

.nz Dispute Resolution Service

DRS Reference: 996

Financial Markets Authority

Key words

Domain name

fma.co.nz ('the Domain Name')

Identical or similar trade mark or name

Unregistered mark – trade name - identical - similar

Unfair registration

Unfair registration – unfair use – likely to confuse, mislead or deceive – pattern of registration – unfairly disrupting the business of the complainant – blocking registration – respondent having no connection with name or trade mark

Procedure

Evidence – non-standard submission

1. Parties

Complainant:

Financial Markets Authority
Level 5, Ernst & Young Building
Auckland
Represented by: Mr John Fitness

Respondent:

Essex Wine Supplies Ltd
152 Turnpike Drive
Beds
LU3 3RF
Luton
United Kingdom

2. Domain Name/s

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

3. Procedural history

- 3.1 The Complaint was lodged on 26/08/14 and Domain Name Commission (DNC), notified the Respondent of the validated Complaint on 29/08/14. The domain was locked on 27/08/14, 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 03/10/14 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 06/10/14 that she knew of no reason why she could not properly accept the invitation to act as Expert in this case. She also disclosed a matter which might appear to call into question her independence and/or impartiality, which ought to be drawn to the attention of the parties. The DNC did so on 09/10/14 and no objections were received from the parties.
- 3.5 The Expert makes the following comments on the procedural history of this case:
 - a The DNC Complaint form requires the Complainant to describe the Rights it asserts in the name at issue. It includes a checklist where the Complainant can insert ‘YES’ or ‘NO’ against a number of items and documentation that would be suitable evidence to support a claim to registered or unregistered trade mark rights.
 - b In this case the Complainant did not assert registered trade mark rights but did appear to assert unregistered trade mark rights. Specifically, in the Complaint as filed it described its status and function, and stated that ‘FMA’ is the commonly used abbreviation of the Financial Markets Authority. However the Complainant provided no evidence or documentation at all to support this claim. On the checklist it stated ‘YES’ to ‘I have included a copy of the registered trade mark’ (when there was no registered trade mark) but ‘NO’ in relation to all the other possible types of evidence listed.
 - c On 15 October 2014, in accordance with the Expert’s request pursuant to paragraph B12.1 of the Policy, the DNC asked the Complainant to provide *‘further information and/or documents to support its assertion that it has rights in the name FMA. In particular, the Complainant may wish to provide evidence that it has used the name FMA, including the length of time the name has been used, how the name has been used, and how members of the public would have been exposed to the name. This would support what appears to be the Complainant’s assertion that it has a reputation in the unregistered mark or name FMA. The*

Complainant may also wish to refer to any relevant legislation concerning the name FMA.'

- d The DNC gave the Complainant until 22 October 2014 to respond to this request. The Complainant did not do so. However, on 29 October 2014 the Complainant filed a non-standard submission, with an explanatory note stating it had missed the 22 October 2014 deadline due to misreading and confusion over dates. The Expert considered the explanation and in her discretion agreed to accept the non-standard submission under paragraph B12.2 of the Policy. The non-standard submission properly addressed the Expert's request for further statements or documents.
- e There is no obvious reason for the deficiency in the original Complaint. The obligation to provide evidence is on a Complainant, and Complainants should not assume the Expert will make a request for further statements or documents to remedy a fundamental deficiency in a Complaint.

4. Factual background

The Complainant's rights

- 4.1 The Complainant is the Financial Markets Authority ('FMA') of New Zealand. The FMA regulates the financial markets of New Zealand. It is an independent Crown Entity of the New Zealand Government.
- 4.2 The Complainant asserts unregistered trade mark rights in the mark FMA. This claim is based on both the Complainant's use of the name FMA and the fact the Complainant came into existence under the name Financial Markets Authority as a result of the Financial Markets Authority Act 2011 ('Act'). The Act was passed on 18 April 2011 and itself refers to the Complainant as 'FMA', and contains many references to the Complainant as the 'FMA'.
- 4.3 The Complainant's own activities under the name FMA, as described in the non-standard submission, can be summarised as follows:
 - a The domain name fma.govt.nz was registered on 18 November 2010 to host the primary website of the FMA.
 - b That website has been in place since the formation of the FMA. The Expert was invited to view this website and did so. It contains numerous references to 'FMA' as the name of the Complainant.
 - c The Complainant is also referred to as 'FMA' on other websites maintained by the Complainant, those being www.fadc.govt.nz and www.financialadvisercode.govt.nz.

- d The claim that the Complainant has a reputation in the name FMA is also supported by evidence showing use of the name FMA in relation to the Complainant in various media including articles on the New Zealand Herald website in 2011 and articles since 20 April 2011 on the website www.interest.co.nz.
- e The Complainant uses the name FMA on its printing and stationery and provided evidence showing this use.

4.4 Relevant provisions of the Act include:

- a The first sub-heading in Part 2 of the Act reads '*Establishment of FMA.*'
- b Section 7 of the Act is entitled 'FMA is Crown Entity' and section 7(1) reads 'The FMA is a Crown Entity for the purposes of section 7 of the Crown Entities Act 2004.'
- c The name FMA is used in numerous provisions to refer to the Complainant.

4.5 The Complainant points out that the Financial Markets Conduct Act 2013, which was passed on 13 September 2013, also contains many references to the Complainant as 'FMA'.

The Respondent's activities

4.6 The Domain Name was registered in 2006.

4.7 The name of the Respondent is Essex Wine Supplies Ltd and its address appears to be a genuine address in Luton, in the United Kingdom. There is no obvious connection between the Respondent's name and the Domain Name.

4.8 According to the Complaint, the website hosted at the Domain Name (as at 14 August 2014) is a generic 'parking' site which points visitors to secondary links such as 'Local Kiwi Hook-ups', 'Dating Love', 'Ladyboys Dating Website', 'Date Married Women' and 'Russian Dating Site'.

4.9 At the Complainant's invitation the Expert viewed the website herself and noted links to sites described as 'Dress Up World', 'Kids Halloween Costumes' and 'Free Birthday Invitations'. She also noted a link to what appears to be the website of a law firm, under the heading 'Financial Advisors NZ' which is described as 'NZ's Leading Legal Adviser in The Financial Services Sector'.

- 4.10 The contents of the Privacy Policy on the website at www.fma.co.nz seems to indicate that the site is being operated by an organisation calling itself 'Dark Blue Sea' whose own website is at www.darkblueseas.com. Dark Blue Sea appears to be in the business of generating online traffic for advertisers.
- 4.11 It therefore seems clear that the Domain Name is being used solely to generate advertising revenue when anyone clicks through one of the links listed on the website hosted at the Domain Name.

5. Parties' contentions

Complainant

- 5.1 The Complainant seeks to have the Domain Name transferred to it from the Respondent.
- 5.2 As mentioned above the Complainant asserts unregistered trade mark rights in the mark FMA in New Zealand.
- 5.3 The main assertions of the Complainant in support of its Complaint are as follows:
- a Registration of the Domain Name was unfair 'as it is likely to confuse or mislead people attempting to contact the FMA or use the FMA online resources'. This appears to be a reference to paragraph 5.1.2 of the Policy.
 - b The Complainant wishes to 'reduce the risk (and stop any potential for scams) that Essex Wines might misuse the ownership of fma.co.nz' and to that end wishes to take ownership of the Domain Name, and redirect it to its own website at fma.govt.nz.
 - c The Respondent has no connection with the Domain Name, or the trade mark FMA, nor is it New Zealand based.
- 5.4 The Complainant accepts that because the Domain Name was registered in 2006, long before the Complainant was formed, 'this is not a deliberate cyber-squatting case'.

Respondent

- 5.5 The Respondent has filed no response.

6. Discussion and findings

6.1 Given the absence of a Response, the Expert is able to consider only the information and submissions provided by the Complainant, which are undisputed, and to make 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

- 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 the 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.
- 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.

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 Name. 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 unregistered rights in the trade mark FMA in New Zealand by virtue of:
- a Its own use of the mark since 2011.
 - b The fact the Complainant's use of the mark FMA has statutory recognition in the Financial Markets Authority Act 2011 and other legislation.
 - c Common use of FMA in the media and elsewhere (of which the Expert to a degree takes judicial notice) to refer to the Complainant.
- 6.9 The Domain Name is fma.co.nz while the Complainant's trade mark is FMA.
- 6.10 The Complainant's trade mark FMA is therefore identical to the Domain Name.

Is the Domain Name, in the hands of the Respondent, an Unfair Registration?

- 6.11 Under paragraph 4.1.2 of the Policy the Complainant must show, on the balance of probabilities, that the Domain Name is an unfair registration in the hands of the Respondent.
- 6.12 The definition of Unfair Registration includes 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.
- 6.13 The Expert notes that under paragraph 5.4 of the Policy:
- 5.4 In making the decision, the Expert shall not take into account any evidence of acts or omissions amounting to unfair registration or use which occurred more than three (3) years before the date of the Complaint.
- 6.14 In the present case the date of the Complaint is 15 August 2014, and hence the Expert cannot take into account acts or omissions amounting to unfair registration or use which occurred prior to 15 August 2011.
- 6.15 The Domain Name was registered in 2006. At that time the Complainant had no rights so the Expert can assume there was no element of unfairness at the time of registration.
- 6.16 The Complainant relies on the second arm of the definition of Unfair Registration – that is, it has asserted that the Respondent's use of the Domain Name is unfair. This is on the basis that it is likely to confuse or mislead people attempting to contact the Complainant, or use the Complainant's online resources. The Complainant is also concerned that there is a risk of the Respondent misusing its ownership of the Domain Name, including the potential for scams.
- 6.17 There appears to be substance in these assertions and concerns.
- 6.18 The Domain Name resolves to a website comprising links to other websites. Most of these have no connection with finance or the New Zealand financial markets, though one appeared to relate to legal advice in the financial services sector. There are two ways in which these activities could confuse, mislead or deceive people or businesses:
- a people or businesses looking for the Complainant or its online resources may well initially key in fma.co.nz. When those

individuals find themselves at the website currently hosted at the Domain Name, they are likely to be confused.

- b if any of those people then come upon a link to a website described as “NZ’s Leading Legal Advisor in The Financial Services Sector” or similar, they may be misled or deceived into believing that that website is sanctioned by, or associated with the Complainant.

- 6.19 Considering how the Domain Name is now being used, either of these possibilities is likely.
- 6.20 In the New Zealand context given the significance of the name FMA as referring to the Complainant, members of the public are likely to expect a website hosted at fma.co.nz to be controlled by the Complainant. The fact it is not, but is an unrelated website comprising links to other businesses, is in itself likely to cause confusion.
- 6.21 Where people see a link or links to websites that are related to financial matters or the financial markets they may be confused, misled or deceived into believing that the Complainant is associated with the website. If the links are unrelated to financial matters or the financial markets, the initial confusion or deception may be short lived but nevertheless it will have taken place.
- 6.22 Whatever the position was in 2006 when the Domain Name was registered, the Complainant now has rights in the trade mark FMA and the use to which the Respondent is putting the Domain Name is likely to cause confusion or deception of people or businesses looking for the Complainant or its online resources. The Complainant has rights in the trade mark FMA and it has status and functions as a Crown Entity. These factors also lead the Expert to infer that the Respondent’s use of the Domain Name is likely to be increasing online traffic to those advertisers who can be reached by clicking through the links on the website hosted at the Domain Name, and that this in turn is generating revenue for the Respondent.
- 6.23 The Expert is conscious that in a situation of this kind, the specific links that appear on the website are unlikely to be within the control of the Respondent itself. Rather, the Respondent will have delegated control of the Domain Name to another organisation. That organisation will be selecting the links that appear through the use of software.
- 6.24 If the use of the Domain Name is taking unfair advantage of the Complainant’s Rights, the fact this is occurring through a third party and/or through an automatic process, does not change that. The Policy does not require that the owner of a Domain Name itself directly controls the use a Complainant asserts is unfair.

- 6.25 Comparable circumstances existed in DRS 615 which concerned the domain name eharmony.co.nz, and in which the Expert referred to cases such as *Grundfos A/S v Texas International Property Associates*, WIPO Case No. D2007-1448 and *Grisoft, s.r.o. v Original Web Ventures Inc*, WIPO Case No. D2006-1381. Those cases confirm that it is the Respondent who is ultimately responsible for the contents of a website consisting of pages automatically generated by the software of a third party.
- 6.26 Therefore the Expert finds that the Respondent has used and is using the Domain Name in a manner which takes unfair advantage of the Complainant's rights.
- 6.27 As mentioned earlier, the Respondent has filed no Response, so has not disputed the Complainant's assertions.
- 6.28 There is no evidence of any of the factors listed in paragraph 6.1 of the Policy as potential evidence that the Domain Name is not an Unfair Registration. If such factors exist, it is for the Respondent to provide evidence of them when faced with the Complainant's evidence of an Unfair Registration.
- 6.29 The Expert is satisfied that the Complainant has shown, on the balance of probabilities, that the Respondent's Domain Name is an Unfair Registration.

7. Decision

- 7.1 In view of the findings made above the Expert directs that the Domain Name fma.co.nz be transferred to the Complainant.

Place of decision: Auckland

Date: 3 November 2014

Expert Name: Sheana Wheeldon

Signature:

