

.nz Dispute Resolution Service

DRS Reference: 1102

Regilait, S.A.S.

v

Dimitri Pantelo

Key words -

Domain name
regilait.co.nz

Identical or similar trade mark or name

Registered mark - unregistered mark - identical – similar

Rights

Legitimate non-commercial or fair use – criticism and commentary – tribute site

Unfair registration

Unfair registration – unfair use – fair registration – fair use – likely to confuse, mislead or deceive – false contact details – prior relationships between the parties – unfairly disrupting the business of the complainant – blocking registration

Procedure

Remedies – transfer

1. Parties

Complainant:

Regilait, S.A.S.
102 Route Departementale
906 71118 Saint-Martin-Belle-Roche
France

Represented by: Mr Thomas Huthwaite, Baldwins Intellectual Property Limited

Respondent:

Dimitri Pantelo
748B Halswell Junction Rd
Islington
Christchurch 8042
New Zealand

2. Domain Name/s

3. Procedural history

- 3.1 The Complaint was lodged on 12 June 2015 and Domain Name Commission (DNC), notified the Respondent of the validated Complaint on 12 June 2015. The domain/s were locked on 12 June 2015, preventing any changes to the record until the conclusion of these proceedings.
- 3.2 The Respondent filed a Response to the Complaint on 22 June 2015 and the DNC so informed the Complainant on 29 June 2015. The Complainant filed a Reply to the Response on 07 July 2015. The DNC informed the parties on 27 July 2015 that informal mediation had failed to achieve a resolution to the dispute.
- 3.3 The Complainant paid DNC the appropriate fee on 03 August 2015 for a decision of an Expert, pursuant to Paragraph 9 of the .nz Dispute Resolution Service Policy ("the Policy").
- 3.4 Andrew Brown, the undersigned, ("the Expert") confirmed to the DNC on 04 August 2015 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.

4. Factual background

- 4.1 The Complainant is Regilait S.A.S. The Complainant is a French "Société par Actions Simplifiée", specialising in dairy products and granulated milk (milk powder). Its REGILAIT milk powder has been sold around the world since 1957. The REGILAIT mark has been used in New Zealand since at least 2001.
- 4.2 The Complainant owns and operates the domain name and corresponding website at www.regilait.com. This domain name was registered in 1999.
- 4.3 The Complainant owns 52 trade mark registrations in various countries, relating to the REGILAIT brand, including the word mark REGILAIT and REGILAIT device marks. The Complainant has applied for a trade mark registration for its REGILAIT device mark in New Zealand in class 29 for milk and milk products. That application was filed on 14 January 2015, in reliance on international trade mark number 1098661.
- 4.4 The Respondent is named as Dimitri Pantelo. He is the registered owner of the Domain Name regilait.co.nz and resides in Christchurch. The Domain Name was registered on 4 August 2014.

5. Parties' contentions

a. Complainant

- 5.1 The Complainant asserts rights in the word REGILAIT due to the creation of the brand in 1957, its international trade mark registrations, its operation of the domain name and corresponding website at regilait.com, and its

reputation in New Zealand. The Complainant asserts that it has been trading in New Zealand for a number of years and has built up “a longstanding and significant reputation and goodwill here”.

- 5.2 The Complainant asserts that the Respondent, Dimitri Pantelo, appears to be the same person as the operator of the website displayed at the Domain Name, Jim Pantelos. This is because inter alia the contact details for the website available at the Domain Name list the address for the company Cafemaster Ltd, which is the same address given for the Domain Name Registrant.
- 5.3 The Complainant contends that the Respondent unfairly registered the Domain Name. It states that the Domain Name is confusingly similar to its own business name and REGILAIT marks in circumstances where the Respondent has no rights or interest in the Domain Name. The Complainant states that it has made it clear to the Respondent that he “is prohibited from holding himself out as being connected to, a representative for, or associated with the Complainant.”
- 5.4 The Complainant contends that the website at the Domain Name is being used to divert trade from the Complainant as it redirects to a competing domain name and product. In addition, the Complainant asserts that:

“The Respondent’s registration and use of the Domain Name is unfairly disrupting the business of the Complainant, including by drawing unauthorised and false representations between the Respondent and the Complainant, by diluting the Complainant’s Regilait marks, by diverting trade, and by denigrating the Complainant’s Regilait marks.”

- 5.5 The Complainant contends that the Respondent can have no legitimate intention for the use of the Domain Name and was therefore registered unfairly and has been used and is likely to continue to be used, in a manner which takes advantage of and is detrimental to the Complainant’s rights.
- 5.6 In addition, the Complainant asserts that the Respondent is committing the tort of passing off and/or is in breach of the Fair Trading Act 1986 through registration and use of the Domain Name. The Complainant believes that, based on the Respondent’s use of REGILAIT in the Domain Name and on the website available at the Domain Name, members of the public are likely to believe that the Respondent has been authorised, approved, sponsored, or licensed by the Complainant to use or deal in the Domain Name and the REGILAIT marks; the Respondent’s business or activities are somehow connected, associated or affiliated with the Complainant and/or one of its subsidiaries; the Complainant’s product is no longer available in New Zealand and/or that it has been replaced by the Respondent’s product; and/or the Respondent’s business and product are in some way preferable to the Complainant’s business and product, due to the Respondent’s “unjustified denigration” of the Complainant’s product.

b. Respondent

- 5.7 The Respondent states that he is an importer and distributor of products related to the hospitality industry, including beverage machines and associated products like milk powder. He states that he approached the Complainant in 1998 to sell a granulated milk powder line in Australia and thereafter purchased product from the Complainant for resale in Australia and New Zealand. He

states that he did so until 2004. He states that he marketed and advertised the Complainant's product, and established a client base. He states that the Complainant did not sell or promote its products in Australia or New Zealand itself, and had "no company direct presence in Australia and New Zealand and works only through second and third party distributors".

5.8 The Respondent ceased acting as distributor for the Complainant in 2004. A different company took up the role of importer. However, in 2007, the Respondent states that the Complainant approached him to assist in finding an alternative importer. This alternative importer was later replaced by the current distributor (Espressoworks/Segafredo Zanetti NZ Ltd).

5.9 The Respondent states that:

"the complainant had every opportunity to Register its mark or pursue any representative to do so before the domain was registered [...] The Complainant has only just registered its Regilait mark in New Zealand and now claims full rights without consideration of the Respondent and his rights for accreditation in establishing the mark albeit owned by the Complainant."

In addition, he asserts that the Complainant's trade mark "was only registered as a means to invoke this dispute by the Complainant".

5.10 The Respondent states that he has amended the content available at the domain name so as to comply with the Dispute Resolution Service Policy. He states the domain is used for the purpose of providing a testament to the fact that the Respondent is known throughout New Zealand as the principal responsible for the introduction of granulated milk powder into New Zealand and for the purpose of improving perception of granulated milk powder in New Zealand. He contends that the current site is not intended to divert business from the Complainant, as he states "[the Complainant is] not even represented in New Zealand directly."

c. Reply by Complainant

5.11 The Complainant states that all relations with the Respondent ended in February 2009 as the Complainant considered that the Respondent had acted in bad faith toward it.

5.12 The Complainant states that the REGILAIT trade marks have belonged to it at all times, and all goodwill and reputation in respect of the marks has flowed back to the Complainant. It states that the Respondent has never been granted any rights in respect of the REGILAIT marks. It contends that the Respondent was aware of the Complainant's ownership of the REGILAIT marks. It refers to a 2005 Agreement between the Respondent and Complainant, wherein the Complainant asserted ownership in the trade marks and goodwill of its brand and product. The Complainant states that its presence in New Zealand is still through an importer/distributor, but all good will and reputation in respect of the REGILAIT trade marks flows back to the Complainant as manufacturer of REGILAIT products and owner of the REGILAIT trade marks.

5.13 The Complainant contends that the Respondent's amendments to the site available at the domain name following receipt of this complaint indicate that the Respondent acknowledges his use has been unfair to date. It contends that the Respondent's continued registration and use of the domain name are

both unfair. The Complainant contends that the Respondent's current use of the domain name does not constitute "fair use" or "tribute" of the Complainant, the REGILAIT trade marks, or the Respondent. In addition, the Complainant asserts that the Respondent does not have any bona fide reason to maintain registration or use of the Domain Name.

6. Discussion and findings

6.1 The Complainant is required to satisfy the Expert on the balance of probabilities that it has met the requirements of paragraph 4 of the Policy namely 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."

Rights

6.2 The term "rights" is defined in paragraph 3 of the Policy which provides as follows:

"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."

6.3 The Complainant has provided evidence that it has applied for a trade mark in New Zealand for the REGILAIT device mark in respect of milk and milk products in class 29. The Complainant's application, designating New Zealand as a country in International Registration number 1098661, was filed on 14 January 2015. The application has been accepted and has been published. The mark is not yet registered. Therefore as at the time of this determination, the Complainant has no registered trade marks in New Zealand.

6.4 The Appeal Panel in DRS 334 (*The Country Channel Limited*) noted that the definition of Rights in the Policy is an inclusive one designed to give wide scope to the type of Rights that might conceivably be relied on by a Complainant. The Panel noted that it is not an absolute pre-requisite that rights are enforceable under New Zealand law. The Complainant is therefore required to show, as at the date of registration of the Domain Name (4 August 2014), that it had rights in the mark REGILAIT, those rights not necessarily having to be enforceable in New Zealand.

6.5 The Complainant has provided evidence of its large number of international trade mark registrations for marks incorporating REGILAIT. The earliest of these is a registration for the word mark REGILAIT, filed on 18 December 1958 covering 13 countries. The Complainant has also provided evidence dating back to December 2010 of its sales to New Zealand based importers/distributors. It has provided evidence that providers of vending machines in New Zealand use REGILAIT products.

6.6 The Expert finds that the Complainant clearly has rights in respect of the REGILAIT mark as a result of its prior trade mark registrations internationally and its reputation in its REGILAIT product in New Zealand. This reputation arises as a result of the use and sale of its REGILAIT products in New Zealand

since at least 2001 by its distributors and importers. The Expert rejects the Respondent's contention that the Complainant has no presence in New Zealand as it is not represented in New Zealand directly. The Expert is satisfied that the Complainant's rights were established prior to registration of the Domain Name.

- 6.7 The Expert also finds that the Domain Name regilait.co.nz is identical to the Complainant's trade mark registrations for REGILAIT. The trade mark REGILAIT is entirely subsumed within the Domain Name.
- 6.8 Accordingly, the Expert finds that paragraph 4.1.1 of the Policy is satisfied in favour of the Complainant.

Unfair Registration

(a) Unfair Registration

- 6.9 Unfair Registration is defined in paragraph 3 of the Policy as follows:

"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."

- 6.10 A preliminary issue is whether the listed Domain Name registrant, Mr Dimitri Pantelo, is the same person as Mr Jim Pantelos, as asserted by the Complainant.
- 6.11 The email address given by the Respondent is for 'jpantelos'. In the body of the Response, the Respondent refers to the Respondent entering into a distribution relationship with the Complainant and steps taken by the Respondent related to that role. It is clear from the content provided by both the Respondent and Complainant that the person who entered into a distribution relationship with the Complainant was Jim Pantelos. The Expert finds that Jim Pantelos and the Domain Name registrant Dimitri Pantelo are the same person. According to paragraph 5.1.4 of the Policy, if the Complainant can demonstrate that the Respondent has knowingly given false contact details to a Registrar and/or to the DNC, this may be evidence that the Domain Name is an Unfair Registration. The Expert therefore takes this into account as a relevant, but not decisive, factor.
- 6.12 Having found that Jim Pantelos is the same person as the Domain Name registrant, i.e. the Respondent, the Expert is further satisfied that the Respondent was aware of the Complainant's rights in the name and trade mark REGILAIT at the time of registering the Domain Name due to the pre-existing relationship between the Complainant and Respondent.
- 6.13 The Expert finds that the Domain Name has been registered and used in a manner which takes unfair advantage of the Complainant's rights per subparagraphs (i) and (ii) of the definition of Unfair Registration in paragraph 3 of the Policy for the following reasons:

(a) The Respondent's knowledge of the Complainant's rights in the mark at the time of registering the Domain Name, suggest that the Domain Name was registered as a blocking registration, to prevent the Complainant's registration and/or use of the name, pursuant to paragraph 5.1.1(b) of the Policy.

(b) The Expert accepts the evidence of the Complainant that, before this complaint was filed, the Domain Name was used to redirect trade from the Complainant to competitors. The Expert finds that this conduct indicates that the Respondent registered the Domain Name primarily for the purpose of unfairly disrupting the business of the Complainant pursuant to paragraph 5.1.1(c) of the Policy.

(b) *Fair Use*

6.14 The Respondent contends that he has amended the website available at the Domain Name so as to comply with paragraph 6.2 of the Policy. Although not explicitly stated, the Respondent appears to contend that the Domain Name is not an Unfair Registration because the Respondent is making, and has made, fair use of the Domain Name, as it is used for a tribute site to Jim Pantelos. However, a respondent should not be permitted to avoid a finding of Unfair Registration by changing the content of the site available at a domain name upon becoming aware of an official complaint. The Expert has found that the Domain Name was registered and used in a manner that took unfair advantage of the Complainant's rights. Any subsequent changes to the content available at the Domain Name do not affect that conclusion. The fact that the terms of an unfair registration existed at the time when the complaint was made is enough to sustain the complaint.

6.15 However, the Expert will proceed to address the Respondent's contention that he now complies with paragraph 6.2 of the Policy. In order to do so, it is necessary to consider both paragraphs 6.1 and 6.2. These provide:

"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:

6.1.2 The Domain Name is generic or descriptive and the Respondent is making fair use of it in a way which is consistent with its generic or descriptive character;

6.1.3 In relation to paragraph 5.1.5; that the Registrant's holding of the Domain Name is consistent with an express term of a written agreement entered into by the Parties; or

6.1.4 In relation to paragraphs 5.1.3 and/or 5.3; that the Domain Name is not part of a wider pattern or series of registrations because the Domain Name is of a significantly different type or character to the other domain names registered by the Respondent.

6.2 Fair use may include sites operated solely in tribute to or in criticism of a person or business.”

- 6.16 It can be seen from the above that paragraph 6.2 may be treated as informing the use of the term “fair use” in paragraphs 6.1.1(c) and 6.1.2. Paragraph 6.1.1(c) does not apply to the Respondent’s activities of using the site “as a tribute to Jim Pantelos the principal responsible for introducing granulated milk to the Australian and New Zealand marketplace”, because due to his relationship with the Complainant, the Respondent has always been aware of the Complainant’s cause for complaint in his registering the Domain Name. He therefore cannot claim that he was making fair use of the Domain Name “before becoming aware of the Complainant’s cause for complaint”. Paragraph 6.1.2 does not apply either, as the Domain Name is not generic or descriptive.
- 6.17 As paragraph 6.1 provides a “non exhaustive” list of factors which may be evidence that a Domain Name is not an Unfair Registration, the Expert will go on to consider fair use more generally, outside the bounds of the words in paragraphs 6.1.1(c) and 6.1.2.
- 6.18 The scope of fair use in respect of criticism/tribute sites has been considered in the course of a number of decisions under the .uk Nominet DRS Policy. The position taken under that policy is of particular assistance because of the fact that the .nz DRS Policy is drawn almost entirely from the Nominet Policy, as recognised in DRS 1045 (*Teak Construction Group Limited*).
- 6.19 As referred to in DRS 1045, the Nominet DRS Expert’s Overview Version 2 (“Nominet Overview”) summarises the views of Nominet panels on this matter as follows:

“4.8 Do tribute and criticism sites necessarily constitute fair use unless proved otherwise? [Paragraph 4(b) of the Policy]

No. Paragraph 4(b) of the Policy provides that “Fair use may include sites operated solely in tribute to or in criticism of a person or business”. Note the use of the words “may” and “solely” – it will depend on the facts.

If, for example, commercial activity beyond that normally associated with a bona fide fan site takes place, the registration may be abusive. See the Appeal decision in DRS 00389 (*scoobydoo.co.uk*) or the decision in DRS 08527 (*ihateryanair.co.uk*) and the commentary on the latter in DRS 11271 (*opticaexpressruinedmylife.co.uk*).

Note also that the use of the word “may” means that even if a site is operated solely as a tribute or criticism site it is still open to the Expert to find that it is abusive. In assessing the fairness or otherwise of the use, the Expert needs to have regard to both the nature of the domain name in dispute and its use. Some decisions in the past have concentrated solely upon whether the site fairly pays tribute to or criticises the Complainant (often a very difficult thing for an expert to assess in a proceeding of this kind).

The appeal decision in DRS 06284 (*rayden-engineering.co.uk*) confirmed the consensus view among experts today that *the nature of the domain name is crucial to the exercise. A criticism site linked to a domain name such as <IhateComplainant.co.uk> has a much better chance of being regarded as fair use of the domain name than one connected to <Complainant.co.uk> . The former flags up clearly what the visitor is likely to find at the site, whereas the latter is likely to be believed to be a domain name of or authorised by the Complainant.* But, again, note the decisions in DRS 08527 Version 2 – Published November 2013 19

(ihateryanair.co.uk) and DRS 11271 (opticaexpressruinedmylife.co.uk) regarding commercial activity on criticism sites. Each case will depend upon its facts.

In DRS 06284 the domain name was identical to the name in which the Complainant had rights. A modified name that made it clear that this was a protest site would presumably have been less successful in drawing the protest to the attention of customers of the Complainant. The Panel concluded there was a balance to be drawn between the right to protest (which could be effected via a modified name) and the Complainant's rights in its own name, and that in this case at least the latter outweighed the former. *Note that the Panel did not rule that use of an identical name would always and automatically be unfair, but did conclude that it was only in exceptional circumstances that such use could be fair.* The Panel declined to find that such exceptional circumstances existed in the case in question.”

(emphasis added).

- 6.20 The case *Rayden Engineering Ltd v Diane Charlton* (Nominet D06284) is referred to in the extract from the Nominet Overview set out above. In that decision, the Appeal Panel ordered the transfer of the domain name, and stated:

“The essence of an Abusive Registration under the Policy is that the domain name was registered or has been used in a manner that has taken unfair advantage of or has been unfairly detrimental to the complainant's Rights. *Here it is clear, first, that the Respondent registered the Domain Names so that Internet users would be attracted to visit the Website because of the Domain Names; with the precise intention that she would thereby increase the number of people that would be confronted with her views on the Complainant and those associated with the Complainant including Richard Hayden. She has used domain names that are no more than the trading names of the Complainant without any indication that they lead to a protest site. In effect the Respondent is posing as the Complainant in order to attract members of the public to the site.*

We accept on the evidence before us that the Respondent genuinely holds the views that are expressed on the site, and that those views arise out of a dispute between the Respondent and the Complainant. Beyond this, the merits of that dispute are not an issue that we can determine. We also accept that the site carries a clear disclaimer that would immediately alert visitors to the site that it was not the web site of Rayden Engineering. There is no evidence of any commercial use associated with the site.

[...]

The Respondent has deliberately used the Complainant's trade mark as a designation for her protest site without adding any additional component that would identify it as such. She is thereby creating a likelihood of confusion with the Complainant and attracting Internet users who would not knowingly follow a "...sucks" link. The Respondent does not argue, and there is no scope for maintaining, that the Domain Names are intended to refer to anything or anyone but the Complainant.”

(emphasis added).

- 6.21 Applying these principles to the present case, the Expert finds that the Domain Name is intended to be recognised as the name of the Complainant's milk and milk powder goods. From the point of view of the internet user searching for the Complainant, the Respondent is effectively posing as the New Zealand based branch of the Complainant (as in *Rayden Engineering*). He has registered the Domain Name so that visitors will view the site because of the Domain Name, with the intention of vindicating his role in initially promoting the REGILAIT brand in New Zealand and Australia when he acted as distributor/importer. Originally, the content on the site was such that the Respondent was attempting to achieve commercial gain through use of the

Complainant's mark, by using the Domain Name to recommend a competitor's product to internet browsers.

- 6.22 It is implicit in paragraph 6.2 that the "person or business" which the site at issue is intended to criticise or provide tribute to, is usually the Complainant or is related to the Complainant. If that were not the case then the Complainant would be unlikely to have any cause for complaint that the Domain Name behind the site was an Unfair Registration. In this case, the Respondent contends that the site is a tribute to Jim Pantelos. Even if, now that it has been altered following receipt of the complaint, the site can be said to be solely in tribute to Jim Pantelos, it does not justify use of a Domain Name that is identical to the Complainant's REGILAIT mark in circumstances where the Respondent has been fully aware of the Complainant's rights in the name since at least 2005. The Respondent could have used another Domain Name to achieve his stated aim of providing a testament to Jim Pantelos as "the principal responsible for the introduction of Granulated Milk Powder" and "improving the perception of granulated milk powder in New Zealand", without impinging on the Complainant's rights.
- 6.23 For the above reasons, the Expert finds that the Domain Name is an Unfair Registration in the hands of the Respondent. Paragraph 4.1.2 is satisfied by the Complainant.
- 6.24 The Expert notes that he has not found it necessary to consider the relationship between the Respondent and Complainant to reach a decision, beyond the matters explicitly referred to in this decision. In particular, the Expert has refrained from relying on any allegations of bad faith on the part of either the Respondent or Complainant during the course of their relationship, terminating in 2009.

7. Decision

- 7.1 For all the foregoing reasons, the Expert orders the transfer of the Domain Name "*regilait.co.nz*" to the Complainant.

Place of decision Auckland, New Zealand

Date 18 August 2015

Expert Name Andrew Brown QC



Signature