

.nz Dispute Resolution Service

DRS Reference: 932

Key words

Domain name – dominos.co.nz

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

Rights – demonstrable preparations to use (and used) before Complaint – legitimate or fair use

Unfair Registration – fair registration – fair use – offer to sell or otherwise transfer – likely to confuse, mislead or deceive – unfairly disrupting the business of the Complainants – blocking registration – Complaint not an attempt at Domain Name Hijacking

Procedure – non-standard submissions – Expert's directions in respect of non-standard submissions and for additional information – Complaint dismissed

1. Parties

Complainants:

Domino's Pizza Enterprises Limited and Domino's IP Holder LLC
C/o Domino's Pizza Enterprises Limited
Level 5, KSD1
485 Kingsford Smith Drive
Hamilton, Queensland 4007
Australia

Respondent:

AdNet.co.nz Ltd
C/o Ingham Mora
PO Box 222
Tauranga 3140
New Zealand

2. Domain Name/s

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

3. Procedural history

3.1 The Complaint was lodged by the Complainants' representative (Regan Gourley of Cullens Patent and Trade Mark Attorneys at Brisbane) on 25 November 2013. The domain was locked on 25 November 2013, 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 27 November 2013.

- 3.2 The Respondent had until 19 December 2013 to file a Response. The DNC extended the time for the filing of a Response to 7 January 2014. The Respondent filed a Response to the Complaint on 6 January 2014. The Complainants had until 16 January 2014 to file a Reply to the Response. The Complainants did not file a Reply.
- 3.3 The DNC referred the dispute to informal mediation on 22 January 2014. The DNC notified the parties on 13 February 2014 that it had not been possible to resolve the dispute by informal mediation.
- 3.4 By letters dated 13 February 2014, the DNC notified the parties that the Complaint would be referred to an independent expert for decision if the Complainants paid the appropriate fees by 27 February 2014. The Complainants’ representative paid the appropriate fees on 26 February 2014.
- 3.5 Terence Stapleton QC, 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. On 28 February 2014, Mr Stapleton was appointed to act as the independent expert in this case (“the Expert”) pursuant to paragraph 9 of the Policy.

4. Complaint, Response and non-standard submissions

- 4.1 The Complaint is voluminous. The Complaint form consists of 10 pages of text. The Complaint form is accompanied by two manila folders which contain hundreds of pages of documents comprising a statutory declaration (81 paragraphs and 20 pages) by Angela Dahlke (a registered patent and trade mark attorney employed by Cullens Patent and Trade Mark Attorneys) dated 20 November 2013 and 27 exhibits (Exhibits AD-1 to AD-27) referred to in the statutory declaration.
- 4.2 The Response is detailed. As well as the Response form comprising five pages, the Respondent has replied to particular aspects of the Complaint in a combined Complaint/Response document comprising 16 pages. As noted, the Complainants did not file a Reply to the Response.
- 4.3 On 21 February 2014, the Complainants filed a non-standard submission. On 11 March 2014, the Respondent filed a non-standard submission.
- 4.4 On 11 March 2014, after considering the first paragraph of the parties’ non-standard submissions in accordance with paragraph B12.2 of the Policy, and to ensure that this case was considered and determined in accordance with the rules of natural justice and the provisions of the Policy, the Expert issued the following directions:

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

- (a) pursuant to paragraph B12.2 of the Policy, the DNC shall email to the Respondent the Complainant's non-standard submission enclosed with the Complainant's representative's letter dated 21 February 2014;
- (b) by 21 March 2014, the Respondent may submit a reply to the Complainant's non-standard submission. The reply must comply with the requirements of paragraph B5.1 of the Policy;
- (c) pursuant to paragraph B12.2 of the Policy, the DNC shall email to the Complainant's representative the Respondent's non-standard submission advised in the Respondent's email to the DNC on 11 March 2014;
- (d) by 21 March 2014, the Complainant may submit a reply to the Respondent's non-standard submission. The reply must comply with the requirements of paragraph B5.1 of the Policy;
- (e) any replies submitted by the parties in accordance with the directions in (b) and (d) above will be considered by the Expert and any further material which may be required in respect of the parties' non-standard submissions or replies will be requested by the Expert in accordance with paragraph B12.1 of the Policy;
- (f) in view of the parties' non-standard submissions, and the need for the parties to be given an opportunity to respond to each other's non-standard submission if they wish to do so, the time for the delivery of the Expert's decision in this case is extended pursuant to paragraph B15.2 of the Policy to 4 April 2014.

4.5 The DNC emailed the Expert's directions to the parties. On 24 March 2014, the DNC advised the Expert that the parties had not filed replies to each other's non-standard submission by 21 March 2014.

4.6 The Expert comments on the process of filing non-standard submissions as follows:

- (a) in this case, in view of the contents of the Complaint and the Response set out in paragraphs 4.1 and 4.2 above, there was no need for the parties to file non-standard submissions and those submissions were not necessary for the proper determination of this case;
- (b) in this case, the contents of the Complainants' non-standard submission should have been included in a Reply to the Response which could have been filed by 16 January 2014;
- (c) instead of filing a non-standard submission, the better course for a Complainant is to comply with the formal requirements of the Policy and file a Reply to the Response;
- (d) the filing of a non-standard submission by one party is likely to result in the filing of a non-standard submission by the other and the need for directions such as those given by the Expert in this case to ensure that the parties' cases are kept in balance;
- (e) paragraph B12.2 of the Policy should not be used by parties to submit non-standard submissions as a matter of course. The better course in

contested cases is for the parties to wait for the Expert to review the formal papers which have been filed (Complaint, Response and Reply) and then request any further statements or documents from the parties pursuant to paragraph B12.1 of the Policy which the Expert might require for the proper determination of the case.

4.7 In the course of his consideration of the Complaint, the Response and the parties' non-standard submissions, it became clear to the Expert that the Domino's Pizza business in New Zealand was carried on not by either of the Complainants, but by a company incorporated under the New Zealand Companies Act 1993 called Domino's Pizza New Zealand Limited. Accordingly, on 7 April 2014, the Expert issued the following directions:

1. The Expert has read the Complaint, the Response and the parties' non-standard submissions.
2. Having done so, to ensure that this case is considered and determined in accordance with the provisions of the Policy, the Expert directs that by 5pm on Friday, 11 April 2014, the Complainants' representative shall email to the DNC for transmission to the Expert the following information and copies of the following documents:
 - (a) the names of any and all Domain Names in New Zealand held by Domino's IP Holder LLC;
 - (b) the names of any and all Domain Names in New Zealand held by Domino's Pizza Enterprises Limited;
 - (c) the names of any and all Domain Names in New Zealand held by Domino's Pizza New Zealand Limited;
 - (d) copies of any and all documents between or among any or all of Domino's IP Holder LLC, Domino's Pizza Enterprises Limited and Domino's Pizza New Zealand Limited authorising or permitting Domino's Pizza New Zealand Limited to use any or all of the Domain Names specified in (a) and (b) above and any or all of the DOMINO'S and DOMINO'S PIZZA trade marks specified in Exhibit AD-4 to the statutory declaration of Angela Dahlke dated 20 November 2013.
3. In the circumstances, the time for the delivery of the Expert's decision in this case is extended pursuant to paragraph B11.1 of the Policy to Thursday, 17 April 2014.

4.8 By letter dated 11 April 2014, the Complainants' representative provided the following information in response to paragraph 2 of the Expert's directions:

- (a) The following New Zealand domain names are registered to Domino's IP Holder LLC:

dominospizza.co.nz
dominospizza.net.nz
dominospizza.org.nz
- (b) The following New Zealand domain name is registered to Domino's Pizza Enterprises Limited:

dominos.net.nz

- (c) Neither complainant has any New Zealand domain names registered to Domino's Pizza New Zealand Limited.
- (d) We attach a redacted copy of the Master Franchise Agreement.

5. Factual background

5.1 The Domino's Pizza business began in 1960 with the purchase of a single pizza restaurant in Michigan in the United States of America. In 1965, the business was renamed Domino's Pizza, Inc.

5.2 The fourth page of Exhibit AD-1 to Ms Dahlke's statutory declaration (a page from the Superbrands Australia website dated 5 August 2013) describes the Domino's Pizza business as follows:

Since its inception, Domino's Pizza – a global brand founded by Thomas and James Monaghan in 1960 in the United States – has become the recognised leader in pizza delivery, operating a network of over 10,000 stores in more than 50 countries.

5.3 Exhibit AD-12 to Ms Dahlke's statutory declaration contains the following statements about the Domino's Pizza business:

About Domino's Pizza

The World Leader in Pizza Delivery

Founded in 1960, Domino's Pizza is the recognised world leader in pizza delivery operating a network of company-owned and franchise-owned stores in the United States and international markets

Making pizza since 1960 ... [then follows a four page history of the Domino's Pizza business from the 1960s (beginning in 1960) to the 2010s (ending in 2012)]

2012 global retail sales: \$7.4 billion (\$3.5 domestic (USA), \$3.9 international).

5.4 As noted, the Domino's Pizza business in New Zealand is carried on not by either of the Complainants, but by Domino's Pizza New Zealand Limited which was incorporated on 12 February 2003. Domino's Pizza opened its first New Zealand store in July 2003. Domino's Pizza is the second largest pizza chain in New Zealand and has a 33.6% market share.

5.5 Domino's IP Holder LLC ("Domino's IP") is the owner of Domino's brand trade marks. Domino's Pizza Enterprises Limited ("Domino's Pizza Enterprises") is the master franchise holder for the Domino's brand in a number of countries including New Zealand. Domino's Pizza Enterprises is the sole shareholder in Domino's Pizza New Zealand Limited, holding all 107,058 shares in two parcels of 106,958 shares (99.91%) and 100 shares (0.09%).

5.6 Domino's IP owns various New Zealand trade marks including the word marks DOMINO'S PIZZA and DOMINO'S, a stylised version of DOMINO'S (853127), a combined series mark comprising the word DOMINO'S with a domino (964792), and an image series mark comprising a domino (964409).

- 5.7 Details of Domino's IP's DOMINO'S PIZZA New Zealand word trade marks and domain names are as follows:
- (a) eight trade marks (146751, 170169, 183943, 183945, 183946, 183947, 300001 and 300002). The first trade mark (146751) was registered on 18 April 1983. The last trade mark (300002) was registered on 8 September 1999. Domino's IP has held at least one DOMINO'S PIZZA trade mark since 18 April 1983 and currently holds eight such marks;
 - (b) dominospizza.net.nz and dominospizza.org.nz, both registered on 5 February 2002, and dominospizza.co.nz registered on 26 March 2002. All registrations are current until 2015.
- 5.8 Details of Domino's IP's DOMINO'S New Zealand word trade marks are as follows:
- (a) trade mark number 292894 for the word DOMINO'S in class 42. The trade mark was registered on 14 September 1999 and is renewed until 27 May 2015;
 - (b) trade mark number 853165 for the word DOMINO'S in classes 29, 30, 35 and 39. The trade mark was registered on 1 June 2012, and is renewed until 30 November 2021.
- 5.9 The dominos.net.nz domain name is held not by Domino's IP, but by Domino's Pizza Enterprises. That domain name was registered on 29 February 2008 and is current until 2015.
- 5.10 The Respondent is a company with business interests in internet and related services. Paul Vincent is the Respondent's sole director. The Respondent owns over 50 generic one-word domains (including the Domain Name) ranging alphabetically from accountants.co.nz and advertising.co.nz to yum.co.nz and zone.co.nz. The Respondent has sold generic one-word domains such as deals.co.nz, events.co.nz and franchises.co.nz.
- 5.11 The Domain Name was registered on 7 March 2001. Domain Names in the .nz space are registered on a "first come first served" basis. The Respondent has owned the Domain Name for more than 13 years since registration.
- 5.12 The relevant sequence of registrations and events is thus as follows:
- (a) 14 September 1999 – the DOMINO'S word trade mark 292894 is registered (Domino's IP);
 - (b) 7 March 2001 – the Domain Name is registered (the Respondent);
 - (c) 5 February 2002 – the dominospizza.net.nz and dominospizza.org.nz domain names are registered (Domino's IP);
 - (d) 26 March 2002 – the dominospizza.co.nz domain name is registered (Domino's IP);

- (e) 12 February 2003 – Domino’s Pizza New Zealand Limited is incorporated;
- (f) July 2003 – the first Domino’s Pizza New Zealand store is opened.

5.13 In the Response, the Respondent made the following statement in relation to the Domain Name which was not challenged by the Complainants in their non-standard submission:

We were first contacted by David Tennant – CIO of Domino’s Pizza Australia in January 2003 asking if this ‘domain was available’.

5.14 The approach by Domino’s Pizza Enterprises to the Respondent in January 2003 was six months before Domino’s Pizza’s first New Zealand store was opened in July 2003. A decade later, in March 2013, a second approach was made by Domino’s Pizza Enterprises to the Respondent about the Domain Name. The email communications between Phill Harrys of Domino’s Pizza Enterprises and Paul Vincent of the Respondent are Exhibit AD-27 to Ms Dahlke’s statutory declaration and are as follows:

- (a) on 10 March 2013, Phill Harrys emailed Paul Vincent as follows:

Good Morning

Are you releasing you [sic] Domains at the moment? I am seeing a lot of them in “release” status.

- (b) on 11 March 2013, Paul Vincent emailed Phill Harrys as follows:

Hi Phil, no we arent – the release status can last up to three months before being released. Are you interested in a domain?

- (c) Phill Harrys replied to Paul Vincent as follows:

Good Morning Paul,

Many thanks for the quick reply.

Yes, I am interested in the Domain “dominos.co.nz” which I beleive [sic] you presently hold.

- (d) Paul Vincent replied to Phill Harrys as follows:

Hi Phil

Thanks for the chat on the phone – as I mentioned we aren’t interested in selling at the moment but feel free to make an offer via email more in line with the value we discussed – I can honour that until end of day Tuesday.

- (e) Phill Harrys replied to Paul Vincent as follows:

Hi Paul,

Many thanks for that chat on the phone too. At this stage all the marketing team are keen to offer is \$10,000 Australian Dollars (rather than New Zealand Dollars) to help bump it up for you.

(f) Paul Vincent replied to Phill Harrys as follows:

Hi Phil

Please note that this would be treated as an asset not a marketing expense, so it wouldnt come out of the marketing budget anyway.

As I mentioned on the phone, the search engine that is live on the page usually generates over 10,000 unique visitors each month, or 330 per day. This is not hits, or page views, it's unique visitors – meaning that one unique visitor may come back multiple times to the page. Over 10 years, that is 1m unique visitors if the volume stays the same, but it will increase as overall internet usage increases. Unfortunately the price you are willing to pay is not in line with its lifetime value.

(g) on 14 March 2013, Paul Vincent sent Phill Harrys the following email:

Hi Phil

I had a think about it and if you are willing to come to AU\$18k, we will let it go. I think this is far beyond fair, and we will likely never agree to sell it this low again as all quality domains especially one words will continue to increase in value as the net becomes the main source of commerce. I suggest that you approach someone more senior in your organisation rather than just working with the Marketing team as its not really a sole marketing team decision, nor should it be coming from their budget anyway as I mentioned – domains are an asset, like real estate. They aren't considered advertising by finance.

As I mentioned, you have no legal right to the domain as we registered it 2 years before your first store opened in NZ, and it is dictionary term. I'd never even heard of Domino's Pizza when the domain was registered. I can leave this offer open until the end of the week.

5.15 Exhibit AD-23 to Ms Dahlke's statutory declaration is a statutory declaration by Delphine Tantrum (the personal assistant to the general manager of Domino's Pizza New Zealand Limited). Ms Tantrum's detailed statutory declaration (nine pages) contains eight informative tables containing a screen shot of the home page of the dominos.co.nz website (table 2), a screen shot of the results for the search term "PIZZA" in the search facility labelled "SEARCH ADS" on the dominos.co.nz website (table 3), and a screen shot of the landing page Ms Tantrum was directed to when she clicked on the link www.yellow.co.nz/pizza on table 3 (table 4).

5.16 The following facts are apparent from the screen shots taken by Ms Tantrum on 8 October 2003 (tables 2, 3 and 4) and the related paragraphs of her statutory declaration:

- (a) the statement “BUY THIS DOMAIN the domain dominos.co.nz may be for sale by its owner” appears at the top of the web page in each of the screen shots in tables 2 and 3;
- (b) the process described by Ms Tantrum in paragraphs 10 to 15 (inclusive) of her statutory declaration took her not to Domino’s Pizza’s New Zealand business, but to competing businesses such as Sal’s Pizzas, Big Dog on Blair, Pompeii Gourmet Pizza and Hell Pizza.

6. The Complainants’ contentions

6.1 The Complainants’ contentions that the registration of the Domain Name is an Unfair Registration are summarised as follows:

- (a) the Domain Name was registered/acquired, and/or has been used, by the Respondent, to take unfair advantage of, and/or has been unfairly detrimental to, the Complainants’ Rights;
- (b) the Respondent has no rights or legitimate interests in the DOMINO’S name and has not made legitimate non-commercial or fair use of the Domain Name (the Domain Name links to a website which advertises the Domain Name for sale and uses Sedo’s domain parking service to earn revenue while the Domain Name is offered for sale and includes a search facility which generates sponsored listings featuring advertisements which include competitors of the Domino’s Pizza New Zealand business);
- (c) the Respondent’s use of the Domain Name is contrary to law (e.g., amounting to passing off, trade mark infringement and/or breach of the Fair Trading legislation);
- (d) the Respondent is using the Domain Name in a way which is likely to confuse, mislead or deceive people or businesses into believing it is registered to, operated or authorised by, or otherwise connected with the Complainants;
- (e) the Respondent offered to sell the Domain Name to Domino’s Pizza Enterprises for \$18,000, being more than its out-of-pocket costs in registering and maintaining the Domain Name, in response to an offer the Respondent rejected from Domino’s Pizza Enterprises to purchase the Domain Name for \$10,000 (both sums in Australian dollars);
- (f) the Respondent is using the Domain Name as a means of blocking registration against the Complainants which legitimately need the Domain Name for their business;
- (g) the Respondent is using the Domain Name for the purpose of unfairly disrupting the Complainants’ business, including by diverting potential customers away from the Complainants’ business.

7. The Respondent's contentions

7.1 The Respondent's contentions are summarised as follows:

- (a) the Complainants do not have a New Zealand trade mark for the word DOMINO'S, they only have DOMINO'S PIZZA;
- (b) the Respondent registered the Domain Name in March 2001 before the first Domino's Pizza New Zealand store was opened in July 2003;
- (c) the Respondent uses the Domain Name as a web portal and search engine that generates advertising revenue;
- (d) 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;
- (e) the making of the Complaint after the commercial negotiations in March 2013 had broken off is an attempt by the Complainants at Domain Name Hijacking;
- (f) the Complainants' reliance on the *Zippo* case² in which the Expert ordered the domain name to be transferred to the Complainant is misplaced;
- (g) the relevant case is the *TradeFree* case³ in which the Expert dismissed the complaint.

8. Relevant provisions of Policy and elements required to uphold Complaint

8.1 The dispute 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

² DRS787, *Zippo Manufacturing Company v Lin Shen*, Auckland, 10 July 2012, Andrew Brown QC.

³ DRS202 *TradeFree Ltd v AdNet.co.nz Ltd*, Auckland, 31 July 2007, Andrew Brown QC.

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.

...

6.4 Trading in Domain Names for profit, and holding a large portfolio of Domain Names, are of themselves lawful activities. The Expert will review each case on its merits.

8.2 For an Expert to uphold a Complaint, paragraph 4.2 of the Policy requires the Complainant to prove to the Expert on the balance of probabilities that both the following elements are present:

- (a) the Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name;⁴ and
- (b) the Domain Name, in the hands of the Respondent, is an Unfair Registration.⁵

8.3 The Expert now considers each of the elements in paragraphs 4.1.1 and 4.1.2 of the Policy in respect of the Domain Name.

9. Analysis of 4.1.1 and 4.1.2 elements

9.1 A visual comparison of the terms DOMINO'S and DOMINO'S PIZZA is sufficient to disclose that they are not identical or similar. While they each contain the DOMINO'S word, the addition of the PIZZA word in the second term makes them not identical or similar, but different. Thus, the Complainants have not proved to the Expert on the balance of probabilities that the DOMINO'S PIZZA trade marks are identical or similar to the Domain Name.

9.2 If the Respondent's contention that the Complainants "*do not in fact have a NZ trademark for the word 'Dominos', they only have 'Domino's Pizza'*" was correct, then the Complainants would not have proved to the Expert on the balance of probabilities that they had Rights in respect of a name or mark (the DOMINO'S trade marks) which are identical or similar to the Domain Name (and in this case the issue is not so much whether the Domain Name is generic or descriptive as contended by the Respondent in paragraph 7.1(d) of this decision, but whether the Complainants have Rights in respect of a name or mark which is identical or similar to the Domain Name). However, contrary to the Respondent's contention:

- (a) Domino's IP owns two DOMINO'S trade marks (292894 and 853165);
- (b) the first of those trade marks was registered on 14 September 1999, 18 months before the registration of the Domain Name on 7 March 2001, and is currently renewed until 27 May 2015;

⁴ Paragraph 4.1.1 of the Policy.

⁵ Paragraph 4.1.2 of the Policy.

- (c) the registration of the DOMINO'S trade mark on 14 September 1999 before the registration of the Domain Name on 7 March 2001 distinguishes this case from the *TradeFree* case in which there was no trade mark and in which "*the Expert [had] no alternative but to find the Complainant has no Rights to the Domain Name that predate those of the Respondent*",⁶
- (d) the copy of the redacted Master Franchise Agreement provided by the Complainants' representative in response to the Expert's directions on 7 April 2014 discloses that Domino's Pizza Enterprises is an authorised user of Domino's IP's intellectual property rights.

9.3 The critical issue in this case is thus whether or not the Complainants have proved to the Expert on the balance of probabilities that the Domain Name, in the hands of the Respondent, is an Unfair Registration. In view of the facts set out in part 5 of this decision, and for the following reasons, the Expert finds that the Complainants have not proved the element in paragraph 4.1.2 of the Policy on the balance of probabilities:

- (a) the evidence before the Expert does not establish that the registration of the Domain Name on 7 March 2001 took unfair advantage of or was unfairly detrimental to Domino's IP's trade mark rights which had only been in existence for 18 months at that stage and when the first Domino's Pizza New Zealand store was not opened until July 2003;
- (b) the only evidence submitted to the Expert by the Complainants of the Respondent's use of the Domain Name since registration on 7 March 2001 is contained in Ms Tantrum's statutory declaration and relates to use as at 8 October 2013. There is no evidence of use before that date and, in particular, for the balance of the three year period from 25 November 2010 (three years before the date of the Complaint as specified in paragraph 5.4 of the Policy) to 8 October 2013;
- (c) the evidence before the Expert does not establish circumstances indicating that the Respondent registered the Domain Name on 7 March 2001 primarily (and "primarily" is the specified requirement) for any of the purposes specified in paragraphs 5.1.1(a), (b), and (c) of the Policy;
- (d) the contents of the emails between Phill Harrys of Domino's Pizza Enterprises and Paul Vincent of the Respondent in March 2013 set out in paragraph 5.14 of this decision are not circumstances indicating that the Respondent registered the Domain Name on 7 March 2001 primarily for the purposes specified in paragraph 5.1.1(a) of the Policy. All that the emails record and establish is Mr Vincent (the sole director of the Respondent which is an established business with Rights in respect of the Domain Name) indicating to Mr Harrys of Domino's Pizza Enterprises that the Respondent is prepared to sell the Domain Name to Domino's Pizza Enterprises if they can agree on price and any other terms. The facts of this case are entirely different from the *Zippo* case in which the

⁶ At paragraph 5.8 of the *TradeFree* decision.

Respondent (without any prior approach from the Complainant) offered to sell the domain name in that case to the Complainant for USD\$5,000;

- (e) the evidence before the Expert does not establish that the Domain Name is being used 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 Complainants (as specified in paragraph 5.1.2 of the Policy). Proof of the circumstances specified in that paragraph is invariably provided by statements from browsers and customers to the effect that they used the Domain Name in the belief that it would take them to the website for the Domino's Pizza New Zealand business, but instead it took them to another website which they did not wish to visit. No statements of evidence to that effect were exhibited to Ms Dahlke's statutory declaration;
- (f) paragraph 6.4 of the Policy specifies that the Respondent's holding of a large portfolio of domain names, and trading in domain names for profit, are of themselves lawful activities. There is no suggestion by the Complainants that the Respondent was using the Domain Name in either January 2003 (the approach by Mr Tennant asking if the domain was available) or March 2013 (the emails between Mr Harrys and Mr Vincent) in a way which was an Unfair Registration in terms of the Policy;
- (g) the Respondent is using the Domain Name as a web portal and search engine that generates advertising revenue and thus the Expert is satisfied that, before being aware of the Complainants' cause for Complaint, the Respondent had used the Domain Name in connection with a genuine offering of goods or services (paragraph 6.1.1(a) of the Policy).

9.4 In this case, in which the company which carries on the Domino's Pizza business in New Zealand is not a Complainant, the real issue appears to the Expert to be not one of registration or use amounting to Unfair Registration in terms of the Policy, but a commercial issue, namely the sale and purchase of the Domain Name if the Complainants and the Respondent can agree on price and any other terms.

9.5 The Expert notes that the emails exchanged between Mr Harrys and Mr Vincent in March 2013 establish that the price difference between them was infinitesimal in terms of Domino's Pizza's 2012 global retail sales. In case the parties resume negotiations following the delivery of this decision, the Expert notes the Complainants' contention at paragraph 6.1(c) of this decision, and the Respondent's contention at paragraph 7.1(e) of this decision, and makes the following observations:

- (a) in respect of paragraph 6.1(c), while the registration and use of the Domain Name is not an Unfair Registration in terms of the Policy, the Respondent should ensure that its ongoing use of the Domain Name complies with all applicable legal requirements such as those specified in that paragraph and having regard to the purpose of the Commerce Act

1986 to promote competition in markets for the long-term benefit of consumers within New Zealand;

- (b) in respect of paragraph 7.1(e), while the timing of the making of the Complaint is cause for some concern, in all the circumstances of this case the Expert stops short of finding that the making of the Complaint was an attempt by the Complainants at Domain Name Hijacking.

10. Decision

- 10.1 In view of the findings made in this decision, the Expert dismisses the Complaint.

Place of decision Wellington

Date 17 April 2014

Expert Name Terence Stapleton QC

Signature

A handwritten signature in black ink, appearing to read 'T. Stapleton', written over a light grey rectangular background.