

.nz Dispute Resolution Service

DRS Reference: 875

Crank Finance Holdings Limited trading as Moola.co v James Cadogen

Key words –

Domain name

moola.org.nz
moola.kiwi.nz
moola.net.nz ("the Domain Names")

Identical or similar trade mark or name

Registered mark – unregistered mark – similar

Unfair registration

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

1. Parties

Complainant:
Crank Finance Holdings Limited trading as Moola.co
1/239 Opawa Road
Hillsborough
Christchurch
New Zealand
Represented by: Mr Edward Recordon

Respondent:
James Cadogen
234 Homerton Rd
London
GB United Kingdom
Represented by: Mr James Cadogen

2. Domain Name/s

moola.org.nz
moola.kiwi.nz
moola.net.nz ("the Domain Names")

3. Procedural history

3.1 The Complaint was lodged on 05/06/13 and Domain Name Commission (DNC), notified the Respondent of the validated Complaint on 10/06/13. The domain/s were locked on 05/06/13, 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 04/07/13 for a decision of an Expert, pursuant to Paragraph 9 of the .nz Dispute Resolution Service Policy (“the Policy”).
- 3.4 Ms Sheana Wheeldon, the undersigned, (“the Expert”) confirmed to the DNC on 05/07/13 that she knew of no reason why she could not properly accept the invitation to act as Expert in this case and that she knew of no matters which ought to be drawn to the attention of the parties, which might appear to call into question her independence and/or impartiality.

4. Factual background

The Complainant’s rights

- 4.1 The Complainant is Crank Finance Holdings Limited which trades as Moola.co. It describes itself as a New Zealand Government registered financial services provider, which I take it means it is registered on the Financial Service Providers Register (‘FSPR’). The Expert has viewed the online FSPR and notes that the Complainant was registered on 21 April 2012 and its trading name is listed as ‘Moola’.
- 4.2 The Complainant also describes itself as a member of the Financial Services Council. (However a review of the Financial Services Council website at fsc.org.nz, and specifically of the list of members and associate members, does not reveal any listing of the Complainant.)
- 4.3 The Complainant is the owner of New Zealand trade mark registration no. 968835 in respect of the trade mark MOOLA FAST LITTLE LOANS ON LINE. That registration is in class 36 and covers:

Financial affairs; insurance services; monetary affairs; real estate affairs; financial services; monetary and superannuation services; mortgage and other loan brokering services; lending services; advancement of funds; collection of payments; financial payment services; payment of bills and accounts for others; provision of money and other credit and lending facilities; private equity and debt investment; term loan financing; loan services; financing services (commercial, consumer, inventory, financial assurance); financial brokerage services; financial clearing services; financial management services; financial planning services; financing loans; fund investments; management of investment portfolios, property, equity and mortgage unit trusts; investment services; insurance brokerage, consultancy and risk management; money management services; provision of online mortgage repayment calculators; advisory, consultancy and information services in relation to the aforesaid services; including the provision of the aforesaid services online via a website, the internet or other computer networks and/or accessible by mobile phone and other internet-enabled devices.

- 4.4 The Registration has a deemed registration date of 14 November 2012.
- 4.5 The Complainant states that it conducts an online business under the trade mark MOOLA, providing small personal loans to borrowers in New Zealand. The trade mark MOOLA is used to identify and promote its business, including under its domain name ‘moola.co.nz’ which the Complainant says was registered in October 2006. The Complainant says it has invested

considerable time and money in establishing its trade mark and associated loans business.

- 4.6 It is not clear from the Complaint how long the Complainant has been using the trade mark MOOLA. The Expert was invited to view the Complainant's website and did so. From the fact it has been registered on the FSPR since April 2012 the Expert infers it may have been trading under the mark MOOLA since around that time. Though the domain name moola.co.nz was registered in October 2006 there is nothing in the Complaint to suggest the Complainant has been using the trade mark MOOLA since then.
- 4.7 The evidence filed by the Complainant in support of its Complaint is scant. Given the Complainant's assertions that it has used the trade mark MOOLA to identify and promote its business, and that it has invested considerable time and money in establishing its mark, the Expert would have expected to be provided with more details of these activities. Relevant details would include the date from which the Complainant has used its trade mark, the number and geographical spread of its customers, and an indication of the scale of its business.
- 4.8 The Complainant's website to some extent speaks for itself. It makes prominent use of the trade mark MOOLA, and the phrase 'Moola.co.nz fast little loans on line' appears on every page, with the words 'Moola' in considerably larger font. There are numerous references to 'Moola loan'. Based on the Expert's review of the Complainant's website it seems clear that the Complainant is, as it says, providing small loans (\$50 - \$500) for a duration of 2 – 31 days, via the online service available through its website. What is not clear is how long it has been doing so.

The Respondent's activities

- 4.9 All three of the Domain Names were registered on 6 March 2013.
- 4.10 It is not clear from the Complaint what activities the Respondent was engaging in, using the Domain Names, at the date of the Complaint. No images or other evidence of the Respondent's activities have been provided.
- 4.11 The Complaint states that the Respondent was using the domain name moola.org.nz 'to promote a competing business known as 'Moola Loans' for the provision of small personal loans in New Zealand.'
- 4.12 The Complaint also refers to the Respondent having adopted the tag line 'quick and easy little loans', which is very similar to the tag line used on the Complainant's website, 'fast little loans on line'.
- 4.13 Lawyers representing the Complainant wrote to the Respondent on 29 May 2013. That letter was in relation only to the domain name moola.org.nz, although the Complaint as filed concerns that domain name and two others – moola.kiwi.nz and moola.net.nz.
- 4.14 A non-standard submission containing supplementary information was filed on 3 July 2013 and the Expert agreed that this should be admitted. In that submission the Complainant states that during the response period the Respondent 'changed the website from a Payday loan site, which was directly competing with our business www.moola.co.nz, to a website offering advice

about payday loans www.moola.org.nz.' It also states that the Respondent has changed the look and feel of its website to an online blog focussing on Payday loans, rather than offering loans as had been noted in the Complaint.

- 4.15 There are no references in the Complaint nor the supporting documents to what the Respondent is doing with the other two domain names www.moola.kiwi.nz and www.moola.net.nz. The Expert's own research revealed that both domain names lead to a message stating that the web page cannot be found.

Complainant's letter to Respondent

- 4.16 As mentioned, the Complainant's lawyers sent a letter of complaint on 29 May 2013 to the Respondent. The letter was sent to the address in London which the Respondent had provided to the Registrar. It set out the Complainant's rights in the trade mark MOOLA, and expressed concern that the Respondent had registered the domain name moola.org.nz and was using it to promote a competing business.
- 4.17 Presumably no response was received. Indeed the Complainant asserts that the contact details provided to the Registrar by the Respondent are false. It says that the phone and fax numbers do not exist and that a search on Google maps does not source the London address given by the Respondent.

5. Parties' contentions

Complainant

- 5.1 The Complainant seeks to have the Domain Names transferred to it from the Respondent.
- 5.2 As mentioned above the Complainant asserts both registered trade mark rights and common law rights in the mark MOOLA in New Zealand.
- 5.3 The Complainant submits that the Domain Names, in the hands of the Respondent, are unfair registrations, on the basis that:
- a. The registration and use of the Domain Names takes unfair advantage of, and is unfairly detrimental to, the Complainant's trade mark and its prior registered domain name.
 - b. The Respondent's conduct constitutes passing off and a breach of the Fair Trading Act and use of the word MOOLA in its Domain Names, website and associated loans business is likely to mislead or deceive members of the public seeking small personal loan services into believing that moola.org.nz is actually the Complainant's website moola.co.nz.
 - c. The Respondent's adoption of the closely similar tag line 'quick and easy little loans' increases the likelihood of passing off and/or breach of the Fair Trading Act.
 - d. Use by the Respondent of the phrase 'Moola Loans' in respect of goods and services that are the same as, or similar to, those of the Complainant constitutes an infringement of the Complainant's

registered trade mark, contrary to section 89 of the Trade Marks Act 2002.

- e. The Respondent's contact details, as shown on a listing from Whois, are false.
- 5.4 In its non standard submission the Complainant also asserts that the Respondent has acquired the domain (moola.org.nz) to unfairly disrupt the launch of its business and to confuse, mislead and deceive the Complainant's customers. It goes on to state that it believes the Respondent is currently a competitor in the NZ market place and these actions are 'simply designed to make our launch difficult and costly'.
- 5.5 The Complaint appears to have been drafted with the website, moola.org.nz in mind. Generally it refers to just one Domain Name. However the Complainant seeks a transfer of all three of the Domain Names. For the sake of completeness the Expert confirms that she has read the contents of the Complaint and the evidence on the basis that it relates to all three of the Domain Names.

Respondent

- 5.6 The Respondent has filed no response.

6. Discussion and findings

- 6.1 Given the silence from the Respondent, the Expert is able to consider only the information and submissions provided by the Complainant, which are undisputed, and to make any appropriate inferences from the available facts.

Relevant Provisions of the Policy

- 6.2 The Complainant is required to prove that it has met the requirements in 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.
- 6.3 Paragraph 4.2 requires the Complainant to prove to the Expert that both elements are present on the balance of probabilities.
- 6.4 The Policy provides that "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.

6.5 Paragraph 5.1 of the Policy sets out a series of non-exhaustive factors which may be evidence that a Domain Name is an Unfair Registration. They include the following:

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; or
- (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

6.6 Paragraph 6.1 of the Policy sets out a series of non-exhaustive factors which may be evidence that the Domain Name is *not* an Unfair Registration. They include the following:

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; or
- (b) been commonly known by the name or legitimately connected with a mark which is identical or similar to the Domain Name; or
- (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.

Application of the Policy in this case

6.7 The first question is whether the Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Names. Rights must be enforceable under New Zealand law and may be registered or unregistered.

Complainant's Rights

6.8 The Expert finds that the Complainant has rights in respect of the trade mark MOOLA in New Zealand by virtue of its trade mark registration no. 968835 MOOLA FAST LITTLE LOANS ON LINE, which has a deemed registration date of 14 November 2012.

6.9 There is insufficient evidence of the Complainant's activities under, and reputation in, the trade mark MOOLA for the Expert to find that the

Complainant has common law rights in New Zealand in respect of the trade mark. As previously mentioned, other than the Complainant's website as it now stands, there is no evidence of the Complainant's activities under the MOOLA trade mark. In particular there is no evidence of such things as numbers of customers, length of trading, other promotional activities and the like, which would usually go to establish a reputation. Indeed, the Complainant's comment in its non-standard submission concerning the launch of its business suggests it is only beginning to acquire common law rights.

- 6.10 While the Complainant's domain name was registered in October 2006, the Expert notes from the Companies Office records that the Complainant itself was only incorporated on 16 March 2012. Similarly the Complainant appears first to have been registered on the FSPR on 18 April 2012. The Whois listing for the Complainant's domain name moola.co.nz indicates that the Registrant is Mr Eddie Recordon, not the Complainant.
- 6.11 This factual history, and the contents of the Complaint itself, give insufficient basis for a finding that the Complainant has common law rights in respect of the trade mark MOOLA.
- 6.12 The Expert is, however, satisfied that the Complainant's registered trade mark rights were in existence prior to registration of the Domain Names on 6 March 2013. The deemed registration date of the Complainant's registration no. 968835 was 14 November 2012. That is clearly prior to the registration date of the Domain Names.
- 6.13 The Complainant's registered trade mark is MOOLA FAST LITTLE LOANS. The word MOOLA is clearly the most distinctive element of this mark. The words FAST LITTLE LOANS are largely descriptive. Therefore the Expert has no difficulty in finding that all three of the Domain Names are similar to the Complainant's registered trade mark MOOLA FAST LITTLE LOANS.

Are the Domain Names, in the hands of the Respondent, Unfair Registrations?

- 6.14 Under paragraph 4.1.2 of the Policy the Complainant must show, on the balance of probabilities, that each of the Domain Names is an unfair registration in the hands of the Respondent.
- 6.15 The definition of Unfair Registration includes a Domain Name which:
 - ii) has been, or is likely to be, used in a manner, which took unfair advantage of or was unfairly detrimental to the Complainants Rights.
- 6.16 The Complainant has asserted that the Respondent's use of the Domain Names is unfair. It refers to the Respondent's use of the domain name moola.org.nz to promote a competing business known as 'Moola Loans' for the provision of small personal loans in New Zealand. It also refers to use by the Respondent on the website moola.org.nz of the tag line 'quick and easy little loans' (apparently now altered).
- 6.17 The Expert has viewed the current website at moola.org.nz. This is headed up 'moolablog the smart finances farm'. Though some posts on the website relate to general interest items such as movies and the meaning of the word 'Moola', there is a strong theme of financial matters including a list of 'Other

Pages' and 'Categories', almost all of which relate to loans. The contents of the website appear to comprise information rather than the provision of loans themselves, though the Expert is conscious of the Complainant's assertion that the website has been changed since the Complaint was filed.

- 6.18 In any event the Complainant's trade mark registration no. 968835 covers, amongst other things, 'advisory, consultancy and information services' in relation to a variety of financial services including loan services. Even if the Respondent is only providing information on loans, doing so under the trade mark MOOLA amounts to use of a mark similar to the Complainant's mark in relation to services identical to those covered by the Complainant's trade mark registration, and hence amounts to a breach of section 89(1)(b) of the Trade Marks Act 2002.
- 6.19 Further, using the Complainant's trade mark MOOLA prominently on a website that provides loan related content and services must damage the Complainant's interests through, for example, confusion on the part of the Complainant's customers or potential customers, diverted business, and dilution of the Complainant's exclusivity in the MOOLA mark.
- 6.20 Given the Respondent's actual activities at the website moola.org.nz, which the Expert considers amount to infringement of the Complainant's registered trade mark and are likely to cause damage of other sorts to the Complainant's rights in the trade mark MOOLA, the Expert finds that the Respondent has used and is using the domain name moola.org.nz in a manner which takes unfair advantage of or is unfairly detrimental to the Complainant.
- 6.21 Under paragraph 5.1.1(c) of the Policy, circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily for the purposes of unfairly disrupting the business of the Complainant are a factor which may be evidence of an Unfair Registration.
- 6.22 The Complainant has rights in the trade mark MOOLA and is using it to provide online loan services. The Respondent's registration of the domain name moola.org.nz, and use of this domain name to front a website that initially provided services in competition with the Complainant, and was apparently later altered but still contains a substantial amount of loan related contents and information, would appear inevitably to unfairly disrupt the business of the Complainant. The Expert is prepared to infer, on the balance of probabilities, that the Respondent registered the domain name moola.org.nz for that purpose.
- 6.23 This is therefore also evidence of an Unfair Registration in terms of paragraph 5.1.1(c) of the Policy.
- 6.24 The other two domain names, moola.kiwi.nz and moola.net.nz, are not operating. However they are held by the Respondent and both also comprise the trade mark MOOLA which is the key component of, and similar to, the Complainant's registered trade mark MOOLA FAST LITTLE LOANS.
- 6.25 It is reasonable to infer that the Respondent will in the future use these two domain names in the same way as the domain name moola.org.nz is being used. Any such use of those domain names would also take unfair advantage of or be unfairly detrimental to the Complainant's rights in its trade mark MOOLA.

- 6.26 Further, the Expert considers it is reasonable to infer that the other two domain names have also been registered for the purposes of unfairly disrupting the business of the Complainant.
- 6.27 There is no evidence of any of the factors listed in paragraph 6.1 of the Policy as potential evidence that the Domain Names are not Unfair Registrations.
- 6.28 The Expert is satisfied that the Complainant has shown, on the balance of probabilities, that each of the Respondent's Domain Names is an Unfair Registration.

7. Decision

- 7.1 In view of the findings made above the Expert directs that the Domain Names:
- a. moola.org.nz
 - b. moola.kiwi.nz
 - c. moola.net.nz

be transferred to the Complainant.

Place of decision

Date 19 July 2013

Expert Name Ms Sheana Wheeldon

Signature

