

## **.nz Dispute Resolution Service**

**DRS Reference: 697**

### **H-D Michigan, LLC. v Bularangi Limited**

Key words – Domain Name – harleytoursnewzealand.co.nz – identical or similar trade mark – registered mark – similar – unfair registration – likely to confuse, mislead or deceive – respondent having no connection with name on trade mark - transfer

#### **1. Parties**

Complainant:

H-D Michigan, LLC.

315 West Huron Street, Suite 400

Ann Arbor

Michigan 48103

United States of America

Represented by: Miss Kate Duckworth

Respondent:

Bularangi Limited

12 Waitete Road

Waihi

New Zealand

Represented by:

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

*harleytoursnewzealand.co.nz* ("the Domain Name"). The Domain Name was registered on 26 February 2004.

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

- 3.1 The Complaint was lodged on 12/08/2011 and Domain Name Commission (DNC), notified the Respondent of the validated Complaint on 17/08/2011. The domain/s were locked on 12/08/2011, preventing any changes to the record until the conclusion of these proceedings.
- 3.2 There was no response filed by the Respondent.
- 3.3 The Complainant paid Domain Name Commission Limited the appropriate fee on 25/09/2011 for a decision of an Expert, pursuant to Paragraph 9 of the .nz Dispute Resolution Service Policy ("the Policy").

#### **4. Factual background**

##### ***The Complainant***

- 4.1 The Complainant is H-D Michigan, LLC, a company incorporated in Michigan, United States. The Complainant operates a business as a manufacturer and retailer of motorcycles, motorcycle accessories, parts and repairs. The Complainant has manufactured, advertised and sold motorcycles under the HARLEY-DAVIDSON trade mark since 1903.

##### ***Complainant's registered trade marks***

- 4.2 The Complainant is the owner of a number of trade mark registrations in New Zealand which comprise or incorporate the words HARLEY, HARLEY DAVIDSON or HARLEY-DAVIDSON (the HARLEY-DAVIDSON trade marks) variously in classes 3, 7, 9, 12, 14, 16, 18, 25, 26, 28, 34, 35, 37, 39, 41 and 42. The deemed dates of registration for the Complainant's registered trade marks range between 1985 and 2001.

- 4.3 In particular, the Complainant is the registered owner of the following trade mark registrations in class 39 for "travel and tour arrangements" or "arranging tours and rental of motorcycles" all registered in 2000:

- (a) The word mark HARLEY DAVIDSON (607410);
- (b) The device mark HARLEY-DAVIDSON MOTOR CYCLES (607426);
- (c) The word mark HARLEY-DAVIDSON (620779);
- (d) The device mark AUTHORIZED HARLEY-DAVIDSON RENTALS (620781).

- 4.4 Further, the Complainant is the registered owner of a number of trade mark registrations for the word mark HARLEY in classes 35, 12 and 25 – in particular HARLEY (648716) in class 12 for "motorcycles."

##### ***Complainant's reputation***

- 4.5 The Complainant asserts that it enjoys substantial reputation and goodwill in its HARLEY-DAVIDSON trade marks globally and in New Zealand in relation to goods and services including the manufacture, sale and repair of motorcycles, motorcycle clothing and motorcycle accessories, rental of Harley-Davidson motorcycles and repair and tour services. The Complainant also states that it has made worldwide sales in excess of US\$4 billion each year between 2002 and 2009 under its HARLEY-DAVIDSON trade marks.

- 4.6 The Complainant further asserts that the public has long regarded the trade marks HARLEY-DAVIDSON and HARLEY as being synonymous and interchangeable. It states that it has offered motorcycle parts and accessories, clothing and various other products and services under the registered marks HARLEY and HARLEY-DAVIDSON since at least the early 1980's.
- 4.7 The Complainant has used a number of marks which incorporate HARLEY-DAVIDSON and HARLEY as a formative element including the following New Zealand registered trade marks for which the date of registration pre-dates the Domain Name:
- Harley Owner's Group (218061, 218062, 218063, 218064). These registrations date from May 1992.
  - Harley-Davidson Motorcycles (607417 to 607427).
- 4.8 The Complainant asserts the following further facts in relation to the Complainant's reputation in New Zealand since 2005.
- (a) Several hundred HARLEY-DAVIDSON motorcycles were sold each year between 2005 and 2010.
  - (b) In 2009, 26.68% of motorcycles sold in New Zealand were Harley Davidson motorcycles.
  - (c) The Complainant has spent approximately NZ\$105,000.00 a year on advertising in New Zealand since 2006.
  - (e) The Complainant's website *www.harley-davidson.com* includes a New Zealand-specific portion. Between 1 June 2009 and April 2011, the New Zealand portion of that website received 39,999 hits.
- 4.9 Finally, the Complainant says that it offers authorised Harley Davidson rental and tour services through dealerships and third parties around the world. There are four New Zealand locations for Harley Davidson rental, all of which are authorised Harley Davidson dealerships. There are six authorised Harley Davidson motorbike dealers in New Zealand.

### ***The Respondent***

- 4.10 The Respondent is Bularangi Limited, a company incorporated in New Zealand on 8 August 2007. The Respondent operates a business which (inter alia) offers rentals and motorcycle tours on Harley Davidson motorcycles. The Domain Name (which was registered on 26 February 2004) came under the ownership and control of the Respondent in July 2008.

- 4.11 An identical domain name to the present Domain Name also owned by the Respondent but using the suffix “.com” i.e. *harleytoursnewzealand.com*, was the subject of a National Arbitration Forum decision (under the UDRP) issued on 27 July 2011 in the Complainant’s favour. The result of that decision was an order that the domain name *www.harleytoursnewzealand.com* be transferred to the Complainant.
- 4.12 The Complainant states that it did not become aware of the Domain Name and associated website until 2009.

## **5. Parties Contentions**

- 5.1 The Complainant contends that the Domain Name is an unfair registration because:
- (a) The Domain Name is “confusingly similar to the Complainant’s famous and registered marks HARLEY and HARLEY-DAVIDSON”;
  - (b) The Respondent does not have any rights or a legitimate interest in the Domain Name because it trades on the goodwill of the HARLEY and HARLEY-DAVIDSON marks. The Respondent is not and has never been a licensee of, or otherwise authorised by, the Complainant to use the Complainant’s registered trade marks;
  - (c) The Respondent’s registration and use of the Domain Name constitute bad faith because it is using the fame of the Complainant’s registered trade marks HARLEY and HARLEY-DAVIDSON to sell its own services;
  - (d) The Domain Name was registered, acquired and/or has been or is likely to be used in a manner which took or takes advantage of or is unfairly detrimental to the Complainant’s Rights. In particular, 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;
  - (e) The Respondent is not commonly known as Harley Tours New Zealand, or legitimately connected to, or making fair use of, the Complainant’s registered trade marks.
- 5.2 The Complainant has drawn to the attention of the Expert eight decisions of the National Arbitration Forum concerning the Complainant’s trade marks in which the relevant arbitrator found in favour of the Complainant, which the Complainant says are “comparable decisions”.

5.3 The Respondent did not file a Response.

## 6. Discussion and findings

6.1 The Complainant is required to prove 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 clearly demonstrated that it has registered trade marks in New Zealand for marks comprising or including HARLEY, HARLEY-DAVIDSON and HARLEY DAVIDSON. Under s10(1) of the Trade Marks Act 2002 the Complainant has the exclusive right in New Zealand to:

(a) Use those registered trade marks; and

(b) Authorise other persons to use those registered trade marks.

6.4 The Complainant accordingly has rights enforceable under New Zealand law in the word marks HARLEY, HARLEY-DAVIDSON and HARLEY DAVIDSON by way of its trade mark registrations in New Zealand. These registered rights existed prior to registration of the Domain Name (the deemed dates of registration being between 1985 and 2001).

6.5 The Expert also finds that the Complainant has shown that as at registration of the Domain Name, the Complainant had reputation rights in New Zealand in the marks HARLEY and HARLEY-DAVIDSON in relation to motorcycles, motorcycle parts and accessories.

### Identical or similar

6.6 The Expert considers that the Domain Name is confusingly similar to the marks HARLEY and HARLEY-DAVIDSON. The Expert does not consider that the additional words in the Domain Name (“Tours New

Zealand”), which are descriptive, serve to differentiate the Domain Name from the Complainant’s marks.

6.7 In particular, the Domain Name is confusingly similar to:

- (a) The Complainant’s registered trade marks for the word marks HARLEY-DAVIDSON and HARLEY DAVIDSON in class 39 for “travel and tour arrangements” and “arranging tours and rental of motorcycles” (607410, 620779);
- (b) The Complainant’s registered trade marks for the word mark HARLEY in class 12 for “motorcycles” (648716), tours by motorcycle being similar services to the goods for which the mark is registered.

### **Unfair registration**

6.8 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.”

6.9 However where a Domain Name has been registered more than three years before the Complaint (as here), clause 5.4 of the Dispute Resolution Policy provides a restraint on what evidence the Expert may look at:

- 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.

6.10 The effect of clause 5.4 in this case is that the Expert cannot take into account, in considering whether the Domain Name is an Unfair Registration, the circumstances in which the Domain Name was registered on 26 February 2004.

6.11 The Expert’s consideration is therefore confined to the second limb of the definition of Unfair Registration in paragraph 3 of the Policy. The relevant inquiry is whether, from the date three years prior to the date of the Complaint (i.e. 12 August 2008 – 12 August 2011), 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.

6.12 The Expert considers that during this period the Domain Name has been, and (if not transferred) is likely to continue to be, used in a manner which takes unfair advantage of or is unfairly detrimental to the Complainant's Rights.

(a) *Trade mark infringement: s89(1)(c)*

6.13 The Expert agrees with the Complainant's contention that the Respondent's actions constitute trade mark infringement under s89(1)(c).

6.14 The Respondent's website hosted at the domain name advertises motorcycle tour services using Harley-Davidson motorcycles. By using the trade mark HARLEY in respect of such services in the last three year period (i.e. since 12 August 2008), the Respondent is using in trade a sign which is confusingly similar to the Complainant's registered trade marks HARLEY DAVIDSON and HARLEY-DAVIDSON (607410 and 620779) in class 39 in respect of services which are identical to those for which the marks are registered ("travel and tour arrangements"). The Expert considers that such use would be likely to deceive or confuse relevant members of the public into believing that the services were authorised by the Complainant (when plainly they are not). Such use amounts to infringement of the registered trade marks under s89(1)(c).

6.15 The Expert also considers that the Domain Name constitutes infringement of the Complainant's HARLEY word mark registration in class 12 for "motorcycles" (648716). This too amounts to infringement under s89(1)(c). The Domain Name is similar to HARLEY and is used in relation to services (motorcycle tour services in New Zealand) similar to the goods "motorcycles" for which the mark is registered in class 12. Members of the public seeing motorcycle tours advertised under Harley Tours New Zealand are likely to believe that the tours are authorised or licensed by the Complainant.

6.16 In this regard it is noteworthy that in the earliest correspondence from legal counsel for the Respondent (in response to a letter of complaint by the Complainant's legal counsel), it was stated that the company name Harley Tours New Zealand (2008) Limited (associated with the Respondent's predecessor in title) was being struck off the register. It was proposed that Bularangi be used as the name of the business. Further the owner of the business would be using the domain names *www.motorbikesnz.co.nz* and *www.motorbikesnz.com* in addition to the existing BULARANGI website. The letter continued:

"However, Mr and Mrs Howie still have very significant bookings coming in through the *www.harleytoursnewzealand.co.nz* domain name, and it is essential for their business that they keep this domain name in order to re-direct clients to their new website over the coming season.

Therefore, you can rest assured that our clients are now taking some action to phase out use of the trade mark HARLEY as a primary name, and are substituting their BULARANGI trade mark, together with correct descriptive use to indicate that they do organise tours, in New Zealand, using Harley Davidson motorcycles.”

- 6.17 This contained an acknowledgement that the Complainant plainly had rights in the HARLEY mark. Thereafter in correspondence between the parties’ legal counsel the Respondent sought to delay any cessation of business under the Domain Name.
- 6.18 It is significant that no Response has been filed and the Expert is entitled to draw appropriate inferences from that.

*(b) Passing off and breach of s9 Fair Trading Act 1986*

- 6.19 The Expert also agrees with the Complainant’s submissions that use of the HARLEY mark as part of the Domain Name in respect of motorcycle tours of New Zealand amounts to both passing off and a breach of s9 of the Fair Trading Act 1986. Members of the public visiting the Domain Name and associated website are likely to believe that:

- The Respondent has been authorised to use the HARLEY mark as part of the Domain Name.
- The Respondent’s business is licensed or authorised by the Complainant.

This is particularly so in circumstances where the Complainant already has six authorised dealers in New Zealand in respect of motorcycles, parts and accessories.

- 6.20 For both of these reasons, the Expert is satisfied that the Complainant has met the requirements of the second limb of the definition of Unfair Registration. Finally, there is no evidence that the Respondent has any rights to the mark HARLEY.

## **7. Decision**

- 7.1 For the foregoing reasons, the Expert orders that the Domain Name *www.harleytoursnewzealand.co.nz* be transferred to the Complainant.

<b>Place of decision</b>	Auckland
<b>Date</b>	11 October 2011
<b>Expert Name</b>	Andrew Brown QC

**Signature**