



ADMINISTRATIVE PANEL DECISION

KJ Aldridge Investments Pty Ltd **v.** **Aldridge Electrical Industries Pty Ltd**

LEADR-auDRP 12_04
<aldridge.com.au>

1 The Parties

The Complainant is KJ Aldridge Investments Pty Ltd of Eltham, Victoria. It is represented in the proceedings by Shelston IP Lawyers of Sydney, NSW.

The Respondent is Aldridge Electrical Industries Pty Ltd. It is represented in the proceedings by Rowley & Ross Lawyers of Miranda, NSW.

2 The Disputed Domain and Registrar

The Disputed Domain is <aldridge.com.au>. The registrar of the Disputed Domain is Melbourne IT.

3 Procedural History

This is an administrative proceeding pursuant to the .au Dispute Resolution Policy originally adopted by auDA on 13 August 2001, and subsequently amended on 1 March 2008 ("auDRP"); the auDA Rules for .au Dispute Resolution Policy ("Rules") and the LEADR Supplemental Rules to Rules for .au Domain Name Dispute Resolution Policy ("LEADR Supplemental Rules").

A Domain Name Dispute Complaint Form was filed with LEADR on 11 April 2012 and on the same day LEADR forwarded a copy of the Complaint to the Registrar and received confirmation of the registration particulars on 17 April 2012 together with confirmation that the Disputed Domain had been locked. Both the Respondent and auDA were notified by LEADR of the Complaint on 17 April 2012.

Under Rule 5(a) a Response was due 20 calendar days after the proceeding commenced. Under Rule 4(c) the proceeding is taken to have commenced on the date on which LEADR completed its responsibilities under Rule 2(a) in forwarding the Complaint to the Respondent. Under Rule 2(g) times are calculated from the date a communication was first made under Rule 2(f). Accordingly, the due date for a Response was 7 May 2012.

A Response was lodged with LEADR on 3 May 2012. On 7 May 2012 the Panel submitted its Statement of Impartiality and Independence and on 9 May 2012 the parties were notified of the Panel's appointment.

All other procedural requirements in relation to the proceedings appear to have been satisfied.

4 Factual Background

The following background facts were not contested:

The Complainant was incorporated on 29 August 1980 under the name and style Eagle Signal (1980) Pty Limited. On 3 September 1986 it changed its name to Aldridge Traffic Systems Pty Limited. It changed its name again on 3 July 1987 to Aldridge Electrical Industries Pty Limited. Subsequent name changes were to K J Aldridge Properties Pty Limited on 4 February 1991, to Aldridge Group Pty Limited on 28 August 1996 and finally to its present name and style on 25 July 2005.

The Complainant first registered the Disputed Domain on 12 September 1997. The person who procured the registration was Mr Peter James Aldridge, then a director and shareholder of the Complainant and now Managing Director and a shareholder of the Respondent. The registrant at the time of the first registration of the Disputed Domain was recorded as Aldridge Group Pty Limited, being the name and style which the Complainant was then using. Mr Aldridge in fact paid the registration fee using his personal credit card and has continued to do so until the present day. He became the Administrative, Technical and Billing Contact for the Disputed Domain and he was the person with the 'handle' required to change particulars with the registrar such as specification of the name servers to which webpages using the Disputed Domain resolved and the MX record for email addresses in that domain.

Up until a date which the parties are unable to specify, but are all agreed was in 2007 "some considerable time" prior to 30 April, the Respondent was a majority owned subsidiary of the Complainant. On that unspecified date in 2007 the Complainant divested the Respondent by transferring all of its shares in the Respondent to three individuals one of whom was Mr Peter James Aldridge. From that date the Respondent ceased to be a related entity of the Complainant and Mr Peter Aldridge ceased to be a director of the Complainant. However, as at that date, and up until 15 August 2011, not only did the Disputed Domain remain registered in the former name of the Complainant (which of course remained the same entity), but Mr Peter Aldridge remained recorded as the Administrative, Technical and Billing Contact for the Disputed Domain.

On 30 April 2007 the Complainant was acquired by Traffic Technologies Limited and that entity remains the Complainant's holding company. The Respondent has never been a related entity of Traffic Technologies Limited.

At all times since its registration, the Disputed Domain has resolved to a website dealing with the products and services of the Respondent's business as well as being used as the domain for the Respondent's email.

During 2011 an officer of Traffic Technologies Limited became aware that Mr Peter Aldridge still had control over the Disputed Domain which remained registered in the former name of its subsidiary, the Complainant. He gave notice that the Complainant proposed to take back control of the Disputed Domain within a matter of months. Mr Aldridge responded by explaining that it had always been intended that at the time he and his fellow shareholders acquired the Respondent from the Complainant, the Disputed Domain would go with them. Needless to say, since he remained recorded as the

Administrative, Technical and Billing Contact, all correspondence including renewal notices relating to the Disputed Domain went to Mr Peter Aldridge and, subsequent to the pre-30 April 2007 divestiture, he continued to pay for the renewals on his personal credit card.

The content of the webpage to which the Disputed Domain resolved prior to 30 April 2007 related to the electrical business carried on by the Respondent. It never reflected the business carried on by any other company controlled by the Complainant. After the Complainant divested the Respondent, that website continued to reflect the business of the Respondent. Mr Aldridge was able to ensure that continuity, and the continuity of emails sent to the <aldridge.com.au> domain, because he controlled the particulars recorded at Melbourne IT which determined the nameservers and MX records associated with the Disputed Domain.

On 28 July 2011, after he was put on notice that the Complainant's owners intended to take control of the Disputed Domain, Mr Peter Aldridge executed Melbourne IT's standard form of transfer with the intention of belatedly effecting the formal transfer of registration of the Disputed Domain from the Complainant to the Respondent which had never been attended to. However, the transfer form required the consent of an authorised representative of each of the transferor and the transferee to be given. In addition, the signatory for the transferor was required to warrant his authority to sign the form on behalf of the "current registrant".

The Complainant has obtained from Melbourne IT and exhibited to the Complaint a copy of the executed transfer form. Adjacent to the space where Mr Aldridge has ostensibly signed as an authorised representative of the Complainant, appears an arrow leading to the handwritten annotation "Please see notes attached". As best the Panel can ascertain from the way the exhibits to the Complaint are delimited, and from what is said in the Response, the "notes" referred to comprised a one page note on the Respondent's letterhead, signed by Mr Aldridge as Managing Director of the Respondent, containing his assertions as to the Respondent's entitlement to the Disputed Domain including the assertion that at the time of the divestiture of the Respondent by the Complainant it had been agreed by the Complainant that the Respondent would take a transfer of the domain name that resolved to the website it had always used. Mr Aldridge's note refers to and annexes two corroborating statutory declarations sworn respectively by David Keith Aldridge on 27 July 2011 and Kenneth Leslie Hardy on 15 July 2011. Also attached to the transfer form, and referenced in Mr Aldridge's "note", is a copy of the Certificate of Registration of Australian trademark number 1345386 in the name of Aldridge Railway Signals Pty Ltd, being another former subsidiary of the Complainant that was also divested prior to 30 April 2007 to interests associated with Mr David Aldridge. The single word mark the subject of that registration is "ALDRIDGE". In his note Mr Peter Aldridge simply asserts that he is authorised to use that mark.

The transfer form dated 28 July 2011 was formally lodged with Melbourne IT on 8 August 2011 but appears to have been the subject of prior discussion with Melbourne IT. In any event, Melbourne IT considered the material put forward by Mr Peter Aldridge and, by email dated 8 August 2011, it indicated its view that the transfer form, despite not having been signed by any person on behalf of the Complainant, would be treated as "valid" and would be processed with the next batch of transfers, on 15 August 2011. That subsequently occurred so that, on and from 15 August 2011, the Respondent was formally recorded as registrant of the Disputed Domain.

On or about 17 August 2011 the Complainant became aware of the transfer and so notified auDA together with a request that the Disputed Domain be re-transferred back to the Complainant under its now current name and style. auDA determined that there appeared to be a genuine dispute over entitlement to the Disputed Domain and placed a server lock on the Disputed Domain, thus preventing any change to the registration particulars pending resolution of the dispute by a competent court or an administrative panel pursuant to the auDRP.

Parties' Contentions

Complainant

The Complainant makes the following contentions under paragraph 4(a) of the auDRP:

A. The Disputed Domain is confusingly similar to a name in which the Complainant has rights.

- The Complainant submits that by virtue of its corporate name and style having included the word "Aldridge" continuously since 1986, and the use by itself and its subsidiaries of that name, it has substantial reputation and common law rights in the name "Aldridge";
- Aldridge Traffic Systems is the registrant of the domain name <aldriggetraffic.com.au> and is also the applicant for a number of trademarks including the word "Aldridge";
- The Respondent's use of the Disputed Domain and the content of the website to which it resolves is causing confusion in the marketplace and is undermining the value of the business for which Traffic Technologies Limited paid \$40 million in 2007.

B. The Respondent has no rights or legitimate interests in respect of the Disputed Domain.

The Complainant contends, supported by Statutory Declarations sworn on 7 October 2011 by the Chief Financial Officer of Traffic Technologies Limited, Mr Peter Kenneth Crafter and on 11 April 2012 by Michael Anthony Deacon, a solicitor, that at the time Traffic Technologies Limited acquired the Complainant and its subsidiaries, the fact that Mr Peter Aldridge remained in control of the Disputed Domain was overlooked. It says that, had that been appreciated, the Complainant would have taken steps to give control of the Disputed Domain to an officer of the Complainant.

The Complainant says that Mr Peter Aldridge has no authority of any kind from it to deal with the Disputed Domain and it disputes the Respondent's entitlement to the Disputed Domain. It relies on what it says is the false warranty of authority given by Mr Aldridge in the Melbourne IT transfer form to support its contention that the transfer was invalid and procured by Mr Aldridge's misleading conduct and that, as a consequence, the Respondent has no right to the Disputed Domain because Mr Aldridge could have had no reasonable belief in that regard when he executed the transfer form.

Whilst not disputing that the Respondent has only ever used the Disputed Domain to promote its own business, it says that Mr Aldridge's conduct in relation to the transfer form is disentitling.

Traffic Technologies Limited wishes to have the Disputed Domain resolve to a website relating to the business of Aldridge Traffic Systems, a member of the Aldridge Traffic Group, which is another part of the Traffic Technologies Limited group that now competes with the Respondent.

C. The Disputed Domain was registered or has been used in bad faith.

The Complainant relies on what it claims to be Mr Peter Aldridge's misleading, deceptive and false representations in and in relation to the Melbourne IT transfer form to support its allegation of bad faith registration, and cites UDRP decisions where unauthorised transfers have been treated as bad faith conduct. Although not clear from the Complaint, the Panel has treated it as having made the alternative submission that the Respondent's ongoing use of the Disputed Domain whilst it remained registered to the Complainant was bad faith use.

Respondent's Response

The Response contests much of what the Complaint alleges in relation to the transfer form, the circumstances in which it came to be prepared, and the state of Melbourne IT's knowledge at the time it effected the transfer in August 2011.

In essence, the Respondent explains that until it became clear in 2010 that Traffic Technologies Ltd wished to use the Disputed Domain after realising that it remained registered in the name of the Complainant, the Respondent had no reason to disturb the registration particulars. It concedes that the transfer should have been effected back in 2007 when the Respondent was divested by the Complainant, long before Traffic Technologies Ltd acquired the Complainant.

Far from having misled Melbourne IT by submitting a form in which he falsely claimed to have authority from the Complainant, the Respondent produces an email dated 8 August 2011 which appears to corroborate its explanation that Melbourne IT was fully apprised of the history of the use of the Disputed Domain and was prepared to process the transfer without the express consent of the Complainant. Certainly the evidence suggests that Melbourne IT was fully aware that Mr Peter Aldridge did not sign the transfer form on behalf of the Complainant but was simply using the standard form as an expedient to enable Melbourne IT to process the transfer in the batch of transfers that it had scheduled for 15 August 2011.

5 Discussion and Findings

This is plainly no conventional cybersquatting case of the kind with which the auDRP was intended to deal. Rather it is an attempt to resolve a parallel commercial dispute by 'shoehorning' it into an administrative proceeding under the auDRP.

The Panel does not have the advantage of the testing of evidence nor the credit of witnesses that is available in court proceedings. Nor is the Panel entitled to stray beyond the limits of a proceeding under the auDRP to accommodate the wishes of the Complainant, and perhaps of both parties, that this proceeding deal in any substantive way with the equities underlying their commercial dispute.

All that the Panel can do, and proposes to do, in this proceeding is to consider each of the grounds of the auDRP relied upon by the Complainant, and to decide if the evidence it has tendered in support of each ground is sufficient to discharge its burden of proof in the

light of the totality of the evidence tendered by both parties. Approached in that way the outcome of this proceeding may or may not reflect the outcome that would be achieved if the issues between the parties were litigated based on other legal grounds. Paragraph 15(a) of the auDRP Rules requires the Panel to “decide a complaint on the basis of the statements and documents submitted in accordance with the auDRP, the Rules, and any rules and principles of law that it deems applicable.”

Paragraph 4(a) of the auDRP requires a Complainant to prove that:

- (i) the Disputed Domain is identical or confusingly similar to a name, trade mark or service mark in which the complainant has rights; and
- (ii) the Respondent has no rights or legitimate interests in respect of the Disputed Domain; and
- (iii) the Disputed Domain has been registered *or* subsequently used in bad faith.

The onus of proof is on the Complainant in relation to all three of these elements.

Identical or confusingly similar to a name in which the Complainant has rights

Unlike the UDRP, which requires a complainant to establish rights in trademarks, the auDRP offers an additional ground to a complainant that can establish rights in a name. The Panel notes that the Complaint recites only that it relies on the Complainant’s rights in respect of its name rather than any common law or registered trade mark rights.

In this case the Panel is entirely satisfied that the Complainant has rights in the name “Aldridge” by reason of its corporate name and style. Ignoring the “.au” ccTLD and the “.com” 2LD, as one does (except in special circumstances not presently relevant), the Disputed Domain is identical to the “Aldridge” name in which the Complainant has rights. Even if the Complainant were confined to the full form of its corporate name, the Panel would take the view that the Disputed Domain was confusingly similar to “KJ Aldridge Investments Pty Ltd”.

The Complainant has therefore made out the first limb of the auDRP.

No Rights or Legitimate Interests in respect of the Disputed Domain

Whilst the Complainant has rights in “Aldridge” by reason of its name, the Respondent likewise has the same rights for the same reason. However, under the second limb of the auDRP the Complainant has to prove that the Respondent has *no* rights or legitimate interests in respect of the Disputed Domain, which is a different issue to that which arises under the first limb of the auDRP.

There is substantive evidence before the Panel on the legitimacy of the Respondent’s interest in the Disputed Domain. Even on the Complainant’s case, the Respondent has used the Disputed Domain for its website and email continuously since 1997. On any objective view, the legitimacy of the Respondent’s interest in the Disputed Domain is manifestly obvious, even if its technical legal right to the use of the Disputed Domain might be challenged. Without the deponents of the various statutory declarations being cross examined, and other documents considered, the Panel is unable to resolve with complete certainty which of the parties has the better *legal* right to the Disputed Domain. Fortunately that is not the Panel’s task. The auDRP requires the Complainant to prove

that the Respondent has neither such right nor any legitimate interest in respect of the Disputed Domain. That the Complainant has failed to do.

Registered or subsequently used in bad faith

Paragraph 4(a)(iii) of the auDRP requires the Complainant to demonstrate that the Disputed Domain was *either* registered *or* subsequently used in bad faith.

Even on the Complainant's case, the Disputed Domain was first registered on 12 September 1997 for the purposes of the Respondent's business at a time when the Respondent was a subsidiary of the Complainant. The Complainant therefore cannot contend that the initial registration in its own name was in bad faith. As best the Panel can infer from the way that the Complaint is expressed, the Complainant seems to assert that the first renewal of the Disputed Domain by the Respondent after it ceased to be a subsidiary of the Complainant was in bad faith because it knew perfectly well that it was not the Complainant effecting the renewal. If that submission is intended to be one that the Respondent was also thereafter *using* the Disputed Domain in bad faith it suffers from the same problem that arose in relation to the second limb of the auDRP, namely, that the Disputed Domain was at all times since its registration used for the website and email of the Respondent's business, despite the registrant of the Disputed Domain being what was initially the Respondent's parent company.

Of course it would have been appropriate once the Complainant divested the Respondent for the registration of the Disputed Domain to have been transferred formally from the Complainant to the Respondent. On the evidence the Panel is satisfied that that would have occurred prior to the acquisition of the Complainant by Traffic Technologies Limited because those controlling the Complainant before that time were imbued with the history of the Respondent's use of the Disputed Domain and would have regarded the transfer as a mere formality that had been overlooked.

Given the circumstances of the ongoing renewals and use of the Disputed Domain by the Respondent, it seems to the Panel that even on the Respondent's worst case, it had an implied if not express licence from the Complainant to use the Disputed Domain. On that basis it seems to the Panel that any rights in the Disputed Domain that Traffic Technologies acquired by virtue of its acquisition of the Complainant registrant should be treated as encumbered by that licence. Whether the Complainant is entitled to or has already terminated that licence is beyond the task of the Panel to determine.

It is sufficient for the Panel to find, as it does, that the Respondent's continual renewal of the Disputed Domain in the Complainant's name was most unwise if not naïve, but nevertheless in good faith given the history. The use of Melbourne IT's standard transfer form without amendment created the impression that Mr Peter Aldridge had falsely warranted his authority to consent to the transfer on behalf of the Complainant. Ideally that line on the form should have been struck out. However, the Panel is satisfied that Mr Aldridge made complete and full disclosure to Melbourne IT and that Melbourne IT was under no misapprehension when it effected the transfer of the Disputed Domain to the Respondent on 15 August 2011. Were it otherwise the Panel would have taken a quite different view of Mr Peter Aldridge's conduct.

From these findings it is apparent that the Complainant has failed totally to prove that the Respondent either registered or has used the Disputed Domain in bad faith. The Complainant has therefore not made out paragraph 4(a)(iii) of the auDRP.

8 Decision

The Complainant having failed to prove two of the three grounds on which it needed to succeed, the Panel dismisses the Complainant.

Dated this 25th day of May 2012

P Argy

Philip N Argy
Sole Panellist