaint was received by RI by email on 20 January 2017 and was acknowledged same day.

(c) On 20 January 2017 RI transmitted by email to Web Address Registration a request to clarify respondent details and to lock the domain name during proceedings. The registrar confirmed locking of the domain names on 24 January 2017.

(d) On 24 January 2017 RI notified auDA of the complaint and also sent the respondent a copy of the complaint by email and post, confirming that the due date for response was 13 February 2017.

(e) On 17 February 2017 RI approached the current determining panelist who confirmed availability and submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by RI to ensure compliance with Rule 7. The panelist was then appointed and provided with the complainant's material and procedural history on 17 February 2017 and the parties were notified of the panelist's appointment.

(g) An email was received by RI on 10 February 2017 from the respondent requesting an extension of time in which provide his response. This email was on its face sent only to Nominations@resolution.Institute without being sent to the complainant so, pursuant to Supplemental Rule 12, RI requested the respondent to re-send his email and copy in the claimant. This was not done prior to the due date for the response, being received by RI by email 6.42pm 17 February 2017. RI accordingly advised the respondent that it had referred a decision on the application for extension to the appointed panelist.

(h) On the receipt from RI on 22 February 2017 of that communication for extension the Panel sent to the parties, and forwarded for its records to RI, the following email at 4.54pm on 22 February 2017:

As you know from emails sent 17.ii.17 by the Resolution Institute (RI), I have been appointed to determine this matter.

I have today been provided by RI with an email sent 6.42pm on Friday 17 February 2017 by the respondent (Mohan Lal) seeking the opportunity to provide a response. In that email Mr Lal sets out personal circumstances (the death of his father) and a misunderstanding about

the communication process concerning extension of time by RI before the referral for determination.

In the circumstances I am minded, subject to hearing from the complainant, to exercise my powers under rule 10 of the auDRP Rules to extend time for the response to 5pm on Monday 27 February 2017. I am presently not minded to hear from the respondent about any later time or date.

Depending on the nature and scope of any response that is served within that time limit, the complainant may then wish to make a prompt application to provide further material, although I note that the power under rule 12 is exercised in exceptional circumstances such as a matter arising which could not reasonably have been anticipated to be raised in the response. Usually parties are expected to put all material on which they rely in complaint and response.

If the complainant disputes my proposed procedure, the complainant should provide its reasons, which should be as brief as possible, by 5pm tomorrow Thursday 23 February 2017. I shall advise the parties of my final decision on procedure as soon as possible after that time. **I shall take any absence of response by the complainant as an absence of opposition to my proposed procedure.**

All material should come by email to my email address below and not to the Resolution Institute. I shall advise the Resolution Institute of the outcome of this process and any effect it has on the date of delivery of the determination which is currently Friday 3 March 2017 to RI. Depending of course on what is provided in the response and any further material permitted after the response, I do not anticipate a significant extension of the determination date beyond 3 March 2017 (if there is any extension necessary).

Since I have used the email addresses supplied by RI for each party, I shall assume prompt sighting of this email by each party but for courtesy I would appreciate an acknowledgement by return email as soon as this email is sighted.

Yours sincerely,

(i) The Panel did this, including the means of communication, rather than through RI pursuant to Rule 8 and Supplemental Rule 12, in exercise of the Panel's powers, once it has entered upon the determination process, to control the procedure of the administrative proceeding under Rule 10, noting also that Rule 12 on further statements and documents and oral hearings if determined on under Rule 13 envisage direct communication with the parties during the process and that normally an appointing body does not further involve itself once a reference is entered upon so that it remains above any procedural disputes (refer auDA's own exclusion in that respect in Policy clause 4h). The Panel forwarded communications on the extension process to RI for completeness of its records. RI by email 22 February 2017 6.16pm acknowledged the special nature of the matter.

(j) The complainant by email 23 February 2017 9.45am copied to the respondent acknowledged receipt of the Panel's email and confirmed that the complainant did not intend to oppose the decision to extend time for the response. The respondent by email 23 February 10.06am copied to the complainant said that he "really appreciate[d]" the extension "so that I can prepare a proper reply to defend my domains. I'll make sure I reply within the extended deadline which is 5pm 27 February 2017."

(k) No material was received from the respondent by the nominated deadline or at time of writing this determination during 3 March 2017 (the last prescribed day for delivery of the determination). The Panel accordingly has proceeded to determine the dispute on the complainant's material under Rules 14(a) and 15(a). The Panel sees no basis, in the circumstances, to draw an inference adverse per se to the respondent from non-compliance with the original and extended time requirements. In the Panel's experience it is not unusual for a respondent simply to leave it to the Panel to determine on the complainant's material, where the complainant bears the onus of proof. However, the absence of challenge to statements in the complainant's material that are not inherently implausible mean that such statements will not be contradicted as the basis for the Panel's determination and may aid the complainant to discharge the onus of proof: see, eg, *Jasham PL v Perfume Empire PL* LEADR/RI auDRP 01/06.

(l) Rule 3(c) permits the complaint to relate to more than one domain name where, as here, the domain names are registered by the same domain holder being the respondent. Under Rule 10 the Panel is entitled as a matter of procedure to make a determination on a complaint made by one complainant on behalf of entities who have authorised that process. The Panel is satisfied such a procedure is here appropriate. There appears to be one respondent who owns each of the domain names the subject of complaint, that respondent has not objected, the entities have authorised the process as described below, and there appears to be sufficient commonality of relevant matters to justify the procedure.

(m) **Summary of outcome:** For reasons appearing below, the Panel is of the view that the complaint is made out in respect of all of the domain names the subject of the complaint, and grants the relief of transfer without further charge to the complainant of constructionsales.net.au and carfacts.net.au and to Tyresales PL of tyresales.net.au as sought by by the complainant.

Outline of complainant's contentions

2. The complainant relies upon the following matters (summarised) in support of its application to have each of the domain names transferred to it or the entity who has authorised it to bring the common application:

2.1. The complainant is the owner of registered trade marks 1444647 constructionsales.com.au being a device mark in class 35 and 1581715 CARFACTS being a device mark in class 45. Tyresales PL is the applicant for registration, currently pending, as a trade mark of tyresales.com.au being a device mark in classes 35 and 37 and being the same in substance as its corporate name. Tyresales PL (ACN158371423) is equally owned by the complainant and Digital Technology Holdings PL (ACN166499743). A Mr Damian Cook is the sole director and secretary of the latter and a director and secretary of the complainant. Mr Cook has signed a letter authorising the complainant to make the complaint in respect of tyresales.net.au including a claim for relief for transfer without charge of that domain name to Tyresales PL.

2.2 The foregoing satisfies sub-paras 4(b)(i) and 4(b)(ii) of auDRPSchA.

2.3 The test in auDRPSch A sub-para4a(iii) is said to be satisfied on the basis that the respondent registered or acquired the domain names primarily for the purpose of selling, renting or otherwise transferring the domain name registrations to another person for valuable consideration in excess of his documented out-of-pocket costs directly related to the domain names.

2.4 In support of that last contention, the complainant says, uncontradicted, that the respondent, introducing himself as “Percy”, attended the offices of the complainant on 5 December 2016 offering to sell the domain names to the complainant together with other domain names relating to the complainant or its competitors. The respondent showed Mr Jason Brown of the complainant a PowerPoint presentation which narrated a cautionary tale, including reference to unsuccessful litigation, if one did not protect “your Brand Name” by buying domain names comprehensively, with a focus on those ending in .net.au, so that piggybacking on google searches (among other commercially-harmful activity) did not occur. The presentation included a wide range of .net.au domain names represented to be owned by the respondent that impacted on “competitors” of the complainant or, potentially, on the complainant itself. Mr Brown and the respondent emailed on 6 December 2016 in which the respondent offered to sell the domain names together with bikepoint.net.au and equipmentsales.net.au to the complainant for \$200,000, to be closed out on that day “because I’ve got a meeting setup with another potential buyer tomorrow”. Since those communications bikepoint.net.au has been apparently sold to a third party. A further \$40,000 and \$10,000 respectively were the offer prices for .net.au and .tv competitor brand domain names.

Respondent’s absence of contentions.

3. The respondent has not put forward any material, in the circumstances including extension of time described above in the procedural history. In particular, the respondent has not sought to put forward any material supporting a right or legitimate interest of the respondent in the domain names. Further, there is no documentary or other information on the cost of the three disputed domain names to the respondent beyond the inferred registration cost of each, which is a tiny proportion of the \$200,000 asking price.

The auDRP requirements to be proven by the complainant

4. The matters which the complainant is required to establish are set out in para 4a of the Policy:

- (i) the domain names are identical or confusingly similar to a name (Note 1), trademark or service mark in which the complainant has rights; and
- (ii) the respondent has no rights or legitimate interests in respect of the domain names (Note 2); and
- (iii) the domain names have been registered or subsequently used in bad faith.

Note 1

For the purposes of this policy, auDA has determined that a “name ... in which the complainant has rights” refers to:

- (a) the complainant’s company, business or other legal or trading name, as registered with the relevant Australian government authority; or
- (b) the complainant’s personal name.

Note 2

For the purposes of this policy, auDA has determined that “rights or legitimate interests in respect of the domain name” are not established merely by a registrar’s determination that the respondent satisfied the relevant eligibility criteria for the domain name at the time of registration.”

The panel will deal with each of those requirements in turn. On each of them, and overall, the complainant bears the onus.

5. As para 4a(ii) of the Policy requires it to be established that the respondent has no rights or legitimate interests in respect of the domain names, it should also be noted that paragraph 4c of the Policy provides that “any of the following circumstances, in particular but without limitation, if found by the panel to be proved based on its evaluation of all evidence presented, is to be taken to demonstrate rights or legitimate interests to the domain name for purposes of para 4(a)(ii):

(i) before any notice to the respondent of the subject matter of the dispute, the respondent's bona fide use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with an offering of goods or services (not being the offering of domain names that it has acquired for the purpose of selling, renting or otherwise transferring); or

(ii) the respondent (as an individual, business, or other organisation) has been commonly known by the domain name, even if the respondent has acquired no trademark or service mark rights; or

(iii) the respondent is making a legitimate non-commercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the name, trademark or service mark at issue.”

6. In respect of para 4a(iii) of the Policy (bad faith), the complainant can take advantage of any findings on the matters set out in para 4b(i)-(iv) which, if found, constitute evidence of the registration and use of the domain name in bad faith.

Those factors are :

“(i) circumstances indicating that you have registered or you have acquired the domain name primarily for the purpose of selling, renting, or otherwise

transferring the domain name registration to another person for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name; or

(ii) you have registered the domain name in order to prevent the owner of a name, trademark or service mark from reflecting that name or mark in a corresponding domain name; or

(iii) you have registered the domain name primarily for the purpose of disrupting the business or activities of another person; or

(iv) by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to a web site or other online location, by creating a likelihood of confusion with the complainant's name or mark as to the source, sponsorship, affiliation, or endorsement of that web site or location or of a product or service on that web site or location; or

(v) if any of your representations or warranties as to eligibility or third party rights given on application or renewal are, or subsequently become, false or misleading in any manner”.

Discussion and decision on each auDRP requirement

7. As to the first auDRP requirement, each of the disputed domain names is identical or substantially similar to a registered or pending trade mark or corporate name of the complainant or the other entity for whom the complaint is made.
8. The test under para 4(a)(i) of the Policy is one of simple comparison. The mere fact of identity is sufficient for the first auDRP requirement, irrespective of any generic or descriptive quality of the words in question. In the context of domain name registration and use, such matters go towards establishing a right or legitimate interest in the domain name, to the potential exclusion of others from a right or legitimate interest. (Absent such matters, another person has the right to register and to use a domain name using generic or descriptive words or a generic or descriptive phrase per se, even

without a nexus to that other person's corporate or business name or to any mark to which that person is entitled under the general law or by statutory registration, and can maintain such registration and usage if it intends to use same as part of its business in the generic or descriptive field and demonstrates a carrying out of that intention.)

9. Turning to the second requirement of the Policy, it is now well established that the onus is on the complainant to make out a *prima facie* case on that issue and that the onus then moves to the respondent to rebut the *prima facie* case if it can. But in the final analysis the obligation is on the complainant to establish this element under para 4a(ii) of the Policy.
10. In that regard, the decision by auDA that the disputed domain name meets the eligibility requirements for registration as a domain name, a decision that was made in the present case but on the circumstances of which the Panel has no material before it, does not of itself affect rights to challenge the use by that registrant (the respondent) of the domain name: refer Note 2 to para 4a(ii) of the Policy.
11. Secondly, whether or not the respondent has a right to or legitimate interest in the disputed domain name depends essentially on whether or not it can bring itself within the provisions of para 4c(i)-(iii) of the Policy, which sets out three bases on which a registrant is deemed to have a right or legitimate interest in the domain name. Those criteria, however, are non-exclusive and it is always open to a respondent to rely on other factors showing that it has the right or legitimate interest referred to.
12. There is no material before the Panel which meets any of the provisions of para 4c of the Policy. The respondent had the opportunity, with extended time, to put that material forward and did not do so.
13. Turning to the third auDRP requirement, the presentation on 5 December

2016 and the respondent's emails of 6 December 2016 clearly establish, in the absence of any explanation, contradiction or qualification when an extended time was requested and granted to bring that forward, the third requirement. In particular, sub-paras 4b(i)-(iii) are established by those matters.

Determination

- 16. The complaint is determined in favour of the complainant. The relief sought by the complainant is granted, namely, transfer without further charge to the complainant of constructionsales.net.au and carfacts.net.au and to Tyresales PL of tyresales.net.au.**

3 March 2017

Determining Panel

Gregory Burton SC, FRI, FCIArb

Liability limited for each panel member (where relevant) by schemes approved under Professional Standards Legislation in addition to under the auDRP.