

## **.nz Dispute Resolution Service**

**DRS Reference: 204**

### **KBB Music Ltd v Bonfire Development**

Key words -

trade name, likely to confuse, mislead or deceive,  
unfairly disrupting the business of the complainant,  
non-standard submission

#### **1. Parties**

Complainant:

Mr Alan Kemp  
KBB Music Ltd  
P O Box 9788  
Newmarket  
Auckland  
New Zealand

Respondent:

Bonfire Development  
143 Arbour Stone Rise NW  
Calgary  
CA (CANADA)

#### **2. Domain Name/s**

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

#### **3. Procedural history**

The Complaint was lodged on 29/05/2007 and InternetNZ, through the Office of the Domain Name Commissioner, notified the Respondent of the validated Complaint on 1/06/2007. The domain was locked on 29/05/2007, preventing any changes to the record until the conclusion of these proceedings.

The Respondent filed an e-mail response on 14/06/2007. On 21/06/2007 the Office of the Domain Name Commissioner advised the Respondent that unless it received signed hard copies of the Response (by mail, e-mail or fax) no later than 5 p.m. on 28/06/2007 that the matter may be referred to an independent expert for a decision without further reference to the Respondent.

On 2/07/2007 the Office of the Domain Name Commissioner e-mailed the Respondent advising that as no hard copies of the Response had been received that it would be treating the earlier e-mail communication as No

Response received at all. On this basis it is deemed that no Response has been filed by the Respondent.

The Complainant paid InternetNZ the appropriate fee on 18/07/2007 for a decision of an Expert, pursuant to Paragraph 9 of the InternetNZ Dispute Resolution Service Policy ("the Policy").

Mr Clive Elliott, the undersigned, ("the Expert") confirmed to InternetNZ on 19/07/2007 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**

The Complainant states that it is New Zealand's largest brass and woodwind instrument retailer and importer and has been in business for nearly 20 years. It trades under the name KBB Music Ltd and has registered and uses the domain name <kbbmusic.co.nz> in the course of its business.

The Expert was invited to view the Complainant's website at <www.kbbmusic.co.nz> and has done so.

The web site <kbb.co.nz> was brought to the Complainant's attention by one of its customers.

The identity of the Respondent and the nature of its business operations, if any, are unknown. The Expert was invited to view the Respondent's website at <www.kbb.co.nz> and has attempted to do so. However, as at 3/08/2007 the website appeared to be inoperative and it was not possible to glean any further information from the website as to the Respondent's activities.

#### **Parties' contentions**

##### **a. Complainant**

The Complainant asserts that the name used by the Respondent <kbb.co.nz> is so close to its name, KBB Music Ltd and domain name <kbbmusic.co.nz>, that it has been registered to confuse the Complainant's customers and undermine its operations.

The Complainant states that it believes that the Respondent is hoping the Complainant will pay them to buy the name.

The Complainant contends that the disputed site is designed to appear to a visitor to be the correct site but in fact leads to all sorts of other sites, including some competitors, very few of which have anything to do with musical instruments.

The Complainant states that it is known as KBBö (sic - presumably "KBB") and asserts that this site will confuse some customers.

**b. Respondent**

No response has been received

**5. Discussion and findings**

In terms of paragraph 4.1 of the Policy, where a Complainant asserts that:

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

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

Pursuant to paragraph 4.2 of the Policy the Complainant is required to prove to the Expert that, on the balance of probabilities, both elements are present.

Paragraph 3 of the Policy (Definitions) defines "Unfair Registration" as:

*"... 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. Decision**

**Rights**

It appears from the information provided by the Complainant that it trades under the company name KBB Music Ltd and has registered and uses the domain name <kbbmusic.co.nz> in the course of its business. The Expert has viewed the Complainant's website which verifies this.

On the basis of this evidence it appears that the Complainant has certain rights in the name KBB Music by virtue of its use of that name for a period of time, as alleged in its Complaint.

What is unclear however is what the letters KBB stand for, if anything, and whether they are used alone and without the descriptive term "music" which no doubt denotes the fact that the Complainant trades in the musical instruments area. The Expert notes that the name or element KBB is to some

extent used by the Complainant on its own, presumably as an abbreviation of its formal name. However, by reference to the website it appears that the name of the Complainant remains KBB Music as evidenced by its sponsorship of or involvement in the "*KBB Music Festival 2007*".

It is found that the Complainant has protectable Rights under the Policy in relation to KBB Music, that being its trade name and to a lesser extent also in the letters KBB, that being an abbreviation of its name but arguably still identifiable with it. On this basis it is found that:

- (a) The Complainant has rights in respect of the trade name/mark KBB Music and KBB.
- (b) The Domain Name is similar to the trade name/mark KBB Music and KBB.

Having said this, the Expert is of the view that the rights in the trade name/mark are relatively limited and circumscribed in nature, given the non-distinctive nature of the trade name/mark.

Accordingly, the Expert is satisfied that the first element of the Policy has been met.

### **Unfair Registration**

The types of conduct and situations covered by the concept of unfair registration are not closed and depend on the circumstances. The Expert is dependent on the parties, to assess the evidence and to apply the Policy according to that evidence and those submissions.

That task is made difficult if a respondent fails to file a response. It is also made more difficult if a complainant files a complaint but does so in a cursory way and in a manner which leaves a number of factual issues in the doubt. That appears to be the case here.

Paragraph 3 of the Policy requires a complainant to establish that one of the necessary requirements is established, namely that the Domain Name was registered or otherwise acquired in a particular way or has been used in a manner which is unfair or unfairly detrimental to the Complainant's Rights. These requirements are stated in the alternative, meaning that in order to succeed a complainant need establish one or the other.

Paragraph 5.1 of the Policy sets out a non-exhaustive list of factors which may be regarded as evidence that the Domain Name is an Unfair Registration.

Paragraph 5.1.2 refers to:

*"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;”*

It is necessary to assess the Complainant's allegations against this paragraph of the Policy. Firstly, it is asserted that the Domain Name has been registered to confuse the Complainant's customers and undermine its operations. The Complainant goes on to state that this is likely to occur because it is designed to appear to a visitor to be the correct site. However, as indicated above, the Respondent's website is currently inoperative and accordingly the Expert was not able to assess whether this is the case, or not.

Further, it is asserted by the Complainant that the Respondent's site leads to all sorts of other sites, including some competitors, very few of which have anything to do with musical instruments. Once again, all the Expert has is the Complainant's broad assertion but without any evidence to back this up. It is unclear for example who these competitors might be.

Even so, if few of these sites have anything to do with musical instruments, it is difficult to infer that the Respondent is likely to be involved in some sort of deception or indeed that the Complainant is likely to suffer any harm.

Accordingly, while the Complainant asserts that the Respondent's site "will confuse some customers" the Complainant does not elaborate on which customers or why they should be confused by a site that, on its own admission, seems to have little to do with musical instruments.

On the basis of the above the Complainant would be unlikely to succeed in its Complaint, having failed to meet the onus resting upon it. An expert might also feel unable to assist a complainant by "filling in the gaps" and drawing inferences from the very limited evidence put forward. However, in the present case the Complainant is assisted by the fact that the Office of the Domain Name Commissioner kept a hard copy screenshot of the Respondent's website. That screenshot, dated 29/5/2007, indicates a very simple website but with a series of links, which include "Musical Instruments For Sale", "Saxophone", "Instrument Hire", and "Music Books".

This appears to have been the type of site where the site operator obtains revenue from click through traffic. The fact that the Respondent has taken the site down does little to remove the impression that the site is designed to attract traffic and thus revenue for the Respondent and the focus on music and musical instruments is apparent. Further, the fact that the site has now been taken down without explanation is more indicative of trying to disguise what had taken place previously, rather than an effort to avoid confusion and there is of course nothing to stop the Respondent from renewing these activities once a decision is made in this proceeding.

An expert is required to deal with a complaint on the basis of the material before him or her. While certain inferences can be drawn this cannot be done in a vacuum. Given the essentially non-distinctive nature of the trade name/mark and the finding above that the Complainant's primary use of the

trade name is as KBB Music the Complainant faced some difficulty in establishing its case. Indeed, its Complaint may well have failed, if not for the fact that a screenshot of the Respondent's website had been retained and supplied to the Expert, and thus formed part of the formal record. However, for the reasons set out above the Expert concludes that the Respondent's conduct is unfair and detrimental to the Complainant's Rights.

Accordingly, the Expert concludes that, on balance, the Complainant has established that the Respondent's conduct is unfair and detrimental to its Rights.

The Complainant has thus established both parts of paragraph 4.1 of the Policy and is entitled to the relief sought. In the result, the Expert orders that the Domain Name be transferred from the Respondent to the Complainant.

**Place of decision**

Auckland

Date                      7 August 2007

**Expert Name**        Mr Clive Elliott

**Signature**