

Resolution Institute    **auDRP\_17\_13**

Domain Name Administrative Panel

ACTIVE INTERNET TECHNOLOGIES LLC d/b/a Final Site

Complainant

and

DIGISTORM EDUCATION PL

Respondent

Single member panel

**Determination re: finalsite.com.au**

**Procedural History and summary of outcome**

1.(a) The complaint was submitted to Resolution Institute (RI) on 8 November 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 8 November 2017, RI acknowledged receipt of the complaint.

(c) On 8 November 2017 RI transmitted by email to the relevant domain name registrar a request to lock the domain name during proceedings. The registrar confirmed locking of the domain names on 8 November 2017. On 8 November 2017 RI notified auDA of the complaint.

(d) With active date 13 November 2017 RI sent the respondent a copy of the complaint, confirming that the due date for response was 4 December 2017. No material was received from the respondent.

(e) On 5 December 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 6 December 2017 and the parties were notified of the panelist's appointment.

(f) The Panel has proceeded to determine the dispute on the complainant's material under Rules 14(a) and 15(a). There is no basis to draw an inference adverse to the respondent purely from the fact of non-provision of material. 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 the absence of contradiction of the complainant's material may aid the complainant to discharge the onus of proof: see, eg, *Jasham PL v Perfume Empire PL* LEADR/RI auDRP 01/06.

(g) **Summary of outcome:** For reasons appearing below, the Panel is of the view that the complaint is made out in respect of the domain name the subject of the complaint (the disputed domain name), and grants the relief of transfer without further charge to the complainant of finalsite.com.au.

## Outline of complainant's contentions

2. The complainant relies upon the following matters (summarised) in support of its application to have the disputed domain name transferred to it:

2.1. The complainant is the owner of the following registered and unregistered trade marks:

1. United States Trade Mark No. 3172869 registered on 21/11/2006 for the word mark FINALSITE in relation to Classes 41 and 42.

2. European Trade Mark No. 010281095 registered on 24/02/2012 for the word mark FINALSITE in relation to Classes 41 and 42.

3. Canadian Trade Mark No. 846490 registered on 08/07/2013 for the word mark FINALSITE in relation to Class 41.

4. Canadian Trade Mark No. 857239 registered on 08/07/2013 for the word mark FINALSITE in relation to Class 42.

5. Australian Trade Mark Application No. 1881894 filed on 23 October 2017 for the word mark FINALSITE in relation to Classes 35, 41 and 42.

6. New Zealand Trade Mark Application No. 1079528 filed on 30/10/17 for the word mark FINALSITE in relation to Classes 35, 41 and 42.

7. Unregistered rights in the name FINALSITE accumulated through 17 years of trading in connection with that trade mark.

In relation to the US, Canadian and European registrations, Class 41 relevantly in substance covers training in the use of software for content management for educational organisations. Class 42 relevantly in substance covers an application service provider (hosting online software applications of others); designing websites for educational organisations; providing temporary use of online non-downloadable software for content management for educational organisations.

In relation to the Australian and New Zealand applications for registration, Class 35

covers, in relevant substance, marketing advisory services; strategic business consultancy; data processing; compilation of statistical material. Class 41 covers relevantly in substance consultancy relating to education and training; training in the use of computers; providing online electronic publications, not downloadable; providing information about education; business training services; conducting training seminars. Class 42 covers relevantly in substance providing temporary use of online non-downloadable software; computer services, namely, creating computer network-based indexes of information, websites and resources; creating and designing web pages for others; designing and hosting of web portals.

2.2 Further, the complainant, a US corporation registered in Connecticut, trades under the business name which is the same as the disputed domain name, as does its UK associate Finalsite Holdings UK Ltd.

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

2.4 The test in auDRPSch A sub-para 4a(iii) is said to be satisfied on the basis that the respondent, a known competitor of the applicant in the provision of technology to the education sector in Australia, registered or acquired the domain name primarily for the purpose of disrupting the complainant's business which has been built upon its long use of that name.

2.5 In this respect, material provided by the complainant in relation to sub-paras 4(a)(i) and (ii) is also relevant. The complainant's trading under its name has been worldwide since 2000. The mark registrations commenced in 2006. The active Australian trading is extensive and since 2013, which predates registration of the disputed domain name. The complainant is the registered owner of the equivalent domain names finalsite.com (since 1999) and finalsite.co.uk. As at the date of complaint, the complainant provides services under the trade marks and its trading reputation and name to more

than 2,200 schools and over 1,200 clients in 76 countries, with over 30 million user logins to the Finals site content management system in the last 12 months. The average spend per school client per annum is USD 10,000 with AUD 80 million in sales since 2013. The complainant actively participates in relevant exhibitions and demonstrations and regularly has received award recognition within the sector in which its commercial activity occurs. The focus has always been on uniformity of badging with the Finals site mark of material in all media and usages including social media presence. It is in the top range of organic Google search results for Finals site. Advertising using the mark has been about 3-4% of annual sales value.

2.6 In contrast, to the complainant's knowledge the respondent has never been licensed by the complainant to use the complainant's name or intellectual property, the respondent registered the domain name on 12 August 2014 with last registration activity on 28 April 2017 and has not used the name in its own business activity or non-commercial activity, or sought to do so. If it had, the complainant would have challenged on the basis of infringement of its intellectual property. As at a date proximate to lodgement of the complaint, the disputed domain name was linked to a "holding" website with text of no commercial value or rational meaning. The absence of use and the status of competitor in Australia leads to the inference of disruption by denial of the natural domain name of the complainant to the complainant without any explanation or legitimate activity to support that position.

2.7 The complainant also draws attention to the respondent's registration on 1 May 2017, after it communicated with the respondent, of similar domain name in NZ, with absence of supporting activity and linking to the above "holding" website.

2.8 Although disruption is the prime inference sought to be drawn in support of a finding of bad faith in addition to absence of legitimate interest, the complainant also maintains that bad faith is demonstrated by support for an

inference that the registration of the disputed domain name is to take an opportunistic advantage of seeking to sell or otherwise deal in the disputed domain name to the complainant for valuable consideration greatly in excess of any actual out-of-pocket costs directly related to the domain name (being the small registration fee). In this respect, and further in support of the disruption inference, the complainant draws attention to the communications that occurred after it sought, on 19 April 2017, to register the disputed domain name and first discovered the existing registration by the respondent. At that point, the disputed domain name did not direct to any active website. In a conversation on 28 April 2017 with an officer of the complainant, the managing director of the respondent (the MD) stated that the respondent had registered Australian domain names incorporating trade marks of some of its competitors. There was no claim of right or of intent to carry on business using the disputed domain name or the intellectual property of those competitors. In emails after the telephone conversation the complainant expressly referred to what constituted cybersquatting and received an objection to the perceived aggression of that email but no direct denial of such intent from the respondent. Shortly after that call a link to the website mentioned above emerged for the disputed domain name and domain names registered in Australia for other competitors.

### **Respondent's absence of contentions.**

3. The respondent has not put forward any material. 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 in response to what has been said in the complaint.

### **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, the disputed domain name is identical or substantially similar to a registered or pending trade mark of the complainant or in which the complainant has had a long history of reputational association.
  
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 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 to put that material forward and did not do so. The complainant's material provides positive rebuttal or contradiction of each of those elements.
13. Turning to the third auDRP requirement, the material before the panel clearly establishes, in the absence of any explanation, contradiction or qualification, the third requirement. In particular, sub-paras 4b(ii)-(iv) are established by those matters, particularly and primarily in relation to the disruption of the complainant's business without legitimate basis and the other matters in those sub-paragraphs. Any one of those sub-paragraphs is enough. However, as an additional base sub-para 4b(i) is also, inferentially, made out in relation

to registration for the purpose of extracting a collateral financial advantage.

### **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 finalsite.com.au.**

19 December 2017

Determining Panel

Gregory Burton SC, FRI, FCI Arb

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