

.nz Dispute Resolution Service

DRS Reference: 861

On-line Digital Solutions Limited t/a Moovabox v Rentacrate NZ Ltd

Key words -

Domain name

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

Identical or similar trade mark or name

Registered mark - similar

Rights

Demonstrable preparations to use

Unfair registration

Unfair registration – likely to confuse, mislead or deceive - presumption of unfair registration

Procedure

Transfer

1. Parties

Complainant:

On-line Digital Solutions Limited t/a Moovabox
4/49 Sainsbury Road
St Lukes
Auckland
New Zealand
Represented by: Mr Ben Cain

Respondent:

Rentacrate NZ Ltd
Lev 5 William Laurie Place
Auckland
NZ (NEW ZEALAND)
Represented by: Mr Andrew Nichols

2. Domain Name/s

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

3. Procedural history

The Complaint was lodged on 19/03/13 and Domain Name Commission (DNC), notified the Respondent of the validated Complaint on 22/03/13. The domain/s were locked on 20/03/13, preventing any changes to the record until the conclusion of these proceedings.

The Respondent filed a Response to the Complaint on 18/04/13 and the DNC so informed the Complainant on 18/04/13. The Complainant filed a Reply to the Response on 30/04/13. The DNC informed the parties on 05/06/13 that informal mediation had failed to achieve a resolution to the dispute.

The Complainant paid Domain Name Commission Limited the appropriate fee on 18/06/13 for a decision of an Expert, pursuant to Paragraph 9 of the .nz Dispute Resolution Service Policy ("the Policy").

Hon Barry Paterson QC, the undersigned, ("the Expert") confirmed to the DNC on 20/06/13 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.

After the Expert was appointed he was provided with a copy of the WIPO decision D2013-0567 between the same parties, which denied a similar complaint by the Complainant in respect of the domain name "movabox.com". The Expert completed this decision without reference to the reasoning in the WIPO decision. Notwithstanding that the Expert is aware that he has come to a different decision from that of the WIPO Panel and of the reasons for the WIPO decision, the Expert adheres to the decision below.

4. Factual background

- 4.1. The Complainant and the Respondent both conduct businesses in a competing field. The Complainant describes its business as providing "relocation services to private individuals, households and businesses ...". It "delivers durable, recyclable plastic boxes to customers to pack-up for moving, then, once the customers have moved and emptied the boxes, the Complainant picks up the empty boxes from the customers' new premises". It operates in Auckland, Wellington and Christchurch. The Respondent operates a similar business in those three centres and also has interests in Hamilton, Tauranga and Nelson.
- 4.2. The Respondent was incorporated in 2009 under a new name and claims it was providing moving box services prior to that date. Presumably this was through another entity with the same ownership.
- 4.3. The Complainant has the registered trade mark "MOOVABOX" under registered number 854947 with a registration date of 12 July 2012 and a filing date of 11 January 2012. It is effective in classes 20 and 39.

- 4.4. The Respondent has its own registered trade mark which also applies to classes 20 and 39. The deemed registration of its trade mark was 7 January 2010. Neither 'Moovabox' nor 'movabox' appear in the trade mark where the predominant name is "rentacrate".
- 4.5. The Complainant has two domain names both registered in June 2011. They are moovabox.co.nz and moovabox.com.
- 4.6. The Domain Name was registered on 13 February 2012.

5. Parties' contentions

(a) Complainant

- 5.1. The Complainant complains that it has Rights in respect of a mark, namely its registered Trade Mark, which is similar to the Domain Name and that the Domain Name and the ownership of it by the Respondent is an Unfair Registration.
- 5.2. The allegation in the Complaint is that the "Domain Name is not generic or descriptive of the Complainant's business. It is confusingly similar to the Complainant's Trade Mark, a Trade Mark which is distinctive of the Complainant's business as shown by the fact of registration".
- 5.3. The Complainant alleges that it has continually used its Trade Mark "in relation to its goods and services, including in the domain names moovabox.com and moovabox.co.nz since January 2012, prior to the Respondent's registration of the Domain Name."
- 5.4. Another assertion made by the Complainant is that as a result of its trading and promotional activities it has developed a substantial reputation and goodwill in the Complainant's trade mark in New Zealand such that it, and any similar mark, is exclusively associated with the Complainant in the minds of relevant New Zealand consumers.
- 5.5. The Complainant in support of its Complaint submitted:
 - (a) The Respondent registered the Domain Name approximately 7½ weeks after the Complainant registered its domain name moovabox.co.nz.
 - (b) The Respondent does not use the Complainant's Trade Mark in its business but rather uses its own Trade Mark "RENTACRATE".
 - (c) The registration of the Domain Name is a blatant attempt to divert trade to the Respondent. It is aimed at unfairly disrupting the Complainant's business. This belief is reinforced by the Respondent registering domain names with exactly the same

extensions as the Complainant's domain names, namely .co.nz and .com.

- (d) The Complainant has thus taken advantage of the Complainant's Trade Mark in a way which it is unfairly detrimental to the Complainant's rights because it is using the Domain Name in a manner which takes unfair advantage of or is unfairly detrimental to the Complainant's prior rights in the Trade Mark, and is causing damage to the Complainant through intentional diversion of custom and/or dilution of reputation and goodwill in the Complainant's Trade Mark.
- (e) The pattern of registrations already referred to shows the use 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.

(b) Respondent

- 5.6. The Respondent says that the Domain Name is subject to an agreement between itself and another company under which the Domain Name remains the exclusive property of the other company. That agreement was not produced nor was I advised when it was entered into. It is noted that the other company has similar shareholding.
- 5.7. The Respondent makes the point that it was operating in this business area at least three years before the Complainant was incorporated, registered the Trade Mark or its own two domain names.
- 5.8. The Respondent asserts that it has registered several domain names that include terms of variations of "box", "move" and "moving". It states that the trade mark contains descriptive and generic terms and therefore the Domain Name does not create a trade mark infringement.
- 5.9. It is the assertion of the Respondent, unsupported by any evidence, that the Complainant developed a similar service offering and franchise system three years after that system was developed by the Respondent and that this was only possible through the improper use of the Respondent's intellectual property gained by a representative of the Complainant by deceptive use of a confidentiality agreement with the Respondent.
- 5.10. The Complainant through its then patent attorney wrote a letter of complaint on 12 April 2012. It then did nothing further for approximately one year before bringing this Complaint.
- 5.11. The Respondent asserts that the Complainant has done little to promote the Trade Mark or own domain names and that it has failed to

develop any form of substantial reputation, fame or goodwill in the Trade Mark. In support it produced a screenshot of the Advanced Web Statistics for the Respondent between 1 January 2012 and 1 March 2012 verifying that the total web traffic to the Domain Name accounted for only 0.2% of the total traffic to the Respondent's website for the period.

- 5.12. The Respondent's position is that it is well recognised in the market and has developed a considerable goodwill. It did not register the Domain Name in bad faith and has a *bona fide* business of moving boxes. The Domain Name was not registered in order to prevent the Complainant from reflecting the Trade Mark in a corresponding domain name and the Respondent has not so engaged in the pattern of conduct. The Domain Name was not registered by the Respondent primarily to disrupt the Complainant's business. It was not registered in an attempt to attract for commercial gain Internet users to the Respondent's website by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation or endorsement of the Respondent's website or location of or a product or service on the Respondent's website or location.

6. Discussion and findings

- 6.1. Under paragraph 4 of the Policy, the Complainant is required to establish:
- (a) that it has Rights in respect of a mark which is similar to the Domain Name; and
 - (b) the Domain Name, in the hands of the Respondent, is an Unfair Registration.
- 6.2. I am satisfied that the first requirement of paragraph 4 of the Policy is satisfied. The Trade Mark is MOOVABOX. There can be no doubt in my mind that the Trade Mark, which comprises the Right, is similar to the third level word in the Domain Name. The first test is satisfied.
- 6.3. The non-exhaustive list of factors which may evidence the Unfair Registration of the Domain Name is set out in paragraph 5 of the Policy. Those particularly relevant are:
- 5.1.1(c) for the purposes of unfairly disrupting the business of the Complainant;
 - 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.

- 6.4. Paragraph 5.2 of the Policy notes that the failure on the Respondent's part to use the Domain Name for the purposes of emails or a website is not in itself evidence that the Domain Name is an Unfair Registration.
- 6.5. There are relevant provisions in paragraph 6 of the Policy which have been referred to in the submissions of the Respondent.
- 6.6. Paragraph 6 contains the non-exhaustive list of factors which may be evidence that the Domain Name is not an Unfair Registration. That list includes:
 - 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;
 - ...
 - 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;
- 6.7. The Respondent submits that the Trade Mark contains descriptive and generic terms and therefore does not create a Trade Mark infringement. The issue is not whether there is a Trade Mark infringement. Under paragraph 6.1.2 of the Policy, the issue is whether the Domain Name is generic or descriptive and the Respondent is making fair use of it in a way which is consistent with the generic or descriptive character. The Complainant under the definition of "Rights" is unable to rely upon a term which is wholly descriptive of the Complainant's business. I am of the view that the Trade Mark being in slightly unusual form is not wholly descriptive of the Complainant's business. A person seeing the Trade Mark would not be able to accurately describe the business and when the business was explained would not understand that the Trade Mark was wholly descriptive of it.
- 6.8. The Respondent has not satisfied me that it can rely upon paragraph 6.1.2 of the Policy. Its evidence does not satisfy me that it is making fair use of the Domain Name or that it is consistent with the generic or descriptive character of the Respondent's business. There is no evidence that it has made any use of the Domain Name in its advertising or otherwise in its business. It relies upon its own RENTACRATE trade mark in that advertising. Further, I have already

said that the Trade Mark is not wholly descriptive of the Complainant's business. For similar reasons, I am of the view that the Domain Name is not wholly descriptive of the Respondent's business.

6.9. A chronology of important dates in this matter is:

27/6/11	Complainant registered its domain name moovabox.co.nz. A day earlier it had registered moovabox.com.
7/1/12	The Complainant advertises on TradeMe for Moovabox franchisees in Auckland, Hamilton and Tauranga.
11/1/12	The Complainant applies for its Trade Mark.
13/2/12	The Respondent registers the Domain Name.
12/7/12	The Trade Mark is registered with deemed registration to 11/1/12.

6.10. The evidence establishes that the Complainant was using MOOVABOX in advertising material at least seven weeks prior to the registration of the Domain Name, albeit that the Trade Mark was not then registered. It has continued to use that name since and MOOVABOX.COM is displayed on the side of its franchisees' vans.

6.11. The Respondent does not contend that it uses the name "movabox" in its business. There is no evidence of this. Its trade mark and business name is "RENTACRATE". As already noted I do not accept that there is evidence of the Complainant improperly using the intellectual property of the Respondent. Nor do I accept that "movabox" is wholly descriptive and generic. Further, I place no weight at all on the allegation of the agreement which the Respondent says it has in respect of intellectual property. It does not seek to explain what that intellectual property was.

6.12. It is relevant to comment on some of the Respondent's submissions:

- (a) It says it is the registrant of several domain names that include the terms and/or variations of the terms "box", "move" and "moving". It does not suggest that any of those domain names contain "mova".
- (b) It acknowledges that the Complainant developed a similar service. The inference that I draw from the facts is that it knew this service was being developed at the time the Domain Name was registered.

- (c) It makes an erroneous statement that the Trade Mark was registered in a class which is not relevant. It was registered in the two relevant classes, as is the Respondent's own trade mark.
 - (d) It asserts that the Complainant has done little to promote its Trade Mark or its own domain name since registration and that it has no goodwill in its Trade Mark. Ultimately I do not believe this to be relevant.
 - (e) It makes assertions to bring itself within the provisions of paragraph 6.1 of the Policy.
- 6.13. The Respondent does not deny that it knew of the Complainant's existence and intention to develop a business when the Domain Name was registered on 13 February 2012. It gives no reason for the non-use of the trade name nor why in such circumstances it wishes to restrain the Domain Name which is similar to the Trade Mark owned by a competitor. It registered the Domain Name at least several weeks after the Complainant advertised for franchisees in Auckland, Hamilton and Tauranga. The Respondent continues to trade under its own Trade Mark RENTACRATE. While the circumstances may well give grounds for a passing off action, I am required to apply the provisions of the Policy.
- 6.14. The inferences I draw from the above facts is that the Respondent registered the Domain Name to obtain a commercial advantage. That commercial advantage was to receive email traffic addressed to a competitor but which had been erroneously addressed. The small difference between the two domain names would make such errors a distinct possibility. There was no possibility that its own customers would err because the Respondent was not using the Domain Name in its own business. In drawing this inference, I have taken into account paragraph 5.2 of the Policy but believe that the inference can still be drawn. The fact that only a relatively few emails may have been so diverted does not undermine the inference. The Complainant's business was still in its early stages, and the diversion shows the potential for misdirection of emails.
- 6.15. On this finding the registration possibly falls within the provisions of paragraph 5.1.1(c) of the Policy, namely the purpose was to unfairly disrupt the business of the Complainant albeit that that business was at the incipient stage. However, at the date of the registration of the Domain Name, the Respondent may not have known of the application to register the Trade Mark.
- 6.16. However, in my view the registration falls within the provisions of paragraph 5.1.2 because the manner in which it is being used and is capable of being used is likely to confuse, mislead or deceive people of business into believing that the Domain Name is registered to, operated or authorised by or otherwise connected with the

Complainant. Emails intended for the Complainant are being received by the Respondent, a business competitor.

- 6.17. I have considered the assertions made by the Respondent and have formed the opinion that none of them fall within the provisions of paragraph 6 of the Policy. The submission that the Complainant had not developed a goodwill in the Trade Mark misses the point. The relevant point is that the Complainant uses the Trade Mark in its business. It is not able to demonstrate that the registration was not an Unfair Registration.
- 6.18. It follows that the Complainant has established both that it has Rights in a Trade Mark which is similar to the Domain Name and that the Domain Name in the hands of the Respondent is an Unfair Registration.

7. Decision

There is an order that the Domain Name be transferred from the Respondent to the Complainant.

Place of decision Auckland

Date 1 July 2013

Expert Name Hon Barry Paterson QC

Signature