

.nz Dispute Resolution Service

DRS Reference: 790

Compuware Corporation v Chithiran Nagaratnam

Key words -

Unregistered mark

Key Words for Indexing

Identical or similar trade mark or name

unregistered mark - well-known mark - identical

Unfair registration

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

1. Parties

Complainant:

Compuware Corporation
One Campus Martius
Detroit
Michigan 48226
United States of America
Represented by: Mr Ben Sullivan

Respondent:

Chithiran Nagaratnam
PO Box 8689
Symonds St
Auckland
New Zealand
Represented by: Chithiran Nagaratnam

2. Domain Name

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

3. Procedural history

- 3.1. The Complaint was lodged on 5/06/2012 and Domain Name Commission (DNC), notified the Respondent of the validated Complaint on 8/06/2012. The domain was locked on 1/06/2012,

preventing any changes to the record until the conclusion of these proceedings.

- 3.2. The Respondent filed a Response to the Complaint on 27/06/2012 and the DNC so informed the Complainant on 29/06/2012. The Complainant filed a Reply to the Response on 9/07/2012. The DNC informed the parties on 1/08/2012 that informal mediation had failed to achieve a resolution to the dispute.
- 3.3. The Complainant paid Domain Name Commission Limited the appropriate fee on 6/08/2012 for a decision of an Expert, pursuant to Paragraph 9 of the .nz Dispute Resolution Service Policy ("the Policy").
- 3.4. Mr Clive Elliott, the undersigned, ("the Expert") confirmed to the DNC on 9/08/2012 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

- 4.1. According to WHOis, the Domain Name was registered on 3 October 2005.

5. Parties' contentions

5.1. Complainant

- 5.1.1. The Complainant asserts that it is a duly incorporated company under the laws of the United States of America, having its registered Headquarters in Detroit, Michigan, and carrying on business as a multinational technology performance company in the information technology (IT) and internet services industry.
- 5.1.2. The Complainant asserts that it was originally founded in 1973 and that today it provides a range of software products and related services. The Complainant advises that it has continuously used the COMPUWARE trade mark (the "COMPUWARE Trade Mark") on or in relation to IT-related goods and services since 1973.
- 5.1.3. The Complainant contends that it has an extensive international network of IT technologies and services providers throughout the Asia-Pacific region, and that Compuware Asia Pacific Pty Ltd ("Compuware Asia Pacific") is a fully owned subsidiary of the Complainant, and a duly incorporated company under the laws of New Zealand, having its registered office in Wellington. The Complainant asserts that Compuware Asia Pacific has been using the COMPUWARE Trade Mark in New Zealand since 1996 and that it has a significant presence in the New Zealand's IT sector. The Complainant asserts that is extremely well known throughout the world including New Zealand.

- 5.1.4. The Complainant asserts that it has a large number of high-profile New Zealand clients and has extensively traded under the COMPUWARE Trade Mark on the Internet for many years. It alleges that as well as the compuware.com domain name, it also owns an extensive portfolio of country-code top level domain names, including <compuware.co.jp>, <compuware.com.au>, <compuware.co.za>, <compuware.co.in>, <compuware.co.kr>, <compuware.com.br>, <compuware.com.cn>, and <compuware.com.sg>.
- 5.1.5. The Complainant asserts that the Domain Name came to its attention in March 2012 and that at that time, the corresponding website provided basic information relating to the company Activesoft Ltd, including web and postal contact details. The Complainant contends that the Domain Name was operating solely as a means to direct Internet users to the Respondent's website <www.activesoft.co.nz> and the email address info@activesoft.co.nz.
- 5.1.6. The Complainant advises that it made contact with the Respondent on 2 April 2012 notifying him of Complainant's legitimate existing rights in respect of the COMPUWARE Trade Mark, and that since then the Respondent has prevented Internet users from accessing the corresponding website, although the Respondent has refused to relinquish the Domain Name.
- 5.1.7. The Complainant believes that the Respondent has also registered the company "Compuware Limited" in New Zealand, with such registration having occurred after 2 April 2012.
- 5.1.8. The Complainant submits that the Domain Name is an unfair registration because:
- (a) the Domain Name is confusingly similar to the Respondent's famous and registered name and the COMPUWARE Trade Mark;
 - (b) the Respondent does not have any rights or a legitimate interest in the Domain Name.
 - (c) the Respondent is not and has never been authorised by the Complainant to use the COMPUWARE Trade Mark or register the Domain Name.;
 - (d) the Respondent's registration of the Domain Name is presently being used as a blocking registration and is unfairly disrupting the business of the Complainant by preventing the Complainant from making legitimate use of the COMPUWARE Trade Mark.
- 5.1.9. The Complainant contends that the Respondent's registration and use of the Domain Name, as well as his unwillingness to cooperate in respect of transferring the Domain Name, constitutes bad faith. The Complainant further contends that the Respondent does not have any legitimate rights to the Domain Name or any intention to legitimately use the Domain Name.

- 5.1.10. The Complainant advises that it is the proprietor of New Zealand trade mark application No. 956766 COMPUWARE, which proceeded to acceptance in April 2012 and that it has used the COMPUWARE Trade Mark in New Zealand since at least 1991. The Complainant also advises that among numerous other global registrations for the COMPUWARE Trade Mark, the Complainant is also the proprietor of WIPO trade mark Registration No. 985756 COMPUWARE, with a deemed date of registration of 22 October 2008 and further asserts that protection has been granted in 10 countries, including Australia.
- 5.1.11. The Complainant asserts that its COMPUWARE Trade Mark is distinctive, as it is an invented word, and is not generic or descriptive in any way, and states that it actively protects its COMPUWARE Trade Mark in New Zealand and worldwide.
- 5.1.12. The Complainant asserts that given its long-standing reputation and goodwill in the COMPUWARE Trade Mark throughout the world, including New Zealand, and the identical nature of the marks, the Respondent's actions are likely to cause confusion and/or deception.
- 5.1.13. The Complainant submits that the Respondent's actions constitute a misrepresentation in the course of trade, calculated to injure the business or goodwill of the Complainant, or being likely to mislead or deceive, and is causing actual damage or will cause damage to the Complainant. In particular, members of the public are likely to believe that the Respondent has been authorised by the Complainant to use or deal in the Domain Name; and/or that the Complainant has authorised the Respondent to use the name/trade mark COMPUWARE; and further that the Respondent's business or activities are somehow connected with or otherwise associated with that of the Complainant or Compuware Asia Pacific; and/or the Respondent's Domain Name is that of the Complainant.
- 5.1.14. The Complainant submits that the actions of the Respondent are unfairly detrimental to the Complainant's rights to use the COMPUWARE Trade Mark, and are likely to cause the Complainant damage in the future.

5.2. **Respondent**

- 5.2.1. The Respondent states that he is the director of Activeoft Ltd, a company incorporated in 2002, offering IT services including web, SMS txt, software, database and systems, at URL <<http://www.activesoft.co.nz>>.
- 5.2.2. Respondent asserts that he developed a secure application gateway named compuware in 2005 and that he purchased the Domain Name on 3 October 2005. Respondent advises that since then he has been servicing customers via emails and the secure URL <secure.compuware.co.nz> with encrypted strings.

- 5.2.3. The Respondent asserts that he has been working through business plans for future expansion of this application and business unit since 2005 and now he is in the final stages of implementing the business expansion.
- 5.2.4. The Respondent indicates that at the time of registration of the Domain Name in 2005, he had no knowledge of the Complainant, its website, its business name or any trade marks. Respondent contends that he believed that he was registering a domain name and developing an application and setting up business unit named COMPUWARE in which no party could claim exclusive rights.
- 5.2.5. The Respondent asserts that at the time of registration in 2005 he made extensive searches on company name and trade marks at <www.companies.govt.nz> and <www.iponz.govt.nz> and found no active registrations.
- 5.2.6. The Respondent contends that he never intended to direct Internet users to <activesoft.co.nz> and suggests that Complainant in its complainant was actually referring the default landing page of the hosting service which contains the information about website <www.activesoft.co.nz> and the email address info@activesoft.co.nz. The Respondent states that the landing page clearly displays "The above web site is hosted at ActiveSoft". The Respondent asserts the he offers web hosting service to customers and hosts web sites and that by default each domain name of each website hosted at its hosting services will show the default landing page.
- 5.2.7. The Respondent alleges that he has been servicing customers by hosting email and web service gateway using <secure.compuware.co.nz> since 2005 and submits that transferring the Domain Name to the Complainant will incur significant financial loss for the Respondent in rewriting codes, upgrading apps, rebuilding systems, rewriting support documents, and managing customer outages, as well as damaging its reputation.
- 5.2.8. The Respondent claims that it took the Complainant almost 16 years after complainant started its business in New Zealand to bring this Complaint, which Respondent suggest is proof that the Complainant has neither genuine need for the Domain Name nor intention of genuinely using the Domain Name.
- 5.2.9. The Respondent accepts that the Complainant contacted him on 28 March 2012, and he immediately acted in good faith by changing the default landing page of <www.compuware.co.nz>. The Respondent states that he has rolled back the changes and enabled the <www.compuware.co.nz> landing page.
- 5.2.10. The Respondent contends that he has been working on business plans on expansion of his business since 2005 and that on 2 April 2012 he incorporated "Compuware Limited". The Respondent claims that at the

time of the company incorporation he verified that there were no trade marks for "COMPUWARE" other than the expired trade mark.

- 5.2.11. The Respondent denies the Complainant's allegations that the registration of the Domain Name is an unfair registration, misleading and deceptive and states further that the Complainant had more than 10 years before the Respondent registered the Domain Name in 2005. The Respondent points out that the Complainant did not seek to register the Domain Name during these 10 years and that because the Complainant did not notice the existence of the Domain Name until March 2012 it proves that the use of that Domain Name by the Respondent for over 6 years had never confused, misled or deceived people or businesses into believing that the Domain Name is registered to, operated or authorised, by or otherwise connected with the Complainant.
- 5.2.12. The Respondent claims that the Complainant has no real interest in the Domain Name per se but seeks to discredit the Respondent.
- 5.2.13. The Respondent denies that the Domain Name was registered in bad faith and argues that COMPUWARE is not unique in New Zealand, and that there were two previous registered company names and three previous trade marks. The Respondent suggests that the Complainant seeks to monopolize the name COMPUWARE.

5.3. **Complainant's further submissions**

- 5.3.1. The Complainant rejects the various claims made in the Respondent's response and says in particular that with regard to the Respondent's claim that it found no active registrations for like company names, the Respondent's Exhibit 1 is the Companies Office search which clearly lists the Complainant's company COMPUWARE ASIA PACIFIC PTY LIMITED as having been registered since 4 September 1996. The Complainant further suggests that any diligent searcher of the Internet in general would have discovered the Complainant company and its services.
- 5.3.2. The Complainant denies the Respondent's allegation that the Complainant has neither genuine need for the Domain Name nor any intention of genuinely using the Domain Name and says further that it has an extensive international network of IT technologies and services providers throughout the Asia-Pacific region, and has been using the COMPUWARE Trade Mark in New Zealand since 1996. The Complainant submits that it has no intention of damaging a New Zealand owned small business, as alleged by the Respondent, and that it has a genuine need and intention of use of the Domain Name.
- 5.3.3. The Complainant denies the Respondent's allegation that use of the Domain Name has never confused, misled or deceived people or businesses into believing that the Domain Name was registered, operated or authorised by the Complainant, because the Respondent's

registration of the Domain Name was brought to its attention by a customer of the Complainant who encountered the Domain Name while searching for the Complainant's contact details in New Zealand.

6. Discussion and findings

6.1. The dispute is governed by the Policy issued by the office of the Domain Name Commissioner on behalf of DNC. The relevant portions of the Policy for present purposes 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.

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

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

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;

5.1.3 The Complainant can demonstrate that the Respondent is engaged in a pattern of registrations where the Respondent is the registrant of domain names (under .nz or otherwise) which correspond to well known names or trade marks in which the Respondent has no apparent rights, and the Domain Name is part of that pattern;

5.1.4 The Complainant can demonstrate that the Respondent has knowingly given false contact details to a Registrar and/or to the DNC; or

5.1.5 The Domain Name was registered arising out of a relationship between the Complainant and the Respondent, and the circumstances indicate that it was intended by both the Complainant and the Respondent that the Complainant would be entered in the Register as the Registrant of the Domain Name;"

6.2. In order to support a complaint of this kind the Complainant must satisfy three elements:

- (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); and
- (c) Unfair registration in the hands of the Respondent (para 4.1.2).

7. Decision

7.1. Rights in respect of a name or mark

7.1.1. In terms of assessing whether the Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name the Expert first has to consider what the name or mark is, what it means and who has rights in it.

7.1.2. The expression "Rights" is referred to in the definition of "Unfair Registration" in paragraph 3 of the Policy and is directed to a Domain Name which "took unfair advantage of or was unfairly detrimental to the Complainant's Rights" in some way. The primary question is whether some disadvantage or detriment occurs vis-a-vis the Complainant's Rights.

7.1.3. Pursuant to paragraph 3 of the Policy the Complainant must establish the requisite Rights in order to establish that some form of disadvantage or detriment is likely to occur through the existence or use of the Domain Names by the Respondent.

7.1.4. The Complainant asserts that it is a large entity involved in supplying IT technologies and services both internationally, throughout the Asia-Pacific region; and in New Zealand through a direct or indirect subsidiary company having its registered office in Wellington. The Complainant asserts that Compuware Asia Pacific has been using the COMPUWARE trade mark on or in relation to these goods and services in New Zealand since 1996. As a result of such use it contends that it has a significant presence in the New Zealand's IT sector and is extremely well known both internationally and in New Zealand.

7.1.5. The Complainant claims rights in the COMPUWARE Trade Mark by virtue of registration and use in the marketplace in New Zealand since at least 1996.

- 7.1.6. Firstly, the Complainant relies on New Zealand trade mark application No. 956766 COMPUWARE, which proceeded to acceptance in April 2012. It is unclear whether the trade mark has since proceeded to registration. The Complainant also relies on various overseas registrations going back to 2008. While the Expert is prepared to take the above as an indication that Component is acting in good faith under the Policy, no rights as such, can derive from the above application and registrations.
- 7.1.7. Respondent does not dispute the use by Complainant of the COMPUWARE Trade Mark. Instead, Respondent argues that COMPUWARE is not unique in New Zealand, and that there were two previous registered company names and three previous trade marks. Accordingly, Respondent contends that the Complainant is seeking to (wrongly) monopolize the name COMPUWARE.
- 7.1.8. While Respondent asserts that COMPUWARE is not unique in New Zealand he does not provide evidence that entities, other than the Complainant have used the name or trade mark in a significant way in the IT sector. Nor does Respondent elaborate on why an entity might not be able to acquire protectable rights in the contracted term COMPUWARE, notwithstanding the potentially descriptive connotations of the component parts "Computer" and "Software", particularly given that the contracted term may just as easily derive from other terminology, for example "Compute" and "Malware".
- 7.1.9. On this basis the Expert is satisfied that the Domain Name is certainly not "wholly descriptive" of the goods or services of the Complainant and accepts that the Complainant has established sufficient Rights in respect of a name or mark which is identical or similar to the Domain Name.

7.2. Identity or similarity

- 7.2.1. The Complainant's Trade Mark and the Domain Name are self-evidently the same. This ground is thus clearly established.

7.3. Unfair registration

- 7.3.1. As noted in paragraph 6.1 above, a number of factors may be taken into account as evidence that the Domain Name is an Unfair Registration. This requires the Expert to be satisfied that the Respondent has registered or otherwise acquired the Domain Name primarily for certain purposes. These are dealt with below.

7.4. For the purpose of unfairly disrupting the business of the Complainant

- 7.4.1. The Complainant states that the Domain Name was, when it first came to its notice in 2012, operating solely as a means to direct Internet users to the Respondent's website and email address. It seems to be

common ground that at the time the Domain Name was used to redirect users to the Respondents principal website.

- 7.4.2. The Respondent explains that he developed a secure application gateway named compuware in 2005 and that since then he has been servicing customers via emails and the secure URL <secure.compuware.co.nz> with encrypted strings. He further asserts that he has been since 2005 and is still developing business plans for future expansion of this application and business unit.
- 7.4.3. The Complainant argues that the Respondent's registration of the Domain Name is presently being used as a blocking registration and is unfairly disrupting the business of the Complainant by preventing the Complainant from making legitimate use of the COMPUWARE Trade Mark. It therefore contends that the actions of the Respondent are unfairly detrimental to the Complainant's rights to use the COMPUWARE Trade Mark.
- 7.4.4. The Respondent alleges that at the time of registration of the Domain Name, he had no knowledge of the Complainant or its operations, and that he believed that COMPUWARE was a name or mark in which no party could claim exclusive rights, having satisfied himself by doing various company name and trade mark searches. The Respondent does not however indicate, as someone involved in the IT industry in New Zealand, what enquiries he made of companies trading in that sector under the COMPUWARE name or using the COMPUWARE Trade Mark.
- 7.4.5. Pursuant to Rule 5.4 of the Policy the Expert is not entitled to 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. On this basis the Expert must assume that the registration of the Domain Name was made in good faith or at least that such registration cannot now be questioned in terms of evaluating the parties' rights and interests.
- 7.4.6. However, the essential question under Rule 4.1.2 of the Policy is whether the Domain Name, in the hands of the Respondent (i.e. as judged in the present setting) is an Unfair Registration. The Complainant has put the Respondent on notice and outlined the basis upon which it believes the Respondent's current actions are unfair and detrimental.
- 7.4.7. Given the significant reputation the Complainant appears to have in the Complainant's Trade Mark, the identical nature of the Domain Name, the fact that the parties are in the same general industry and that the Respondent appears to have been using the Domain Name to resolve to a landing site, leads the Expert to the view that a purpose or effect of the Domain Name has been or is to unfairly disrupt the business of the Complainant. That is, by diverting business or potential business from the Complainant to the Respondent, thereby depriving the

Complainant of the potential commercial value and benefits of that traffic.

- 7.4.8. This view is formed notwithstanding the fact that the Respondent registered the Domain Name some years ago and that the Complainant has hardly been diligent in enforcing its rights. Nevertheless, for the reasons set out above, the Expert considers that the Complainant has established (in conjunction with the ground immediately below) its entitlement to relief, albeit by a slim margin.
- 7.5. **Using the Domain Name in a way which is likely to confuse, mislead or deceive**
- 7.5.1. This requires the Expert to be satisfied 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.
- 7.5.2. The Complainant submits that the Respondent's actions constitute a misrepresentation in the course of trade, which are likely to mislead or deceive and cause it damage. That is, on the basis that members of the public are likely to believe that the Respondent has been authorised by the Complainant to use or deal in the Domain Name or the name/trade mark COMPUWARE. As a result, it is contended that this will lead to an incorrect impression of some sort of connection or association.
- 7.5.3. The Expert is satisfied that, on balance, given the reputation the Complainant has in the COMPUWARE Trade Mark, the relatively distinctive character of the Trade Mark, and the similar areas in which the Complainant and the Respondent are involved in, that there is a real risk of confusion or deception. The fact that the Respondent has used the Domain Name to attract and redirect business suggests that there is some benefit or value in doing so. In the Expert's view it is likely that in such a scenario consumers are likely to assume, wrongly, that there is some connection between the parties or otherwise that some authorisation or licence has been given to use the COMPUWARE Trade Mark or name. Given its global reach and standing that would be an affiliation worth having.
- 7.5.4. The Complainant has thus established each part 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 23 August 2012

Expert Name Mr Clive Elliott

Signature