

.nz Dispute Resolution Service

DRS Reference: 229

Active Travel Ltd v Frontier Travel

Key words -

Unregistered mark – identical – unfair registration – prior relationships between the parties – blocking registration – transfer

1. Parties

Complainant:

Active Travel Ltd

P O Box 308

Cromwell

New Zealand

(represented by Ms Irene Veronica Schrieber)

Respondent:

Frontier Travel

509 Blockhouse Bay Road

Auckland 0600

New Zealand

(represented by Mr Paul Safe)

2. Domain Name/s

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

3. Procedural history

The Complaint was lodged on 6/09/2007 and InternetNZ, through the Office of the Domain Name Commissioner, notified the Respondent of the validated Complaint on 11/09/2007. The domain was locked on 7/09/2007, preventing any changes to the record until the conclusion of these proceedings.

There was no response filed by the Respondent.

The Complainant paid InternetNZ the appropriate fee on 9/10/2007 for a decision of an Expert, pursuant to Paragraph 9 of the InternetNZ Dispute Resolution Service Policy ("the Policy").

Dr Clive Trotman, the undersigned, ("the Expert") confirmed to InternetNZ on 11/10/2007 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.

Factual background

The following background is extracted mainly from information provided by the Complainant. There is no information from the Respondent.

Active Travel was established in 1991, specialising in tours and travel to South East Asia and Africa. In 1997 the Complainant entered into a business arrangement with the Respondent. By 2003 the business arrangement had ended and an unrelated dispute was in process.

The Complainant does business through its website activeco.co.nz, because the domain name activetravel.co.nz was unavailable when sought. Recently it was found that the domain name activetravel.co.nz was registered on 8 January 2004 in the name of the Respondent. The domain name is parked and effectively unused.

4. Parties' contentions

a. Complainant

The Complainant sets out the following contentions.

The Complainant, Active Travel Ltd, has the right to the domain name activetravel.co.nz.

The disputed domain name is effectively unused. Its registration by the Respondent has the effect of blocking the Complainant from using it and constitutes unfair registration.

The Complainant further states that its business, Active Travel, was established in 1991 specialising in tours and travel to South East Asia and Africa. In 1997 Mr Paul Safe of Auckland entered into a business arrangement with the Complainant that was undertaken for three years. For ease of operation the name Active Asia was used and there was an agreement that the product belonged to Active Travel and that the Respondent could not use any other operator for this product.

In late 2003 a business dispute arose between the Parties, covering in part the use of the Complainant's name and logo. In early 2004 the Respondent registered the disputed domain name. The Complainant took action over other aspects of the dispute with the assistance of a legal adviser in the second half of 2004. The Complainant was not able to stop the Respondent from trading under the name Active Asia.

On 15 August 2007 the Complainant wrote to the Respondent asking for the transfer of the disputed domain name and setting out alleged grounds of unfair registration. The Respondent did not reply.

The name Frontier Travel Limited was incorporated at NZ Companies Office by Paul David Safe on 6 August 2002.

The name Active Travel Limited was incorporated at NZ Companies Office by Irene Veronica Schrieber on 6 September 2002.

The Complainant requests transfer of the disputed domain name from the Respondent.

b. Respondent

There was no response filed by the Respondent.

5. Discussion and findings

The Policy

The InternetNZ Dispute Resolution Service Policy and Procedure apply to Respondents when a Complainant asserts in accordance with section 4 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.

Paragraph 4.2 of the Policy requires the Expert to be satisfied that both of the above elements are present on the balance of probabilities.

The Policy defines Unfair Registration as meaning 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.

The Policy defines rights 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.

The Policy at section 5 provides guidance in the form of criteria that may be evidence of unfair registration. Pertinent parts of section 5 read:

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 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. - 5.1.5]

5.2. Failure on the Respondent's part to use the Domain Name for the purposes of e-mail or a web-site is not in itself evidence that the Domain Name is an Unfair Registration.

[5.3.]

5.4. In making their decision, the Expert shall not take into account any evidence of acts or omissions amounting to unfair registration or use which occurred more than three (3) years before the date of the Complaint.

The Policy provides in section 6 a non-exhaustive list of criteria by which a Respondent may seek to show that a domain name registration is not unfair.

In the papers the Parties are referred to variously by their company names or as individuals. For convenience they will be referred to below as Complainant or Respondent.

Whether the Complainant has rights in the Name

The name in which the Complainant implies that it has rights is "ACTIVE TRAVEL". The Complainant states that it has used the name in trade since 1991. Evidence is submitted in the form of a copy of an advertising feature published by the Otago Daily Times about travel to Borneo, undated but evidently prior to February 1992 (from a date in an advertisement). The text of the feature opens with the words "Active Travel of Dunedin...", runs to about six or seven hundred words, and includes a photograph captioned "Irene [...], owner/operator of Active Travel, with some of her souvenirs from Borneo".

Evidence in the form of a printout of Internet information from the NZ Companies Office shows the name Active Travel Limited to have been registered on 6 September 2002. Copies of correspondence from the Complainant dated 2004 and 2007 depict the name "Active Travel", a logo and the sub-title "Ecological adventures for all ages".

The Complainant's evidence demonstrates use of the name Active Travel in unregistered form for trade at least as early as 1992 and as a registered company name since 2002. The Complainant's business name is not a registered trademark. Nevertheless, the Complainant's business has been publicised, and its services have been distinguished by the name for at least 15 years, thereby accruing some rights in the name. The Policy defines rights in the context as including but being not limited to those enforceable under New Zealand law. On the facts and for the purposes of this proceeding the Expert finds that the Complainant has rights in the name Active Travel.

Whether the Name is similar to the disputed Domain Name

The disputed domain name is activetravel.co.nz. The level and country code identifiers ".co" and ".nz", distinctions between upper and lower case, and the absence of a punctuation space, are technological matters of no consequence for the determination of confusing similarity. The residual "activetravel" is found to be identical to the name in which the Complainant has rights within the meaning of paragraph 4.1.1 of the Policy.

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

Under paragraph 4.1.2 of the Policy the Complainant has to prove unfair registration.

The Complaint is dated 4 September 2007 and was received by the Dispute Resolution Service on 6 September 2007. The disputed domain name was registered more than three years earlier, on 8 January 2004.

Paragraph 5.4 of the Policy bars the Expert from taking into account evidence of acts or omissions amounting to unfair registration or use that occurred

more than three years before the date of the Complaint. This does not prevent the Expert from taking into account earlier evidence of other matters (*NZ Aerial Mapping Limited v Terralink International Limited*, DRS Case No. 172).

The first limb of the definition of unfair registration concerns events and circumstances “at the time when the registration or acquisition took place”. It is therefore more appropriate to proceed under the second limb of the definition of unfair registration which requires that the domain name “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”.

The Complainant sets out a chronology of its business dating back to 1991 and of a business relationship with the Respondent dating back to 1997. It would appear that the Complainant was based in Otago and the Respondent in Auckland. The Complainant states that the basis of a business dispute with the Respondent was identified in late 2003. Copies of letters were submitted in evidence, from the Complainant to the Respondent dated 15 July 2004, 6 August 2004 and 15 August 2007; from the Complainant’s lawyer to the Respondent dated 13 August 2004 and 4 October 2004; and from the Complainant’s lawyer to the Respondent’s lawyer dated 4 October 2004.

The letters (although representing the Complainant’s position) project a clear impression of a serious business dispute being well established by the date of the first letter submitted, i.e., 15 July 2004. A part of the dispute derives from the Respondent’s alleged use of a business or product name Active Asia in essentially the same arena of business as the Complainant’s business.

The Respondent has not contested any of the Complainant’s evidence and has not availed itself of any of the indicative counter-arguments exemplified in section 6 of the Policy.

Mindful of the strictures of paragraph 5.4 of the Policy the Expert cannot look into events in January 2004 that might amount to unfair registration of the domain name but notes that according to the Complainant’s submissions, in September 2004 (within three years of the Complaint), by which time the business dispute was well involved, the Respondent had acquired a domain name identical to the Complainant’s registered company name without the Complainant’s knowledge.

Axiomatically the Respondent has long-standing knowledge of the Complainant’s trade name. It is not necessary to examine the act of registration (more than three years ago) to conclude from more recent circumstances, on the balance of probabilities, that the Respondent has for the past three years held a dormant domain name identical to the Complainant’s business name primarily for the purpose of blocking the Complainant from acquiring the domain name. Whilst the Policy allows that non-use of a domain name for e-mail or a web-site is not in itself evidence of

unfair registration, the present circumstances of passive holding in conjunction with the effect of a blocking registration, in the light of a contemporaneous background of business dispute, are further indicative of unfair registration.

Paragraph 5.1 of the Policy provides for a finding of unfair registration in "Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily ... as a blocking registration ...". The Expert finds on balance that the Respondent holds primarily a blocking registration. The domain name is found to have been used in a manner that took unfair advantage of the Complainant's rights and, in the terms of paragraph 4.1.2 of the Policy, is therefore an unfair registration.

6. Decision

The decision is that the domain name activetravel.co.nz shall be transferred to the Complainant.

Place of decision Dunedin

Date 22 October 2007

Expert Name Dr Clive Trotman

Signature