

.nz Dispute Resolution Service

DRS Reference: 711

Gigaset Communications GmbH v Nice Technology Limited

Key words

Domain name – gigaset.co.nz

Identical or similar trade mark or name – registered marks – identical

Rights – no legitimate or fair use

Unfair registration – blocking registration – unfair use – likely to confuse, mislead or deceive – unfairly disrupting the business of the Complainant – unfair advantage of or unfairly detrimental to Complainant's rights

Procedure – evidence – remedies – transfer

1. Parties

Complainant:
Gigaset Communications GmbH
Hofmannstr. 61
81379 Munich
Germany

Respondent:
Nice Technology Limited
PO Box 4067
Highfield
Timaru
New Zealand

2. Domain Name/s

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

3. Procedural history

3.1 The Complaint was lodged on 13 September 2011. The Complaint was signed by the Complainant's general counsel and was supported by attachments including:

- (a) certificates and certified copies of trade mark applications and registrations for the word gigaset in New Zealand and the European Union and through the World Intellectual Property Organisation;

- (b) evidence of use of, and reputation in, the gigaset name and brand;
 - (c) email communications between the parties about the Respondent's registration and proposed transfer to the Complainant of the Domain Name.
- 3.2 The domain was locked on 19 September 2011, preventing any changes to the record until the conclusion of this case. The .nz Domain Name Commission (DNC)¹ notified the Respondent of the validated Complaint by letter dated 19 September 2011.
- 3.3 The letter from the DNC to the Respondent dated 19 September 2011 attached a copy of the Complaint and a copy of the .nz Dispute Resolution Service Policy ("the Policy")² and Procedure. The letter advised the Respondent as follows:

In accordance with the Procedure, you have 15 working days, **ie until Monday, 10 October 2011** to respond to the Complaint. In order to be valid, your response must comply with the Procedure, and must be received by the DNC in both hard copy and electronic form.

If you respond within the deadline, the Complainant will be given an opportunity to submit a written reply, and the matter will then be referred for mediation. The Domain Name Commission makes no charge for this service. If mediation is not successful, the matter may be referred to an independent expert for a decision.

Please note that no decision has been made at this stage.

Do not ignore this letter. If you do not submit a response by the deadline, this matter may be referred to an independent expert for a decision without further reference to you, which may result in the transfer, suspension or cancellation of the domain name(s).

- 3.4. While the Respondent confirmed receipt of the DNC's letter dated 19 September 2011, the Respondent did not submit a Response to the Complaint in this case. By letter dated 17 October 2011, the DNC advised the Respondent that the Complaint would be referred to an independent expert for decision if the Complainant paid the appropriate fees. The Complainant paid the appropriate fees.
- 3.5 Mr Terence Stapleton, the undersigned, confirmed to the DNC 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. Mr Stapleton was appointed to act as the independent expert in this case ("the Expert") pursuant to Paragraph 9 of the Policy.

¹ Domain Name Commission Limited is a company wholly-owned by InternetNZ (the Internet Society of New Zealand Inc) responsible for the day-to-day oversight of the .nz domain name registration and management system.

² Words beginning with uppercase letters in this decision include terms defined in Paragraph 3 of the Policy.

4. Factual background

- 4.1 The Complainant develops, manufactures and distributes internationally products under the gigaset name and brand. The Complainant's gigaset products include cordless telephones, fixed-network telephones, VoIP devices, software solutions and related accessories.
- 4.2 Since the early 1990s, the Complainant has held trade marks to protect the gigaset name and brand, and it has invested significant resources in the development and protection of its intellectual property rights.
- 4.3 In New Zealand, the Complainant is the proprietor of registered trade mark number 802882 for the word gigaset in class 9/9 which includes optical, electrical, electrotechnical and electronic apparatus, devices and equipment for the various uses specified in the class. The trade mark was registered on 11 February 2010, has a deemed date of registration of 24 February 2009 (the date on which the trade mark application was filed), and is renewed until 24 February 2019.
- 4.4 In the European Union, the Complainant is the proprietor of registered trade mark number 004986154 for the word gigaset in class 9. The registered trade mark was filed on 30 March 2006 and is renewed until 30 March 2016.
- 4.5 The Complainant is also the proprietor of a number of trade mark applications and registrations for the word gigaset in class 9 filed in a number of countries throughout the world through the World Intellectual Property Organisation under numbers 901150 and 901150A. These trade mark applications have a filing date of 25 August 2006 and, once registered, have an expected expiration date of 25 August 2016.
- 4.6 The Complainant's evidence of use and reputation in the gigaset name and brand comprised photographs of displays of its products in shops in Whangarei and Nelson and an advertisement for an internet and landline telephone in the August 2011 issue of the *IT Brief* magazine.
- 4.7 The *IT Brief* advertisement refers to the Complainant's website at www.gigaset.com and also to the Complainant's New Zealand agent, Atlas Gentech (NZ) Ltd, and carries its New Zealand agent's 0800 number and website address. All gigaset products sold in New Zealand are required to have a valid PTC number issued by Atlas Gentech as the Complainant's New Zealand distributor.
- 4.8 The Respondent was incorporated under the Companies Act 1993 on 16 March 2006. Hadley Rich is the Respondent's sole director and he holds 99 of the Respondent's 100 shares. The Respondent carries on business as an online supplier of VoIP and hobby electronics products.

- 4.9 The Respondent's website is at www.nicegear.co.nz. The nicegear.co.nz domain name for the Respondent's website was registered on 31 March 2006, 15 days after the Respondent's incorporation under the Companies Act 1993. The "About Us" page on the Respondent's website states that Nice Gear was started by, and is primarily run by, Hadley Rich, it being a spawn of Nice Technology, his consulting business.
- 4.10 As well as the Respondent's website at www.nicegear.co.nz, the Expert visited the following websites at the Complainant's invitation on 28 November 2011 and 5 December 2011 and comments as follows:
- (a) the gigaset website at www.gigaset.com;
 - (b) the gigaset Australia website at www.gigaset.com.au;
 - (c) the format of the gigaset and gigaset Australia websites is identical. The word gigaset is centred at the top of the page. Below the word gigaset is an example of a gigaset product (at gigaset, the product is the gigaset SL910 telephone; at gigaset Australia, the product is the gigaset DX800A telephone). In each case, the contents of the home pages beneath the advertisements are identical, displaying identical photographs and identical text under "Figures of speech", "World of Phone" and "Customer services" headings. Finally, beneath the details described above are copyright symbols, the year 2011 and the Complainant's name;
 - (d) the website at www.gigaset.co.nz. The Expert was taken not to a New Zealand website in the same format as the gigaset and gigaset Australia websites described above, but directly to the Respondent's website at www.nicegear.co.nz.
- 4.11 The Respondent registered the Domain Name on 3 February 2011. In early July 2011, the Complainant became aware that the Respondent had registered the Domain Name and was using the website address www.gigaset.co.nz as an address (the other being www.nicegear.co.nz) for the Respondent's website.
- 4.12 During July 2011, the parties endeavoured to resolve the issues relating to the Respondent's registration of the Domain Name and use of the www.gigaset.co.nz website address, but those endeavours were not successful. In the course of their email communications, the Complainant made it clear to the Respondent that it required the Domain Name for the purpose of growing its business in New Zealand through a website (www.gigaset.co.nz) in the same format as the gigaset and gigaset Australia websites.

5. The Complainant's contentions

5.1 The Complainant contends that the registration of the Domain Name is an Unfair Registration as follows:

- (a) the Respondent registered the Domain Name primarily as a blocking registration against a name or mark in which the Complainant has Rights, namely trade mark number 802882 in the word gigaset;
- (b) the Respondent registered the Domain Name primarily for the purpose of unfairly disrupting the business of the Complainant;
- (c) the Respondent registered the Domain Name primarily for the purposes of selling or otherwise transferring the Domain Name to the Complainant for valuable consideration in excess of the Respondent's documented out-of-pocket costs;
- (d) the circumstances demonstrate 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. The Respondent's contentions

6.1 As noted, the Respondent did not submit a Response to the Complaint.

7. Relevant provisions of Policy and elements of Complaint

7.1 The determination of the Complaint is governed by the Policy. Relevant provisions of the Policy in this case are as follows:

3. Definitions

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;

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;

Part A – Policy

4. Dispute Resolution Service

4.1 This Policy and Procedure applies to Respondents when a Complainant asserts to the DNC according to the Procedure 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.

4.2 The Complainant is required to prove to the Expert that both elements are present on the balance of probabilities.

...

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 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. How the Respondent may demonstrate in its Response that the Domain Name is not an Unfair Registration

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; or

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;

7.2 For an Expert to uphold a Complaint, the Expert must be satisfied that the Complainant has proved the following elements on the balance of probabilities:

- (a) Rights in respect of a name or mark (para 4.1.1);
- (b) identity or similarity between that name or mark and the Domain Name (para 4.1.1);
- (c) Unfair Registration in the hands of the Respondent (para 4.1.2).

8. Rights in respect of a name or mark

8.1 It is well-established that:

- (a) the requirement for a Complainant to prove Rights in respect of a name or mark is not a particularly high threshold test;
- (b) it is not necessary for a Complainant to prove that it holds a registered trade mark or service mark; rather, it is sufficient for a Complainant to prove that its Rights in respect of the name or mark are capable of protection, such as under s 22 of the Companies Act 1993 and by proceedings for passing off or for misleading or deceptive conduct under the Fair Trading Act 1986;
- (c) while a Complainant is unable to rely on rights in a name or term which is wholly descriptive of the Complainant's business, an otherwise descriptive name or term is not wholly descriptive of the Complainant's business if the Complainant proves that the name or term has acquired a secondary meaning designating the Complainant's business and distinguishing the Complainant's business from other businesses of the same general kind. The Complainant must prove that the name or term is distinctive of the Complainant's business.

8.2 In view of the facts set out in part 4 and elsewhere in this decision, the Expert is satisfied on the balance of probabilities that the Complainant has Rights in respect of a relevant name or mark, namely:

- (a) rights in respect of the gigaset word in trade mark number 802882;
- (b) statutory rights in relation to the gigaset name and brand capable of protection by proceedings for misleading or deceptive conduct under the Fair Trading Act 1986;

- (c) common law rights in relation to the gigaset name and brand capable of protection by proceedings for passing off.

8.3 The Expert is satisfied on the balance of probabilities that:

- (a) the Rights set out in paragraph 8.2(a) of this decision existed before the registration of the Domain Name on 3 February 2011 because trade mark number 802882 was registered on 11 February 2010 with a deemed date of registration of 24 February 2009 (the date of filing of the application for registration);
- (b) the Rights set out in paragraphs 8.2(b) and (c) of this decision existed before the registration of the Domain Name on 3 February 2011 because they accrued to the Complainant on 11 February 2010 on the registration of trade mark number 802882 with a deemed date of registration of 24 February 2009.

8.4 In view of the facts set out in part 4 and elsewhere in this decision, the Expert is satisfied on the balance of probabilities that:

- (a) the gigaset name is not a name or term which is wholly descriptive of the Complainant's business;
- (b) in any event, the gigaset name has acquired a secondary meaning designating the Complainant's business and distinguishing the Complainant's business from other businesses of the same general kind. The gigaset name is distinctive of the Complainant's business;
- (c) the fact that the gigaset name has been allowed to proceed to registration in New Zealand, the European Union, and through the World Intellectual Property Organisation, is a clear indication that the relevant officials are satisfied about the distinctive character of the gigaset name.

9. Identity or similarity between the relevant name or mark and the Domain Name

9.1 It is well-established that Rights in a name cover all conceivable forms³ in which the name might be used.

9.2 The Expert is satisfied on the balance of probabilities that the facts set out in part 4 and elsewhere in this decision demonstrate that the gigaset name in all its conceivable forms is identical or similar to the Domain Name.

10. Unfair Registration

³ Including upper and lower cases and singular and plural.

10.1 The Expert is satisfied on the balance of probabilities that, in all the circumstances, the Domain Name is an Unfair Registration because the facts set out in part 4 and elsewhere in this decision demonstrate that:

- (a) the Respondent registered the Domain Name primarily as a blocking registration against a name or mark in which the Complainant has Rights, namely trade mark number 802882 in the word gigaset (para 5.1.1(b)); and/or
- (b) the Respondent registered the Domain Name primarily for the purpose of unfairly disrupting the business of the Complainant (para 5.1.1(c)); and/or
- (c) any use by the Respondent of the Domain Name will take unfair advantage of, and be unfairly detrimental to, the Complainant's Rights (para 3); and/or
- (d) any use by the Respondent of 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 (para 5.1.2); and/or
- (e) there is no evidence before the Expert that demonstrates that the Domain Name is not an Unfair Registration as set out in paragraphs 6.1.1 and 6.1.2 of the Policy.

10.2 In respect of the Complainant's contention recorded at paragraph 5.1(c) of this decision, in his email to Mr McKean (the Complainant's country manager for Australia and New Zealand) on 14 July 2011, Mr Rich stated *"If that doesn't suit then perhaps [the Complainant] would prefer to purchase the domain name? I'd suggest it would be cheaper than the DRS fee"*.

10.3 The Expert is not satisfied that Mr Rich's statement in his email to Mr McKean is sufficient to prove on the balance of probabilities that the Domain Name is an Unfair Registration because the Respondent registered the Domain Name primarily for the purposes of selling or otherwise transferring the Domain Name to the Complainant for valuable consideration in excess of the Respondent's documented out-of-pocket costs, and the Expert does not uphold that contention.

11. Decision

11.1 In view of the findings made in this decision, the Expert directs that the Domain Name gigaset.co.nz be transferred to the Complainant.

Place of decision Wellington

Date 5 December 2011

Expert Name Mr Terence Stapleton

Signature

A handwritten signature in black ink, appearing to read "T. Stapleton", enclosed within a large, loopy circular flourish.