

.nz Dispute Resolution Service

DRS Reference: 1113

LEGO Juris A/S v **Noel Langdon**
Mette M. Andersen

Key words -

Domain name

bestnzlego.co.nz ("the Domain Name")

Identical or similar trade mark or name

Registered mark – geographical identifier – similar – mark with generic word

Unfair registration

Unfair use – likely to confuse, mislead or deceive – unfairly disrupting the business of the complainant

Procedure

Transfer

1. Parties

Complainant:

LEGO Juris A/S
Mette M. Andersen
Koldingvej 2
7190 Billund
Denmark

Represented by: Ms Helena Myrin, CSC Digital Brand Services AB

Respondent:

Noel Langdon
1/581 Gloucester St
Christchurch 8011
New Zealand

2. Domain Name/s

bestnzlego.co.nz ("the Domain Name")

3. Procedural history

3.1. The Complaint was lodged on 15 July 2015 and the Domain Name Commission ("DNC") notified the Respondent of the validated Complaint on 17 July 2015. The domain was locked on 17 July 2015, preventing any changes to the record until the conclusion of these proceedings.

- 3.2. No Response was received from the Respondent.
- 3.3. The Complainant paid the DNC the appropriate fee on 17 August 2015 for a decision of an Expert, pursuant to Paragraph 9 of the .nz Dispute Resolution Service Policy ("the DRS Policy").
- 3.4. Maria Dew, the undersigned, ("the Expert") confirmed to the DNC on 19 August 2015 that she knew of no reason why she could not properly accept the invitation to act as expert in this case and that she knew of no matters which ought to be drawn to the attention of the parties, which might appear to call into question her independence and/or impartiality.

4. Factual background

- 4.1. LEGO branded toys have been made and sold since 1958. The LEGO trade mark (Trade Mark Number 66479) was filed in New Zealand on 21 June 1960 and registered on 14 February 1961. The current owner of the LEGO trade mark is LEGO Juris A/S ("the Complainant"), which is based in Denmark.
- 4.2. The Complainant has an international network of licensees who are authorised to exploit the Complainant's trade mark rights. The Complainant has subsidiaries and branches throughout the world which help to sell LEGO products in more than 130 countries including in New Zealand.
- 4.3. The Complainant has a website under LEGO.com and also owns close to 4,300 domain names containing the term LEGO. For example it owns the domain names lego.co.nz and legochristmas.co.nz.
- 4.4. The LEGO trade mark is well known in New Zealand and internationally. A recent TIME magazine article declared LEGO to be the most influential toy of all time.
- 4.5. On 6 September 2012 Mr Noel Langdon ("the Respondent") registered the Domain Name.
- 4.6. The website set up at the Domain Name was a store for LEGO products. The banner heading on the top left hand corner of the website stated "Best NZ Logo". There were pictures of LEGO products displayed prominently and a headline under the banner reading "THE STORE WITH A BETTER LEGO SELECTION IN NZ AT GREAT PRICES". A telephone number was provided, inviting visitors to call.
- 4.7. This website is no longer at the Domain Name. As explained below in the decision, more recent visitors to the Domain Name have been redirected to the domain betatraders.co.nz/store.
- 4.8. On 14 November 2014, the Complainant via its agent CSC Digital Brand Services sent a letter by email to the Respondent:
 - 4.8.1. advising the latter of the unauthorised use of the LEGO trade mark within the Domain Name,
 - 4.8.2. asking for the Domain Name (as well as the similar domain name bestnzlego.com) to be transferred, and

- 4.8.3. offering to compensate the Respondent for registration expenses and transfer fees (not exceeding out of pocket expenses).
- 4.9. On 21 November 2014, the Respondent replied by email. He explained that he was unaware that the domain names were in breach of trade mark regulations and offered to relinquish bestnzlego.com immediately as that was not in use. However he said that he would need time to relinquish the Domain Name (bestnzlego.co.nz) in order to transfer the data to a new domain name.
- 4.10. On 26 November 2014, the Complainant wrote to the respondent and acknowledged that it had received bestnzlego.com and requested the authorisation code associated with the Domain Name for that to be transferred also. No response was received from the Respondent. The Complainant sent follow up emails on 19 February 2015 and 10 March 2015.
- 4.11. On 12 March 2015, the Respondent replied again. He inquired about reimbursement for bestnzlego.com. He also said that a new website was taking longer to set up than expected but would be completed in the next month. The following day the Complainant confirmed that it was willing to reimburse the Respondent once the Domain Name has been transferred also.
- 4.12. The Complainant again sent follow up emails on 24 April 2015, 8 May 2015 and 26 May 2015. In its final email the Complainant warned that if the authorisation (UDAI) code was not provided by 2 June 2015 the Complainant may take further action. There was no response from the Respondent.
- 4.13. On 14 July 2015, the Complainant submitted an electronic complaint to the Domain Name Commission Dispute Resolution Service. The Domain Name was locked.
- 4.14. At the time that the Domain Name was locked, visitors were being redirected to the domain betatraders.co.nz/store, which was also a store for LEGO products. The phrase "Best NZ Lego" features prominently in the top left-hand corner. The same telephone number as appearing on the former website at the Domain Name appears at betatraders.co.nz/store.

5. Parties' contentions

a Complainant

- 5.1. The Complainant contends that the dominant part of the Domain Name comprises the name LEGO, which is identical to the Complainant's trade mark LEGO. The words "best" and "nz" are merely generic and geographic and do not help to avoid a confusing similarity with the Complainant's trade mark.
- 5.2. The Complainant further submits that the registration of the Domain Name was an unfair registration. It highlights the fact that the Complainant registered its trade mark "LEGO" in New Zealand and elsewhere decades before the registration of the Domain Name. The Complainant states further that there is no evidence of the Respondent having any legitimate rights in the name, and that the LEGO name, logotype and products are prominently displayed on the website.

b Respondent

5.3. The Respondent has not provided a response to the complaint.

6. Discussion and findings

6.1. The DRS Policy issued by the DNC governs the present complaint. The Complainant is required to prove to the Expert on the balance of probabilities that the following two elements are present (para 4.1):

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.

6.2. An Unfair Registration is defined in the policy (para 3):

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.

6.3. The DRS Policy also sets out a non-exhaustive list of factors which may evidence that the Domain Name is an Unfair Registration including, as relevant to this present case (para 5.1):

5.1.1 Circumstances indicating that 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;

6.4. The DRS Policy also sets out a non-exhaustive list of factors which may evidence that the Domain Name is not an Unfair Registration, including (para 6.1):

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;*

6.5. The DRS Policy at para 5.4 also provides that the Expert shall not take into account any evidence of acts or omissions amounting to unfair registration or use which occurred more than three years before the date of the complaint. The Complaint was lodged 15 July 2015. Therefore, I can take account of any acts or omissions back to 15 July 2012. In this case all relevant acts and omissions occurred on or after 6 September 2012 when the Domain Name was registered.

Does the Complainant have rights in respect of a name or mark?

6.6. The first element of para 4.1 of the DRS Policy requires the Expert first to consider whether the Complainant has rights in respect of a relevant name or mark.

6.7. The Complainant has a New Zealand registered trade mark for the name "LEGO". Additionally, I accept that the Complainant, through its subsidiaries and branches, sells LEGO products in New Zealand and therefore uses that name in its business activities in New Zealand.

6.8. I therefore accept that the Complainant has rights in respect of the name "LEGO".

Is the name or mark in which the Complainant has rights identical or similar to the Domain Name?

6.9. The next consideration under para 4.1.1 of the DRS Policy is whether the name or mark in which the Complainant has rights is identical or similar to the Domain Name.

6.10. The term "bestnzlego" can be divided into three components: "best", "nz" and "lego". This division is adopted at betatraders.co.nz which appears to be the Respondent's new domain. I accept the Complainant's submission that the generic adjective "best" and the geographic descriptor "nz" do not divert attention from the only distinctive component, "lego".

6.11. Therefore, I am satisfied also that the Domain Name is similar to the name "LEGO" in which the Complainant has rights.

Is the Domain Name in the hands of the Respondent an Unfair Registration?

6.12. The second element (para 4.1.2) of the DRS Policy requires the Domain Name to be an Unfair Registration in the hands of the Respondent. An Unfair Registration exists if the Domain Name (para 3):

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.

Assisting this assessment is the list of non-exhaustive factors at para 5.1 of the DRS Policy.

- 6.13. The Complainant relies primarily on the factors at paras 5.1.1(c) and 5.1.2. It says that the way in which the Respondent is using the Domain Name "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".
- 6.14. I accept this submission. The Domain Name's only distinctive feature is the Complainant's name to which the Respondent has no apparent rights. Visitors to the Domain Name have been shown websites where LEGO products were marketed. The Complainant's logotype and the name "LEGO" have been used prominently on the websites at the Domain Name and at betatraders.co.nz/stores to which more recent visitors have been redirected.
- 6.15. Visitors could reasonably (and incorrectly) infer a legitimate connection between the websites and the Complainant. For example, there is a banner at the top of the website now at betatraders.co.nz/stores which consists of spliced, official LEGO marketing. This gives a visitor the impression that the website is registered to, operated or authorised by, or otherwise connected with the Complainant. There is no clear statement on the websites that the connection does not exist despite an "About Us" page identifying who is selling the goods.
- 6.16. The Respondent has not responded to the Complaint. Nevertheless I have considered the factors under para 6 of the DRS Policy, which may help a Respondent to show that the Domain Name is not an Unfair Registration. The only factor that might be supported by the evidence is at para 6.1.1, which would assist the Respondent if he could show that he used or made demonstrable preparations to use the Domain Name in connection with a genuine offering of goods before being made aware of the Complainant's cause for complaint.
- 6.17. The question of when a Respondent becomes aware of a Complainant's cause for complaint is objective (DRS 334 thecountrychannel.co.nz). - The Respondent used the Domain Name to sell LEGO products. It is unlikely that he would not have been alerted to the possible confusion which use of the Complainant's name in the Domain Name would cause. I find that on the balance of probabilities the Respondent knew of the cause for complaint before it began using the Domain Name. Para 6.1.1 does not help the Respondent.
- 6.18. The Respondent's use of the LEGO name in its Domain Name is likely to be used in a manner which takes unfair advantage of the Complainant's rights in the name. I therefore find that the Domain Name in the hands of the Respondent is an Unfair Registration.

7. Decision

7.1. The two elements in para 4.1 are wholly satisfied. I determine that the disputed Domain Name should be transferred to the Complainant.

Place of decision Auckland

Date 2 September 2015

Expert Name Maria Dew, Barrister

Signature

A handwritten signature in blue ink, consisting of stylized, cursive letters that appear to be 'MD' followed by a horizontal line extending to the right.