

.nz Dispute Resolution Service

DRS Reference: 1080

Key words

Domain names – qsisafety.co.nz and qsisafety.nz

Identical or similar trade mark or name – trade names - registered mark – similar

Unfair Registration – unfair registration – unfair use – unfairly disrupting the business of the Complainant – blocking registration – Respondent having no connection with trade names or registered mark – no use for legitimate purpose

Procedure – remedies – transfer

1. Parties

Complainant:

Safety & Medical Manufacturers Limited trading as QSI Safety
Unit 6, Pacific Park
20 Pacific Place
Whanganui 4500
New Zealand

Respondent:

Paul Ivory
10 Holt Place
Harewood
Christchurch 8053
New Zealand

2. Domain Names

qsisafety.co.nz and qsisafety.nz ("the Domain Names")

3. Procedural history

- 3.1 The Complaint was lodged by the Complainant's representative (Ben Cain of James & Wells Intellectual Property at Hamilton) on 9 April 2015. The domains were locked on 10 April 2015, preventing any changes to the record until the conclusion of this case. The .nz Domain Name Commission ("DNC")¹ notified the Respondent of the validated Complaint by letter dated 13 April 2015.
- 3.2 The Respondent had until 5 May 2015 to file a Response. The Respondent filed a Response to the Complaint on 1 May 2015. The Complainant had until 25 May 2015 to file a Reply to the Response. The Complainant filed a Reply on 25 May 2015.

¹ Domain Name Commission Limited is a company wholly-owned by InternetNZ (Internet New Zealand Inc) responsible for the day-to-day oversight of the .nz domain name registration and management system.

- 3.3 The DNC referred the dispute to informal mediation on 28 May 2015. The DNC notified the parties on 22 June 2015 that it had not been possible to resolve the dispute by informal mediation.
- 3.4 By letters dated 22 June 2015, the DNC notified the parties that the Complaint would be referred to an independent expert for decision if the Complainant paid the appropriate fees. The Complainant paid the appropriate fees on 25 June 2015.
- 3.5 Terence Stapleton QC, the undersigned, confirmed to the DNC 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. On 1 July 2015, Mr Stapleton was appointed to act as the independent expert in this case (“the Expert”) pursuant to paragraph 9 of the .nz Dispute Resolution Service Policy (“the Policy”).

4. Factual background

- 4.1 The Complainant was incorporated under the Companies Act 1993 on 9 July 2001 under the name Quality Safety and Medical Manufacturers Limited. On 27 May 2002, the Complainant changed its name to its present name.
- 4.2 The Complainant supplies a wide range of safety goods and services to customers throughout New Zealand including first aid kits, first aid equipment, height safety gear, paramedic rescue equipment, survival equipment and safety signs.
- 4.3 QSI is an acronym of Quality Safety International. Since 2010, the Complainant has traded as QSI Safety under and by reference to the QSI and QSI Safety names. The Complainant started using the QSI name in 2010 when it applied the QSI logo to height safety equipment it had started manufacturing to New Zealand and Australian Standards. The Complainant has used the QSI and QSI Safety names on its website at qsisafety.com since October 2011.
- 4.4 The Complainant is the owner of New Zealand Trade Mark Registration Number 983225 QSI (Word) in Classes 1, 5, 8, 9, 10 and 35 in relation to the goods and services which the Complainant supplies. The Complainant’s trade mark has a deemed registration date of 22 August 2013 (the date of filing) and is current until 22 August 2023 when it is due for renewal.
- 4.5 The Respondent is one of two directors (the other is Andrea Helen Ivory) of PBI Height Safety Limited which was incorporated under the Companies Act 1993 on 21 January 2008 (“PBI”). The Complainant and PBI are, and have been for some years, business competitors.
- 4.6 The relevant domain name history is as follows:
 - (a) on 5 March 2009, PBI registered pbiheightsafety.com;
 - (b) on 16 November 2009, PBI registered pbiheightsafety.co.nz;

- (c) on 30 March 2011, the Complainant registered qsisafety.com;
 - (d) on 20 March 2013, the Respondent registered qsisafety.co.nz;
 - (e) on 3 November 2014, the Respondent registered qsisafety.nz (at the same time on that date, PBI registered pbiheightsafety.nz).
- 4.7 The Complainant searched PBI's website on 25 February 2015 and 25 March 2015 for use of the QSI term. No use was found. The Complainant downloaded PBI's Corporate Profile from PBI's website on 25 February 2015. No use of the QSI or QSI Safety names was found in PBI's Corporate Profile.
- 4.8 After the Respondent registered qsisafety.co.nz on 20 March 2013, the Complainant found out that the registration was redirecting and resolving to PBI's website at pbiheightsafety.com.
- 4.9 In June 2013, at the National Safety Show, Mr Myburgh of the Complainant spoke to the Respondent about the registration for qsisafety.co.nz and asked him to stop the redirection and resolution to PBI's website.
- 4.10 In August 2013, as the redirection and resolution were continuing, Mr Myburgh again contacted the Respondent. Email and telephone communications between Messrs Myburgh and Collins of the Complainant and the Respondent and Mr How of PBI then followed from 9 August to 21 October 2013.
- 4.11 While the redirection to PBI's website has stopped, qsisafety.co.nz now resolves to a holding page hosted by 1st Domains advising *"You have reached the future website of qsisafety.co.nz. This domain is currently parked with 1st Domains and does not yet have a website"*.
- 4.12 Since registration on 3 November 2014, qsisafety.nz has resolved to a 1st Domains holding page with the message *"You have reached the future website of qsisafety.nz. This domain is currently parked with 1st Domains and does not yet have a website"*.
- 4.13 There were three annexures to the Response – PBI's Corporate Profile brochure, PBI's Roofsafe Engineered Horizontal Systems brochure, and Zero Height Safety's 2013/14 catalogue. The Complainant searched the annexures for use of the QSI and QSI Safety names. No use was found of those names in any of the annexures.

5. The Complainant's contentions

- 5.1 The Complainant's contentions that the registration of the Domain Name is an Unfair Registration in each case are summarised as follows:
- (a) the Domain Name was registered in a manner which, at the time when the registration took place, took unfair advantage of or was unfairly detrimental to the Complainant's Rights;

- (b) in relation to qsisafety.co.nz, the Domain Name has been used in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights;
- (c) the Respondent registered the Domain Name as a blocking registration against a name or mark in which the Complainant has Rights;
- (d) the Respondent registered the Domain Name primarily for the purpose of unfairly disrupting the Complainant's business;
- (e) the Respondent is engaged in a pattern of registrations where the Respondent is the registrant of domain names which correspond to trade marks in which the Respondent has no apparent rights, and the Domain Names form that pattern;
- (f) neither the Respondent nor PBI is using the Domain Name for legitimate commercial or non-commercial, email or website, purposes;
- (g) the Respondent's registration of the Domain Name has caused, is causing, and will continue to cause, damage to the Complainant by initially diverting custom from the Complainant to PBI and now causing potential customers of the Complainant to wonder if the Complainant is no longer trading or has been acquired by PBI;
- (h) the Respondent cannot demonstrate that the Domain Name is not an Unfair Registration in terms of paragraph 6.1 of the Policy.

6. The Respondent's contentions

6.1 The Respondent's contentions in each case are summarised as follows:

- (a) as a market leader in the height safety market, PBI has invested heavily in an extensive digital and online presence;
- (b) as part of a long running project, PBI has made a large investment in the development of a Questions Solutions and Information portal dedicated to support the introduction of the new Health & Safety Reform Act about to launch in New Zealand. The Questions Solutions and Information portal will provide key information regarding new standards of compliance to height safety. The domain acronym QSI was purchased in good faith to support the optimisation of the portal;
- (c) there is a company now operating in New Zealand under the name QSI 2010 Limited, trading as Quality Safety, and is an off-shoot of a company based in South Africa;
- (d) there are also other companies in New Zealand named QSI, or including the letters QSI, as part of their business name, that may or may not have any connection to the Complainant;
- (e) there is no evidence that QSI or QSI 2010 is a trade marked name.

7. Relevant provisions of Policy and elements required to uphold Complaint

7.1 The determination of the Complaint is governed by the Policy. Relevant provisions of the Policy in this case are as follows:

3. Definitions

Rights 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;

Unfair Registration means a Domain Name which either:

- (i) 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
- (ii) 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;

Part A – Policy

4. Dispute Resolution Service

4.1 This Policy and Procedure applies to Respondents when a Complainant asserts to the DNC according to the Procedure that:

4.1.1 The Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name; and

4.1.2 The Domain Name, in the hands of the Respondent, is an Unfair Registration.

4.2 The Complainant is required to prove to the Expert that both elements are present on the balance of probabilities.

...

5. Evidence of Unfair Registration

5.1 A non-exhaustive list of factors which may be evidence that the Domain Name is an Unfair Registration is set out in paragraphs 5.1.1 – 5.1.5:

5.1.1 Circumstances indicating the Respondent has registered or otherwise acquired the Domain Name primarily:

- (a) 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;
- (b) as a blocking registration against a name or mark in which the Complainant has Rights; or
- (c) for the purpose of unfairly disrupting the business of the Complainant; or

5.1.2 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;

...

6. How the Respondent may demonstrate in its Response that the Domain Name is not an Unfair Registration

6.1 A non-exhaustive list of factors which may be evidence that the Domain Name is not an Unfair Registration is set out in paragraphs 6.1.1 – 6.1.4:

6.1.1 Before being aware of the Complainant's cause for complaint (not necessarily the Complaint itself), the Respondent has:

- (a) used or made demonstrable preparations to use the Domain Name or a Domain Name which is similar to the Domain Name in connection with a genuine offering of goods or services;
- (b) been commonly known by the name or legitimately connected with a mark which is identical or similar to the Domain Name;
- (c) made legitimate non-commercial or fair use of the Domain Name;

...

B2 The Complaint

...

B2.4 The Complaint may relate to more than one Domain Name, provided that those Domain Names are registered in the name of the Respondent.

7.2 For an Expert to uphold a Complaint, paragraph 4.2 of the Policy requires the Complainant to prove to the Expert on the balance of probabilities that both the following elements are present:

- (a) the Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name;² and
- (b) the Domain Name, in the hands of the Respondent, is an Unfair Registration.³

7.3 The Expert now considers each of the elements in paragraphs 4.1.1 and 4.1.2 of the Policy in respect of each Domain Name. The Expert will consider those elements in relation to qsisafety.co.nz first and then qsisafety.nz.

qsisafety.co.nz

8. Rights in respect of a name or mark

8.1 It is well-established that:

- (a) the requirement for a Complainant to prove Rights in respect of a name or mark is not a particularly high threshold test;

² Paragraph 4.1.1 of the Policy.

³ Paragraph 4.1.2 of the Policy.

- (b) it is sufficient for a Complainant to prove that its Rights in respect of the name or mark are capable of protection, such as under s 22 of the Companies Act 1993 or by proceedings for passing off or for misleading or deceptive conduct under the Fair Trading Act 1986.

8.2 In view of the facts set out in part 4 and elsewhere in this decision, the Expert is satisfied on the balance of probabilities that the Complainant has Rights in respect of a relevant name or mark, namely:

- (a) the QSI and QSI Safety names which the Complainant has been using in its business since 2010 and on its website since October 2011 following the registration of qsisafety.com on 30 March 2011.

8.3 The Expert is satisfied on the balance of probabilities that the Complainant's Rights set out in paragraph 8.2 of this decision were in existence before the registration of the Domain Name on 20 March 2013 and were well-established by that date.

9. Identity or similarity between the relevant name or mark and the Domain Name

9.1 It is well-established that Rights in a name cover all conceivable forms⁴ in which the name might be used.

9.2 The Expert is satisfied on the balance of probabilities that the facts set out in part 4 and elsewhere in this decision demonstrate that, in all their conceivable forms, the QSI and QSI Safety names are similar to the Domain Name.

10. Unfair Registration

10.1 The Expert is satisfied on the balance of probabilities that, in all the circumstances, the Domain Name is an Unfair Registration because the facts set out in part 4 and elsewhere in this decision demonstrate that:

- (a) the Domain Name was registered in a manner which, at the time when the registration took place, took unfair advantage of or was unfairly detrimental to the Complainant's Rights (para 3 of the Policy); and/or
- (b) the Domain Name has been used in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights (para 3 of the Policy); and/or
- (c) use of the Domain Name will take unfair advantage of, and be unfairly detrimental to, the Complainant's Rights (para 3 of the Policy). As well as the Rights which were in existence and well-established at the date of registration of the Domain Name, the Complainant has since acquired the QSI trade mark which is current until 22 August 2023; and/or

⁴ Including upper and lower cases and singular and plural.

- (d) the Respondent registered the Domain Name as a blocking registration against a name or mark in which the Complainant had Rights (para 5.1.1(b) of the Policy); and/or
- (e) the Respondent registered the Domain Name primarily for the purpose of unfairly disrupting the business of the Complainant (para 5.1.1(c) of the Policy); and/or
- (f) use of the Domain Name has caused, is causing, and will continue to cause, damage to the Complainant by initially diverting custom from the Complainant to PBI and now causing the Complainant's customers to wonder if the Complainant is no longer trading or has been acquired by PBI (the factors listed in para 5 of the Policy are non-exhaustive); and/or
- (g) the Respondent has not demonstrated that the Domain Name is not an Unfair Registration as set out in paragraphs 6.1.1 and 6.1.2 of the Policy. The Domain Name has not been, and is not being, used for a legitimate purpose. In particular:
 - (i) the evidence does not establish that the domain acronym QSI was purchased by the Respondent in good faith to support the optimisation of PBI's Questions Solutions and Information portal. The Domain Name was registered on 20 March 2013. There is no mention of the purpose of the purchase or the portal in the emails between 9 August and 21 October 2013. Moreover, the new Health & Safety Reform Act which the portal was said to be dedicated to support was not introduced in 2013, but on 10 March 2014 and later referred to the Transport and Industrial Relations Select Committee for report by 29 May 2015;
 - (ii) from 22 April 2008 to 14 September 2012, there was a company incorporated under the Companies Act 1993 as QSI 2010 Limited. As indicated by that company's previous name (Quicksmart Insurance Limited), the QSI references in its name referred not to Quality Safety International but to Quick Smart Insurance. That company was struck off on 14 September 2012, six months before the registration of the Domain Name on 20 March 2013;
 - (iii) apart from QSI 2010 Limited, there is one other company incorporated under the Companies Act 1993 which uses the acronym QSI in its name. That company is QSI Limited which was incorporated on 2 February 2010. That company is clearly related to the Complainant because the companies have the same registered office, directors and shareholders;
 - (iv) the issue is not whether there is evidence that QSI or QSI 2010 is a trade mark name, but whether the Complainant has Rights (as it does) in the QSI and QSI Safety names and in the QSI trade mark.

10.2 The Expert is not satisfied on the balance of probabilities that, in all the circumstances, the Domain Name is an Unfair Registration as contended by the Complainant in paragraph 5.1(e) of this decision.

11. Decision

11.1 In view of the findings made in this decision, the Expert directs that the Domain Name qsisafety.co.nz be transferred to the Complainant.

qsisafety.nz

12. Relevant provisions of Policy and elements required to uphold Complaint

12.1 The determination of the Complaint is governed by the Policy. The relevant provisions of the Policy in this case are set out in paragraph 7.1 of this decision. The elements which must be proved by the Complainant on the balance of probabilities for an Expert to uphold a Complaint are set out in paragraph 7.2 of this decision.

12.2 As noted in paragraph 7.3 of this decision, the Expert now considers each of the elements in paragraphs 4.1.1 and 4.1.2 of the Policy in respect of the Domain Name.

13. Rights in respect of a name or mark

13.1 It is well-established that:

- (a) the requirement for a Complainant to prove Rights in respect of a name or mark is not a particularly high threshold test;
- (b) it is sufficient for a Complainant to prove that its Rights in respect of the name or mark are capable of protection, such as under s 22 of the Companies Act 1993 or by proceedings for passing off or for misleading or deceptive conduct under the Fair Trading Act 1986.

13.2 In view of the facts set out in part 4 and elsewhere in this decision, the Expert is satisfied on the balance of probabilities that the Complainant has Rights in respect of a relevant name or mark, namely:

- (a) the QSI and QSI Safety names which the Complainant has been using in its business since 2010 and on its website since October 2011 following the registration of qsisafety.com on 30 March 2011;
- (b) the QSI trade mark since the deemed registration date of 22 August 2013.

13.3 The Expert is satisfied on the balance of probabilities that the Complainant's Rights set out in paragraph 13.2 of this decision were in existence before the registration of the Domain Name on 3 November 2014 and were well-established by that date.

14. Identity or similarity between the relevant name or mark and the Domain Name

- 14.1 It is well-established that Rights in a name cover all conceivable forms⁵ in which the name might be used.
- 14.2 The Expert is satisfied on the balance of probabilities that the facts set out in part 4 and elsewhere in this decision demonstrate that, in all their conceivable forms, the QSI and QSI Safety names, and the QSI trade mark, are similar to the Domain Name.

15. Unfair Registration

- 15.1 The Expert is satisfied on the balance of probabilities that, in all the circumstances, the Domain Name is an Unfair Registration because the facts set out in part 4 and elsewhere in this decision demonstrate that:
- (a) the Domain Name was registered in a manner which, at the time when the registration took place, took unfair advantage of or was unfairly detrimental to the Complainant's Rights (para 3 of the Policy); and/or
 - (b) use of the Domain Name will take unfair advantage of, and be unfairly detrimental to, the Complainant's Rights (para 3 of the Policy); and/or
 - (c) the Respondent registered the Domain Name as a blocking registration against a name or mark in which the Complainant had Rights (para 5.1.1(b) of the Policy); and/or
 - (d) the Respondent registered the Domain Name primarily for the purpose of unfairly disrupting the business of the Complainant (para 5.1.1(c) of the Policy); and/or
 - (e) use of the Domain Name is causing and will continue to cause damage to the Complainant by causing the Complainant's customers to wonder if the Complainant is no longer trading or has been acquired by PBI (the factors listed in para 5 of the Policy are non-exhaustive); and/or
 - (f) the Respondent has not demonstrated that the Domain Name is not an Unfair Registration as set out in paragraphs 6.1.1 and 6.1.2 of the Policy. The Domain Name has not been, and is not being, used for a legitimate purpose. In particular:
 - (i) the evidence does not establish that the domain acronym QSI was purchased by the Respondent in good faith to support the optimisation of PBI's Questions Solutions and Information portal. The Domain Name was registered on 20 March 2013. There is no mention of the purpose of the purchase or the portal in the emails between 9 August and 21 October 2013. Moreover, the new Health & Safety Reform Act which the portal was said to be dedicated to support was not introduced in 2013, but on 10 March 2014 and later

⁵ Including upper and lower cases and singular and plural.

referred to the Transport and Industrial Relations Select Committee for report by 29 May 2015;

- (ii) from 22 April 2008 to 14 September 2012, there was a company incorporated under the Companies Act 1993 as QSI 2010 Limited. As indicated by that company's previous name (Quicksmart Insurance Limited), the QSI references in its name referred not to Quality Safety International but to Quick Smart Insurance. That company was struck off on 14 September 2012, more than two years before the registration of the Domain Name on 3 November 2014;
- (iii) apart from QSI 2010 Limited, there is one other company incorporated under the Companies Act 1993 which uses the acronym QSI in its name. That company is QSI Limited which was incorporated on 2 February 2010. That company is clearly related to the Complainant because the companies have the same registered office, directors and shareholders;
- (iv) the issue is not whether there is evidence that QSI or QSI 2010 is a trade mark name, but whether the Complainant has Rights (as it does) in the QSI and QSI Safety names and in the QSI trade mark.

15.2 The Expert is not satisfied on the balance of probabilities that, in all the circumstances, the Domain Name is an Unfair Registration as contended by the Complainant in paragraph 5.1(e) of this decision.

16. Decision

16.1 In view of the findings made in this decision, the Expert directs that the Domain Name `qsisafety.nz` be transferred to the Complainant.

Place of decision Wellington

Date 15 July 2015

Expert Name Terence Stapleton QC

Signature

A handwritten signature in black ink, appearing to read 'T. Stapleton', with a large, sweeping flourish underneath.