

.nz Dispute Resolution Service

DRS Reference: 897

Child Cancer Foundation Inc. v Garth Piesse

Key words -

1. Parties

Complainant:
Child Cancer Foundation Inc.
PO Box 152
Auckland
New Zealand
Represented by: Mrs Sue Ironside

Respondent:
Garth Piesse
Domain-For-Sale.co.nz
PO Box 181
Palmerston North
NZ (NEW ZEALAND)
Represented by: Mr Adam Taylor

2. Domain Name/s

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

3. Procedural history

3.1 This Complaint entered the Domain Name Commission's (DNC) system on 22/08/13. The Respondent filed a Response to the Complaint on 16/09/13 and the DNC so informed the Complainant on 16/09/13. The Complainant filed a Reply to the Response on 26/09/13. The DNC informed the parties on 14/10/13 that informal mediation had failed to achieve a resolution to the dispute. The Respondent sought leave on 14/10/13 to file a Non-Standard Reply and leave was subsequently granted.

3.2 Mr Clive Elliott QC, was appointed as an Expert, ("the Expert") to determine the Complaint. On 19/11/13 the Expert delivered a decision upholding the Complaint and ordering the transfer of the Domain Name.

4. Appeal

4.1 The Respondent/Appellant (hereinafter "Respondent") subsequently lodged an appeal against the Expert's decision. The Respondent then

filed an Appeal Notice. The Complainant/Respondent (hereinafter “Complainant”) then filed an Appeal Response.

- 4.2 On 5/2/14, the Appeal Panel (“the Panel”) comprising Andrew Brown QC, the Hon Robert Fisher QC, the Hon Barry Paterson QC was appointed.

5. The nature of this appeal

- 5.1 As was the case in the first DNC appeal¹, the Panel starts with para 12.1 of the Policy. This provides that the Panel “will consider appeals on the basis of a full review of the matter and may review procedural matters”.
- 5.2 The Panel therefore proceeds to deal with this appeal by conducting a full review of the matter, taking into account the documents before the Expert and the formal Appeal and Response notices filed on appeal and considering whether the decision appealed from was wrong.

6. (1) Procedure: Impartiality and Independence

(a) Contentions on Appeal: The Respondent

- 6.1 The Respondent comments that through its solicitors, the DNC “has acknowledged doubt as to the impartiality/independence of the Expert and that it would have appointed a substitute Expert had objection been made before the Decision”.

(b) Contentions on Appeal: The Complainant

- 6.2 The Complainant strongly contends that the Appeal should be dismissed as the DNC had failed to operate fairly and in good faith. The policy on the Roles and Responsibility at 7.3.1 states that the DNC must operate in a transparent, ethical manner, honouring principles of good faith and fairness.
- 6.3 The Complainant objects that the Appellant accused the Expert of bias and that the DNC had invited the Respondent to appeal and offered to pay the appeal fee of \$7,200. This was then immediately accepted and appealed.
- 6.4 The Complainant strongly refutes the allegations of bias against the Expert and submits that these were totally unfounded: the Expert ceased to be a partner in Baldwins in 2000, had never represented the Respondent on instructions from Baldwins and had been a member of the independent Bar for over 13 years, latterly as a Queens Counsel. In this regard the Complainant contends that it has been severely

¹ DRS 334, thecountrychannel.co.nz.

prejudiced by the DNC's financing of the appeal which might not otherwise have eventuated.

(c) *Discussion and Decision*

- 6.5 As to the permissible scope of this appeal, the Panel accepts that para B8.1 requires an Expert to be impartial and independent and to disclose to DNC any circumstances giving rise to justifiable doubt as to that Expert's impartiality or independence; that an Expert's impartiality and independence is fundamental to the validity of his or her decision; and that the disclosure requirements are a matter of prescribed procedure. It follows that challenges on such matters fall within para 12.1 and, as such, are within the proper scope of an appeal. The fact that in some circumstances the same matters might give rise to a rehearing under para 12.6 of the DRS Policy, and/or judicial review in the courts, is not inconsistent with the right to have them considered on appeal.
- 6.6 For this ground of appeal the Respondent evidently thought it sufficient to draw the Panel's attention to the DNC's view. In fact under para 12.1 of the DRS Policy the duty of the members of the Panel is to consider such issues itself and uninfluenced by the views of others. With the benefit of hindsight we do not think it good practice for the DNC to comment on the merits of an issue which is likely to come before a Panel. We now approach the question afresh.

Is lack of impartiality and independence established in this case?

- 6.7 Para B8.1 of the DRS Policy provides:

The Mediator and/or Expert shall be impartial and independent and both before accepting appointment and during the proceedings will disclose to the DNC any circumstances giving rise to justifiable doubt as to their impartiality or independence. The DNC will have the discretion to appoint a substitute Mediator or Expert if necessary in which case the timetable will be adjusted accordingly.

- 6.8 Para B8.1 imposes two requirements on an Expert. One is that he or she be impartial and independent. The other is that he or she make appropriate disclosure to the DNC. Although both are important, it is the former that governs the situation when there is an appeal against an Expert's decision based on lack of impartiality and independence. On such an appeal the validity of the decision turns on impartiality and independence, or at least any reasonable apprehension that they might have been lacking. Whether or not the Expert also failed to make adequate disclosure to the DNC is a collateral issue unlikely to affect the validity of the decision. We therefore concentrate on impartiality and independence in themselves rather than disclosure arrangements between Experts and the DNC.

- 6.9 In our view the requirement in para B8.1 that the Expert be impartial and independent is intended to import the standard common law test for bias. The significant feature of the common law test is that it is not necessary for the complaining party to prove actual bias; it is sufficient if the circumstances, once established by proper inquiry, might lead a fair-minded lay observer to reasonably apprehend that the judge might not bring an impartial mind to the resolution of the instant case: *Muir v Commissioner of Inland Revenue*²; and *Saxmere Company Ltd v Wool Board Disestablishment Co Ltd*.³ Such an approach to domain name procedures would be consistent with the obligation imposed on Experts to disclose “any circumstances giving rise to justifiable doubt as to their impartiality or independence” (para B8.1). It would also be consistent with “breach of natural justice” as a ground for a rehearing (para 12.7.4).
- 6.10 The first stage in the test for bias is therefore to establish the actual circumstances which have a bearing on any suggestion that the judge was or may be seen to be biased (*Muir v Commissioner of Inland Revenue*, above and *Saxmere v Wool Board*, above).
- 6.11 In the present case it is not disputed that in the proceedings before the Expert the complainant was represented by Sue Ironside of Baldwins, a firm of patent attorneys; that the Expert had been in partnership with Mrs Ironside at Baldwins for seven years until 2000; that in 2000 he moved to practice as a barrister sole; that he took silk as a Queen’s Counsel shortly before the case came before him; and that during his 13 years at the independent bar he had been instructed by Baldwins in at least 11 cases.
- 6.12 The overriding question is whether knowledge of those circumstances might cause a fair-minded lay observer to reasonably apprehend that the Expert might not bring an impartial mind to the resolution of the instant case. In answering that question other decisions and guidelines on the subject can be regarded as context which would be known to the fair-minded lay observer following inquiry into the relevant circumstances.
- 6.13 Of particular importance is the impartiality conventionally expected and displayed by those judges and others who are called upon to give decisions in a professional capacity. Although there can be no rigid rule to cover all situations, it is well-recognised that as a general rule friendships and professional associations between judges and counsel will not give rise to a reasonable apprehension of bias: see remarks of McGrath J in *Saxmere v Woolboard*⁴; *Wellesley Lake Trophy Lodge Inc v BLD Silviculture Ltd*⁵; *Taylor v Lawrence*⁶.

² [2007] 3 NZLR 495 (CA) at [62].

³ [2009] NZSC 72, [2010] 1 NZLR 35 (SC).

⁴ Above at [101] and [106].

⁵ [2006] 10 WWR 82 at para [18] per Low JA (British Columbia Court of Appeal).

⁶ [2003] QB 528 (CA) at para [63].

- 6.14 It is for that reason that no sound objection can normally be made to a judge's previous receipt of instructions to act for or against any party, solicitor or advocate engaged in a case before him or membership of the same Inn, circuit, local Law Society or Chambers: *Locabail Ltd v Bayfield Properties*.⁷ The principle has particular application in New Zealand where professional associations and personal friendships are bound to overlap within the relatively small sector of the New Zealand legal community: per McGrath J in *Saxmere v Woolboard*.⁸
- 6.15 Those principles are not confined to sitting judges. They have been extended, for example, to a lawyer sitting as a member of a Disciplinary Tribunal (*Carran v NZLPDT*)⁹ and to a construction adjudicator (*Fileturn Ltd v Royal Garden Hotel Ltd*)¹⁰.
- 6.16 *Fileturn*, above, is of particular interest in the present case because for three years the adjudicator had been a director of the firm now representing the claimant in the case before him. Since setting up his dispute resolution practice he had also had 10 cases in which the claimant's firm had appeared before him. Discussing the defendant's attempt to distinguish between judges and adjudicators, the Court said:

"Whilst it is of course correct that an adjudicator is not the same as a judge, adjudicators are, nevertheless, professional men with their own codes of conduct. As Dyson LJ (as he then was) said in *Amec Capital Projects Ltd v Whitefriars City Estates*, [2004] EWCA Civ 1418, at paragraph 20: 'Judges are assumed to be trustworthy and to understand that they should approach every case with an open mind. The same applies to adjudicators, who are almost always professional persons.'"

- 6.17 Some useful background can also be derived from the International Bar Association Guidelines on Conflicts of Interest in International Arbitration (2004). The Guidelines create four categories into which cases of potential conflict can be placed:
- (1) Non-waivable Red List – an arbitrator in these situations must not act even if the parties consent.
 - (2) Waivable Red List – an arbitrator should not act unless the parties consent.
 - (3) Orange List – an arbitrator must disclose the relevant circumstances and allow comment but has a discretion whether to act.
 - (4) Green List – an arbitrator can act.

⁷ [2000] 1 All ER 65 (CA) at 77h.

⁸ Above at [101].

⁹ [1998] NZAR 26 (HC).

¹⁰ [2010] EWHC 1736 (TCC).

- 6.18 Where a situation falls within the Orange List the arbitrator must disclose the relevant facts and circumstances. He or she may continue if the parties do not expressly object within 30 days. Even if a party does object the arbitrator has a discretion whether to continue to act (see Guidelines flowchart at 27).
- 6.19 The IBA Guidelines have no direct application to Domain Name Experts. However, it is of interest to note that under the Guidelines a prior partnership between an arbitrator and counsel brings the case into the Orange List only if the partnership was within the past three years. The Expert in this case was not a partner of counsel within three years of the Domain Name complaint.
- 6.20 The IBA Guidelines also provide for inclusion in the Orange List if the arbitrator has been appointed as such by the same law firm more than three times within the past three years. The Expert in the present case had been instructed as counsel by the same firm on at least 11 occasions over the preceding 13 years. However, there is an important distinction between arbitrators and Domain Name Experts in that regard. Whereas it is in the interests of an arbitrator to encourage a party to repeat his or her appointment as arbitrator in the future, Expert appointments do not lie at the will of the parties. They are made independently by the DNC in accordance with a predetermined roster (DRS Policy para B7.2).
- 6.21 Placed in the circumstances of this Expert, we think that many Experts might well have thought it prudent to notify DNC that there was the potential for a complaint based on lack of impartiality or independence. However we do not think that lack of such disclosure can support a challenge to the decision itself.
- 6.22 Nor do we think that there was a lack of impartiality or independence in the present case or that the circumstances, once established by proper inquiry, might have led a fair minded lay observer to reasonably apprehend that the Expert might not bring an impartial mind to the resolution of the domain name complaint. It follows that the challenge to the Expert's decision on this ground fails.

7. (2) Rights

(a) The Complainant's claimed Rights

- 7.1 It is important to start with a clear statement of what the Complainant claims as Rights. These are:

- (i) It has been using the name Child Cancer Foundation Inc in relation to its services since 29 May 1978 and that it has rights in the name CHILD CANCER;¹¹
- (ii) Over 35 years it has developed an extensive and exclusive reputation in the name CHILD CANCER;¹²
- (iii) A Google trend search shows that people who search for “child cancer” most often searched for Child Cancer Foundation too;¹³
- (iv) A Google search of “child cancer” shows the prevalence of links directed to the Complainant;¹⁴
- (v) This extensive reputation, combined with proper use and development of the Complainant’s intellectual property, has distinguished the words CHILD CANCER as synonymous with The Child Cancer Foundation;¹⁵
- (vi) The Complainant has logo and word marks for CHILD CANCER FOUNDATION. It also has two marks in the nature of slogans “EVERY CHILD AND THEIR FAMILY WALKING THE CHILD CANCER JOURNEY WILL NEVER FEEL ALONE”



- (vii) It is current registrant of the domain name childcancer.org.nz and previous owner of the Domain Name from 2004-2009;¹⁷

7.2 In its Reply the Complainant augmented these details and exhibited selected extracts from a book called “*No Journey Made Alone – 35 Years of the Child Cancer Foundation*”.

7.3 It sought to rebut claims by the Respondent by showing that some links returned by the Google search of “child cancer” were indeed to it. It further claimed that a reference to International Child Cancer Awareness Month was irrelevant as this was not a New Zealand-based initiative.¹⁸ As to the Respondent’s reference to a third party organisation, the “National Child Cancer Network”, the Complainant stated that this was founded by and maintained a strong association with the Complainant and therefore reinforced a connection to and reputation of the Complainant rather than descriptiveness as claimed.¹⁹

¹¹ Complaint para 3.

¹² Complaint para 4.

¹³ Complaint para 5.

¹⁴ Complaint para 6.

¹⁵ Complaint para 7.

¹⁶ Complaint para 8 and Exhibits 6-8.

¹⁷ Complaints paras 13 and 14.

¹⁸ Reply para 1.4.

¹⁹ Reply para 1.5.

(b) *The Decision under Appeal*

7.4 In his decision, the Expert's findings on the issue of Rights were as follows.

7.5 Evidence indicated that the term "child cancer" was apt for use to describe a "child with cancer" but that other terminology was also available. The Complainant, the Child Cancer Foundation, was clearly well established and well-known in New Zealand as the organisation responsible for the interests of children who have cancer and require care. In this regard the term Child Cancer is descriptive, even highly descriptive.²⁰

7.6 Questions raised by the Complaint were:

- (i) Whether by virtue of the Complainant's activities for over 35 years, child cancer had "become sufficiently associated and identified" with it;²¹
- (ii) Whether the complainant had some protectable rights by virtue of its trade mark registrations which incorporated the words "child cancer";²²
- (iii) "Whether the name, mark or term Child Cancer was wholly descriptive of the Complainant's Business" as at 2009;²³ or
- (iv) Whether the words "child" and "cancer" together created a term that was capable of alluding to wider qualities in which, through extensive use, might attract a secondary meaning.²⁴

7.7 While the matter was not without difficulty "on balance", the Expert found that the Complainant had done enough to show that the term "child cancer" was not wholly descriptive, based on the following factors.²⁵

- "7.1.13.1 Complainant's extensive and ongoing use of the term CHILD CANCER in New Zealand;
- 7.1.13.2 the existence of Complainant's registered trade marks which contain the words CHILD CANCER, with an emphasis on the words CHILD CANCER;
- 7.1.13.3 that no other organisation appears to represent the interests of children with cancer in New Zealand and style itself along these lines;

²⁰ Decision 7.1.10.

²¹ Decision 7.1.10.

²² Decision 7.1.10.

²³ Decision 7.1.12.

²⁴ Decision 7.1.12.

²⁵ Decision 7.1.13.

7.1.13.4 that even if not synonymous with each other there is clearly a close and ongoing association between the Child Cancer Foundation and the term Child Cancer; and

7.1.13.5 the lack of merit in Respondent's argument that Complainant's marks are dominated not by the common descriptive / generic term "child cancer" but by the only distinctive term: "foundation".

7.8 The Expert went on to find²⁶ that, while the Respondent asserted that CHILD CANCER was both descriptive and generic, he had not provided evidence that entities other than the Complainant had used the name or trade mark in a significant way in the health sector. Nor had the Respondent elaborated on why an entity might not be able to acquire protectable rights in a term over time, notwithstanding its descriptive meaning.

7.9 Accordingly, the Domain Name was not wholly descriptive of the goods or services of the Complainant and the Complainant had sufficient rights in respect of a name or mark which was identical or similar to the Domain Name.²⁷

(c) Contentions on Appeal: Respondent

7.10 In relation to the Expert's findings at [7.1.13], based on the Complainant's "extensive and ongoing use of the term CHILD CANCER the Respondent contends:

(a) There was no such evidence before the Expert – only a handful of documents referring to the Complainant as the "Child Cancer Foundation" and nothing as to scale; and

(b) Critically, there was not a single reference to the Complainant as "CHILD CANCER" without the term "FOUNDATION".

7.11 As to the Expert's finding that CHILD CANCER is "emphasised" under the Complainant's trade marks, the Respondent contends that rights cannot be extracted from an entirely non-descriptive term in a registered trade mark simply by increasing the font size.

7.12 The Respondent states that it is not clear what the Expert meant by the term "along these lines" in its finding at 7.1.13.3 (quoted earlier). The Respondent states that there was evidence of New Zealand organisations using CHILD CANCER in their name e.g. national child cancer network. There is also World Child Cancer Charitable Trusts.

²⁶ Decision 7.1.14.

²⁷ Decision 7.1.14 and 7.1.15.

- 7.13 As to the finding at 17.1.13.4 of the Decision, the Respondent states that the Expert appeared to reject the Complainant's claim of synonymity but invoked "association". The Respondent asserts that "undertakings" are inevitably 'associated' with descriptors of the goods/services they supply. Microsoft is associated with "computers". That is an entirely different issue from whether a descriptor can, or has come to, distinguish the undertaking from others".
- 7.14 As to paragraph 7.1.14, the Respondent asserts that not only was the term CHILD CANCER incapable of becoming distinctive but also that even if it was, the term was at the descriptive end of the continuum and required a high level of secondary evidence as outlined in the Decisions 108²⁸ and 846²⁹. It was asserted that the Expert had failed to address this.

(d) Contentions on Appeal: Complainant

- 7.15 In relation to the issue of rights, the Complainant contends:
- 7.15.1 The Child Cancer Foundation has a strong reputation in New Zealand as known by the name Child Cancer.
- 7.15.2 Trade marks are remembered by general impression or by some significant detail. The words CHILD CANCER are dominant elements of the Respondent's name and trade marks and should be afforded adequate protection.
- 7.15.3 The Expert correctly found that there was clearly a close and ongoing association between the Respondents and the term CHILD CANCER.
- 7.16 As to the Respondent's contention that other entities were using CHILD CANCER, the Complainant stated that the Appellant had provided no evidence that other entities "have used the name so extensively" to denote their activities in this way and in any event the Complainant had demonstrated acquired distinctiveness.

(e) Discussion and Decision

- 7.17 The issue of descriptive names arises in two separate points in the Policy:

(a) Rights; wholly descriptive names or terms

Under para 4.2 of the Policy, the Complainant is required to prove to the Expert/the Panel, on the balance of probabilities, that it has Rights in respect of a name or mark which is identical

²⁸

BOP Memorials v Jones & Company Funeral Services.

²⁹

Wellington Golf Centre v Ricky Faesen Kloet.

or similar to the domain name. The definition of Rights, however, excludes from consideration “a name or term which is wholly descriptive of the Complainant’s business”.


(b) *Unfair registration: Generic or descriptive domain names*

At a second stage the Policy also makes provision for generic or descriptive domain names – as opposed to wholly descriptive names or terms. Amongst the non-exclusive list of factors which may be evidence that a domain name is *not* an Unfair Registration, is the following:³⁰

“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.”

7.18 The Panel proposes therefore to consider first whether the Complainant has demonstrated any Rights in CHILD CANCER FOUNDATION or CHILD CANCER. As an ancillary part of this, it will consider whether “CHILD CANCER” is excluded as being wholly descriptive. It will then consider whether the Rights are identical or similar to the Domain Name.

7.19 In the present case, the evidence as to Rights put forward by the Complainant shows the following:

- (i) The Complainant’s word and logo registered trade marks are for CHILD CANCER FOUNDATION not CHILD CANCER on its own;
- (ii) The Complainant’s slogan “EVERY CHILD AND THEIR FAMILY WALKING THE CHILD CANCER JOURNEY WILL NEVER FEEL ALONE” was registered in 2012 – three years after the registration date of the Domain Name by the Respondent. This shows use of “child cancer” in a generic sense (“walking the child cancer journey”). In this context, ‘child cancer’ is certainly not referring to the Foundation;
- (iii) The Complainant’s 2012 logo  is somewhat ambiguous. Is Child Cancer referring to the condition or disease suffered by children or is it referring to the Foundation? This trade mark was also registered three years after the registration of the Domain Name;
- (iv) The Complainant has demonstrated use of the websites *childcancer.co.nz* from 2004 to sometime in 2008-9 (the failure to renew this is never explained) and *www.childcancer.org.nz*. But the historic pages of the Complainant’s website at the

Domain Name (www.childcancer.co.nz) from 2004 and 2007 refer always to the Complainant as The Child Cancer Foundation;

- (v) There is no evidence from third parties as to whether the public or others regard CHILD CANCER as being synonymous with the Complainant as opposed to an illness suffered by children. The Panel notes in the extract from the book *No Journey Made Alone* provided by the Complainant in its Reply that it is always referred to as The Child Cancer Foundation. Further, page 10 of Exhibit 1 has the heading "New Zealand child cancer registry", i.e. as a generic or descriptive term, together with the description:

"The Child Cancer Foundation has supported the development of a nationwide database which registers all children with a malignancy. *This allows specialists to assess what is happening in child cancer on a countrywide basis and develop appropriate support services.*" (emphasis added)

At page 13 of the exhibit there is a further descriptive use:

"Established in 2000 by the Ministry of Health, the Paediatric Oncology Steering Group (POSG) was tasked with developing a nation framework *for child cancer services.*

When the POSG was changed into the National Child Cancer Network (NCCN) in 2011, The Child Cancer Foundation and CanTeen CEOs remained ex-officio on the reference group ensuring a continuing high profile *on the day-to-day organisation of child cancer services in New Zealand.*" (emphasis added)

- (vi) In his Non-Standard Response, the Respondent provided a number of other newspaper or electronic media headlines in New Zealand, Australia and UK which showed generic use of 'child cancer':

Sky News Australia

"US Shutdown blocks child cancer care"

TVNZ

"NZ's child cancer survival rates among world's best"

Stuff.co.nz

"Child-cancer families quake at thought of Christchurch"

Stuff.co.nz

"Wellington child cancer services to be shared"

Stuff.co.nz

"Gabe's close shave for Child Cancer" [a reference to the Complainant]

Stuff.co.nz

"Christchurch tipped to be child cancer centre"

Stuff.co.nz

"Wellington's child cancer unit saved"

BBC News

"Promising drug" for child cancer

- 7.20 After reviewing the evidence, the Panel finds that the Complainant has established that it unquestionably has rights in the mark CHILD CANCER FOUNDATION both as a result of its registered trade marks and its extensive use of that mark.
- 7.21 However, the evidence advanced by the Complainant does not establish to the satisfaction of the Panel that the Complainant has rights in CHILD CANCER itself. This is for two reasons:
- (a) First, and importantly, the words "child cancer" are used in New Zealand to describe an illness suffered by children. Although the term "childhood cancer" is also sometimes used as a descriptive term, "child cancer" is equally used. As noted in the previous two paragraphs, the Complainant itself uses "child cancer" in this way;
 - (b) Secondly, contrary to the findings of the Expert, the Complainant is not the only organisation in New Zealand using the words "child cancer" as part of its name. The National Child Cancer Network (NCCN) exists alongside the Complainant. Although the Complainant asserted that the NCCN was founded by it, in fact the book *No Journey Made Alone* exhibited by the Complainant itself records that the NCCN was established by the Ministry of Health.
- 7.22 In these circumstances, where the term "child cancer" is demonstrably in use to describe an illness suffered by children, the Panel is not satisfied on the evidence put forward as part of the Complaint or in Reply, that the words "child cancer" have acquired distinctiveness amongst a significant number of persons as a badge of origin for the Complainant and not as something describing the physical illness suffered. Where a mark has such a descriptive use, compelling evidence of acquired distinctiveness is required. In the end the Panel

can only consider the evidence that was put forward. The Panel notes that in the decision under appeal, the Expert himself clearly acknowledged that the term “child cancer” was “descriptive, even highly descriptive”. However, for the reasons given the Panel differs from the Expert’s conclusion³¹ that on balance the Complainant had ‘done enough’ to show rights in ‘CHILD CANCER’.

- 7.23 It is important to mention a further factor. The Complainant has relied in part on its registered trade marks for CHILD CANCER FOUNDATION to sustain a claim to CHILD CANCER. But in this regard, the Complainant may not be able to enforce that part of the mark which is descriptive where it is used in a descriptive sense. Even if it were to be found that the Domain Name was used as a trade mark for purposes of s89(2) of the Trade Marks Act 2002, s95 provides that a person does not infringe a registered trade mark:

“... if in accordance with honest practices in industrial or commercial matters, the person uses:

...

(c) A sign to indicate:

(i) the kind, quality ... intended purpose ... or other characteristics of goods or services.”

- 7.24 Having found that the Complainant has not established any right in CHILD CANCER on its own, it is not strictly necessary for the Panel to go on and consider whether the term “child cancer” is “wholly descriptive”. However for completeness, it does address this issue.
- 7.25 The Panel endorses the approach taken by the Expert, Mr Warwick Smith, in *BOP Memorials v Jones & Co Funeral Services*³² and in particular the test applied in that case at page 10 of the decision. In the present case, consideration of this issue can be short-circuited. The consideration is whether the keywords “child cancer” are “wholly descriptive of the Complainant’s *business*”.
- 7.26 The business operated by the Complainant is described in the Complaint as a charity providing support and care for children with cancer and their families.³³ It also provides services “which aim to reduce isolation and the impact of cancer, ensuring children and families are supported, informed and well cared for at every stage of their cancer journey”.³⁴
- 7.27 The term “child cancer” is not apt to describe that business. It is only apt to describe the form of illness suffered by such children.

³¹ Decision 7.1.13.

³² DRS 108. Followed in *Wellington Golf Centre v Rocky Faesen Kloet* DRS 846.

³³ Complaint para 1.

³⁴ Complaint para 2.

Summary on Rights

7.28 The Panel therefore finds:

- (a) That the Complainant has rights in the mark CHILD CANCER FOUNDATION;
- (b) The Complainant has not sufficiently demonstrated on the evidence provided with the Complaint or in the Reply, rights in CHILD CANCER on its own. Indeed there is evidence showing that another organisation uses that term and that it is a generic or descriptive term for the form of illness suffered by children;
- (c) (Obiter) the term “child cancer” is not excluded from rights as it is not wholly descriptive of the Complainant’s *business*;
- (d) The Panel further finds that the name or mark in which the Complainant has demonstrated rights i.e. CHILD CANCER FOUNDATION is similar to the Domain Name. However this finding comes with the clear caveat based on finding (b) that ‘child cancer’ is a generic or descriptive term.

8. (3) Unfair Registration

(a) *The parties’ contentions on Unfair Registration*

8.1 The Complainant’s contentions are that the Domain Name constituted:

- (a) A breach of its registered trade mark and “therefore takes unfair advantage of the goodwill the marks possess and the rights the Complainant holds over use of the marks”.³⁵ It also claimed that the use of the Domain Name was likely to confuse, mislead or deceive people into thinking that the Domain Name was registered to, operated or authorised by the Complainant.³⁶ It was stated that the Respondent had deceptively labelled the opening page as “the leading child cancer site on the net”,³⁷
- (b) Passing off and breach of the Fair Trading Act 1986. It was alleged that use of the well-known name in a domain name was tantamount to creating an instrument of fraud and therefore passing off – as well as giving rise to breach of s9 of the Fair Trading Act.³⁸

8.2 The Complainant further asserted that it could be inferred from the nature of the Respondent’s business (as owner of multiple domain

³⁵ Complaint para 18.

³⁶ Complaint para 21.

³⁷ Complaint para 22.

³⁸ Complaint paras 23 and 24.

names for sale) that the Domain Name “may have been purchased” with the aim of selling it back to the Complainant for a profit. It was alleged the Respondent must have known that the Complainant existed when he purchased the Domain Name.³⁹

- 8.3 The Complainant also referred to the fact that the Respondent had declined an offer of \$3,500 from it.
- 8.4 Briefly summarised the Respondent’s responses on Unfair Registration are:

First limb of unfair registration

- (i) He has been in the business of buying, selling and monetising generic domain names since 2007;
- (ii) He became aware that the Domain Name was on a list of domain names that were about to “drop” and assumed the previous owner no longer wanted it. He acquired it because it was a common generic term. He owns a number of similar generic cancer-related domain names registered from 2009-12 including *breastcancer.co.nz* (registered in February 2009);
- (iii) Four years on, he cannot recall whether he was aware of the Complainant on registration “even so, he certainly did not acquire the domain name in reference to the complainant”. He further stated that he “would have no reason to pay any attention to any use of that term by Complainant as opposed to that of any of the many others using this highly descriptive/generic term”;
- (iv) He had in mind ultimately to sell the Domain Name to anyone with an interest in the term “child cancer” and in the meantime to profit from advertising links;
- (v) In these circumstances the Respondent was entitled to ask whatever price he wished;
- (vi) Paragraph 6.4 of the Policy is to the effect that trading in domain names for a profit is a lawful activity.

Second limb

- (i) In this regard the Respondent relied on paragraph 6.1.2 of the Policy which provides:

“A non-exhaustive list of factors which may be evidenced that the Domain Name is not an Unfair Registration is set out in paragraphs 6.1.1 – 6.1.4:

- 6.1.2 the Domain Name is generic or descriptive that the Respondent is making fair use of it in a way which is consistent with its generic or descriptive character”

The Respondent states that the Complainant has not demonstrated goodwill in CHILD CANCER and there was no reason to think that when searching for “child cancer”, the public are looking for the Complainant as distinct from information about child cancer generally. It is asserted that the Complainant’s Google Trends evidence showed that users did indeed search specifically for ‘child cancer foundation’. The Respondent relied on a decision of the UK Panel in *wiseinsurance.co.nz*.⁴⁰

- (ii) Later in relation to Paragraph 6.1.2 of the Policy, the Respondent stated that it had placed what was plainly a generic domain name with an automated parking service which, unsurprisingly, generated a range of cancer-related links based on the term “cancer” in the domain”. It claimed therefore it was using the Domain fairly and consistently with its generic or descriptive character.
- (ii) The Respondent further relied on the fact that there was not a single example of actual confusion during the four years since the Domain Name was registered. The Respondent also pointed out that the slogan “leading child cancer site on the net” was in meta text not on the site itself and was “standard wording automatically generated by the parking page provider”.

Reply

8.5 In its Reply, the Complainant asserted (inter alia) that:

- (a) The Respondent had downplayed the significance of the fact that the Domain Name had been registered to it for a number of years up to 2008;
- (b) The Respondent had failed to identify any references to “child cancer” that were not to the Complainant;
- (c) The Respondent must have been aware of the Complainant. It was likely the Respondent had visited the site before it dropped;
- (d) The Respondent had offered US\$5,000 for the Domain Name and the only rational explanation for this was the Respondent’s knowledge that the words “child” and “cancer” were of the

utmost importance to and highly associated with the Complainant.

Non-standard response

8.6 In a non-standard Response (considered by the Expert) the Respondent stated (inter alia):

(a) The Google Trends data which the Complainant exhibited omitted related searches for "child cancer" in which the Complainant's name does not feature in the top "related" searches – all of which, it is said, are clearly generic.

(b) He had not visited the site at the Domain Name before registration. Furthermore, .nz domain names stop functioning as websites at least 90 days before they expire.

(c) *The decision under appeal*

8.7 The Expert found⁴¹ that the Domain Name had been registered to the Respondent in October 2009. As this was more than three years prior to the Complaint pursuant to Rule 5.4 the Expert held that he was "not entitled to take into account any evidence of acts or omissions amounting to unfair registration or use which occurred more than three years before the date of the Complaint. On this basis he assumed that the registration of the Domain Name was made in good faith.

8.8 In the Decision under appeal the Expert focused on the second limb of Unfair Registration. He was:

"9.6 ... satisfied that, on balance, given the goodwill and/or reputation Complainant has in the CHILD CANCER name and mark and the way in which Respondent has labelled his page "The Leading Child Cancer Site on the Net" which is displayed in conjunction with a ".nz" domain registration (previously owned by Complainant) wrongly suggests Respondent's website is somehow approved by, or associated or connected with Complainant."

9.7 It is also apparent that by including on that page a number of hypertext links to other forms of cancer or like treatment, for example, "Alternative Cancer Treatments"; "Brain Cancer" and "Breast Cancer Information" that Respondent has set up the site which contains a page or conduit with information on various forms of cancer.

9.8 The fact that Respondent has used the Domain Name to attract and redirect enquiries suggests that there is some benefit or value in doing so. The parties of course differ markedly as to the motivation for wishing to do so. Complainant argues it is because Child Cancer has a particular kudos and reputation. Respondent argues it is because it is a generic term. However,

⁴¹

Decision 9.2.

having found that Complainant has rights in the name and mark CHILD CANCER it is likely that in such a scenario consumers are likely to assume, wrongly, that there is some connection between the parties or otherwise that some authorisation or licence has been given to use the CHILD CANCER name and/or mark. Given its long-standing efforts to address childhood cancer care and overall standing in the community the Expert infers that that would be an affiliation worth having."

8.9 In relation to the Respondent's reliance on the "safe harbour" in paragraph 6.1.2 of the Policy, the Expert considered:

"... that CHILD CANCER is not wholly descriptive and given the overtly commercial manner in which Respondent is using the Domain Name to achieve click through revenue, the Expert is not satisfied that Respondent is making fair use of the term CHILD CANCER in a manner 'consistent with its generic or descriptive character'."

The Expert went on to also state:

"9.13 Instead, it seems to be used, at least in part, in a manner designed to benefit from the reputation and/or goodwill of a term used extensively by Complainant over the years. In this regard, it is noted that Respondent does not use the terms Adolescent Cancer, Teenage Cancer or for that matter Adult Cancer on its so-called 'parking' page, even though it is just as likely if not more likely, that adults would require information on "breast cancer" or "colon cancer". For these reasons the Expert infers that the real reason, or at least a reason, for registration and use of the Domain Name is because of the reputation and/or goodwill Complainant has established in the term CHILD CANCER/Child Cancer.

9.14 In addition to this, it is one thing for Respondent to say that he is in the business of monetising generic domain names and acquired the Domain Name "because it reflected a common generic term", while at the same time saying that "he cannot recall whether he was aware of Complainant or not". Given that the Domain Name was previously owned by Complainant and that it has been using the term CHILD CANCER/Child Cancer for many years it is reasonable to infer that Respondent knew or ought to have known of Complainant and its claimed rights in CHILD CANCER/Child Cancer. Further, absent evidence as to reasonable, or indeed any, enquiries at the time it is difficult to see how Respondent could safely say he acquired the Domain Name "because it reflected a common generic term."

(d) *Contentions on Appeal as to Unfair Registration*

8.10 There is one important preliminary matter to be dealt with concerning the appeal. Part B17 of the Policy states:

"An appeal notice should not exceed 1,000 words, should set out detailed grounds and reasons for the appeal, but shall contain no new evidence of annexures."

8.11 The Complainant's response on appeal contains four further annexes and refers to new evidence. Because of the explicit wording of paragraph B17.3, the Panel will not consider the further evidence or annexes in reaching its decision. It also appears to the Panel that, in any event, each of the annexes provided by the Complainant on appeal could and should have been dealt with in the Reply.

8.12 On appeal, the respondent's contentions as to the second limb of Unfair Registration were that the Expert had seized on two minor aspects of the Respondent's website but had not addressed the Respondent's submissions on these or considered the site as a whole. In particular the Respondent contended:

"7.1 There is no consideration of how an internet user could conceivably think that a basic (and very common) landing page with just a list of "Related Links" and a "Search Ads" button plus a prominent notice offering the domain for sale could possibly be confused with the Complainant's website.

7.2 There is no mention of the Respondent's explanation of the ubiquitous "Leading . . ." slogan including the fact that this does not appear on the site itself - indeed there is no screenshot from the Complainant, leaving the Expert with no basis to assess how/where the slogan may appear to users.

7.3 Although describing the site as "overtly commercial" in 9.12, the Expert picks three links which he claims imply that the landing page looks like an "information site" of the kind published by the Complainant. Whereas it could hardly be further removed from the Complainant's site. He makes no real assessment of the links as a whole including the fact that none refer to "child cancer" and indeed "breast cancer" and "colon cancer" links are clearly referable to adult cancer- making it even less likely that users would associate the page with the Complainant's site.

7.4 The Expert queries the absence of terms such as "adolescent cancer" compared to the presence of "child cancer" but the latter appears only in reproduction of the domain name itself and is not even included in any of the links - if the domain was adolescentcancer.co.nz, then this domain would have appeared in the header.

7.5 The Expert proceeds on the wrong assumption that the Respondent has manually selected the parking page links and he has not addressed the Respondent's explanation of the standard/automated nature of the third party generated parking page."

8.13 The Respondent also complained that the Expert inferred that he had intended to benefit from the Complainant's goodwill and had disregarded:

- The lack of secondary evidence (not mentioned).

- The pattern of other similar descriptive domains owned by the Respondent (not mentioned).
- The Respondent's explanation that he was unaware of the domain's previous ownership by the Complainant (not mentioned).
- The fact that the Complainant had not shown that anything had changed since the three year cut-off in paragraph 5.4, before which the Respondent was assumed to act in good faith.

8.14 Finally, it was stated that the Expert had made no reference to the tiny site visitor numbers indicating the unlikelihood that users were seeking the Complainant by reference to this term.

8.15 On appeal, after disregarding the additional evidence filed and points made relating to that, the Complainant's contention on the second limb of unfair registration is that the Respondent's submission outlining the automated nature of the parking places suggests that he was aware that the page would likely reflect similar links to the content on the original Child Cancer Foundation website by picking up on the keyword "cancer" in the Domain Name. The Complainant stated that:

"After obtaining a domain with a pre-existing reputation, it would appear contrary to the rationale behind domain name regulations if a registrant could evade liability by failing to take action to mitigate the eminent exploitation of another party's goodwill. The domain name is likely to be associated with the Child Cancer Foundation and therefore the Respondent is exploiting the goodwill of the Complainant."

(e) *Discussion on preliminary issue: Para 5.4 of the Policy*

8.16 A preliminary issue arises under para 5.4 of the Policy which provides that in making its decision, the Expert or the Panel on appeal "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".

8.17 In the decision under appeal, the Expert noted this provision and (on the basis of it) assumed that the registration of the Domain Name was made in "good faith".⁴²

8.18 The Respondent asserts that it follows from this assumption by the Expert that there can be no unfair use unless the Complainant establishes that the Respondent actively exploited his position vis-à-vis the Complainant.

8.19 The Panel considers that paragraph 5.4 operates purely as a rule to exclude the admissibility of evidence. It does not operate to provide immunity from any finding that a domain name was unfairly registered

⁴²

Decision para 9.3.

– even though registered more than three years before the complaint. Such an inference might be possible from later conduct or admissions. The Panel does not agree that there must be an assumption in this case that the Domain Name was registered in good faith.

- 8.20 In any event the Respondent indicated that he was keen to demonstrate that he registered the Domain Name in good faith and has provided evidence of the circumstances of registration. It appears to the Panel that this action amounts to a waiver of the benefit of Rule 5.4. Once waived, the Complainant was then entitled to provide a response. To do otherwise, would allow a Respondent to “cherry-pick” the evidence which he, she or it wished to refer to. Such a selective operation of Rule 5.4 in such circumstances would be unfair to a Complainant.

(f) *Discussion and Decision on Unfair Registration*

- 8.21 Para 4.2 of the Policy requires that the Complainant prove on the balance of probabilities that the Domain Name in the hands of the Respondent is an Unfair Registration. In turn, the definition of Unfair Registration is defined as meaning:

“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.”

- 8.22 Under the Nominet Policy in the UK (from which the New Zealand DRS Policy is drawn) the UK Appeal Panel has held⁴³ that for a domain name to constitute an [Unfair Registration]⁴⁴:

“It will normally be the case that at the time of acquisition/registration of the domain name, the registrant will have knowledge of the Complainant's name and all rights; similarly, for a domain name to constitute an Abusive Registration under subparagraph (ii) of the definition, the registrant will normally be aware of the Complainant's name and/or rights when using the domain name in the manner complained of.”

- 8.23 In this case, the Respondent has stated⁴⁵ that some four years after registration i.e. the date of complaint he “cannot recall whether he was aware of the Complainant on registration”. He goes on to state that, even if he did, he did not acquire the Domain Name in reference to the

⁴³ *The Proctor & Gamble Company v Michael Toth* ID 03316 26 June 2006.

⁴⁴ The UK Policy uses the term ‘Abusive Registration’.

⁴⁵ Response para 2.5.

Complainant given that it is a highly descriptive/generic term. The Complainant challenged this, contending⁴⁶ that the Respondent must have been aware of the Complainant.

- 8.24 The Panel has given careful consideration to this aspect of the case. On the evidence presented, it is not able to find on the balance of probabilities that the Respondent was aware of the Complainant at the time of acquisition/registration of the Domain Name.
- 8.25 Although the Complainant stated that the Respondent must have seen the Domain Name in use by it before it “dropped”, there was no evidence that this occurred. The Respondent stated in his Non-Standard Filing that he did not visit the Domain Name before registration. Further, he stated that .nz domain names stop functioning as websites at least 90 days before that “drop”.
- 8.26 Given this evidence, the Panel is not able to find that the Respondent was aware of the Complainant or saw the Complainant’s previous use of the Domain Name before registration.
- 8.27 However, given that this is a closely-contested and finely-balanced matter, the Panel is not prepared to determine the appeal solely on this basis. It notes two factors from UK Appeal Panel decisions:
- In the *Procter & Gamble Company v Michael Toth* decision⁴⁷, the UK Appeal Panel noted⁴⁸ that there “may be rare circumstances where a finding of [Unfair Registration] is justified even though the registrant is unaware of the complainant’s name and/or rights at the relevant time”. But “[f]or the complainant to succeed, the available evidence must suggest that at the relevant time, the Respondent knew perfectly well that the [mark forming part of the Domain Name] was a brand belonging to someone else and that its use in the manner made of it by the Respondent would be likely to attract Internet users to the Respondent’s site believing that they were visiting a site associated with the brand owner”.
 - In *Maestro International Inc v Mark Adams*⁴⁹ the UK Appeal Panel stated in relation to *maestro.co.uk* which was acknowledged⁵⁰ as being a generic term that:

“Additionally, knowledge of the Complainant’s trade mark only gets the Complainant part of the way. When the trade mark in question is a dictionary word, there has to be something more than knowledge of the trade mark to justify a finding of [Unfair Registration]. Were it otherwise, owners of trade marks which are dictionary words would effectively be able to monopolise the use of such words for domain names.”

⁴⁶ Reply para 2.3.

⁴⁷ Supra.

⁴⁸ Ibid para 8.3.7.

⁴⁹ DRS 4884, 13 December 2007.

⁵⁰ Ibid 11.

- 8.28 In the present case, the Panel has already found that the words “child cancer” were demonstrably in use both before registration and after to describe an illness suffered by children. Further, the Panel has found that the evidence put forward by the Complainant did not meet the standard required to show that the Complainant had acquired distinctiveness in the words “child cancer” on its own.
- 8.29 Given these findings, the Complainant has not demonstrated on the balance of probabilities that the Domain Name was an Unfair Registration under the First Limb. Further, the Panel has noted that the Respondent owns a number of other generic cancer-related domain names i.e. *breastcancer.co.nz*, *cervicalcancer.co.nz*, and *prostatecancer.co.nz* which were all acquired in February 2009 prior to registration of the Domain Name. This pattern of registration of cancer-related generic terms provides some confirmation to the Respondent’s contention that he did not acquire the Domain Name in reference to the Complainant and had in mind selling it to anyone with an interest in the generic term “child cancer”.
- 8.30 As to the Respondent’s subsequent *use* of the Domain Name, the Panel also finds that the Complainant has not proved on the balance of probabilities that this falls within the Second Limb of the definition.
- 8.31 The evidence shows that the Respondent has been advertising the Domain Name for sale and also using it to provide sponsored links through a domain name parking page. The Policy itself recognises that advertising a Domain Name for sale is of itself a legitimate activity. The Policy specifically states in para 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.”
- 8.32 In the present case, there is nothing in the Respondent’s use of the Domain Name to demonstrate that the Complainant has been specifically targeted by the Respondent when offering the Domain Name for sale – after all the Domain Name was acquired on 1 October 2009. The complaint was not raised until almost four years later on 20 August 2013. If the Complainant was being targeted, it can be expected that there was some overt reference to the Complainant so as to attract users thinking this was the Complainant’s site *and* that the presence of the Domain Name would have been noticed by the Complainant much earlier.
- 8.33 The parking page appearing on the website corresponding to the Domain Name and provided by the Complainant⁵¹ show a series of related links to:

⁵¹

Complaint Exhibit 2.

Alternative Cancer Treatments	Cancer Treatments
Brain Cancer	Chemotherapy
Breast Cancer Information	Colon Cancer Treatments
Breast Cancer Treatments	Growths
Cancer	Interactive Health

- 8.34 As seen, when describing the parties' contentions, the Respondent relies on paragraph 6.1.2 of the Policy namely that the Domain Name is generic or descriptive and that he is making fair use of it in a way that is consistent with its generic or descriptive character.
- 8.35 Most of the sponsored links on the website corresponding to the Domain Name are consistent with the generic or descriptive term "child cancer". Two of the links i.e. breast cancer information or breast cancer treatments seem unlikely in respect of children but are still reasonably proximate to the term.
- 8.36 The Panel therefore finds consistent with its earlier finding that the Domain Name is generic or descriptive, that the Respondent is making fair use of it in a way which is consistent with its generic or descriptive character and this is not an Unfair Registration.

Summary on Unfair Registration

- 8.37 The Panel therefore finds:
- (a) The Panel is not able to find on the balance of probabilities that the Respondent was aware of the Complainant or of the Complainant's previous use of the Domain Name at the time of his acquisition/registration of the Domain Name;
 - (b) Given that the words 'child cancer' were demonstrably in use both before registration and after to describe an illness suffered by children, the Panel is not prepared to find that the Domain Name was an Unfair Registration under the First Limb;
 - (c) In the present case, there was nothing in the Respondent's use of the Domain Name to demonstrate that the Complainant had been specifically targeted by the Respondent when offering the Domain Name for sale. Further, the Respondent was making fair use of the Domain Name in a way which was consistent with its generic or descriptive character (para 6.1.2 of the Policy).

9. Result

- 9.1 As a result of these findings, the Appeal is allowed. No action will be taken in response to the Complaint.

Place of decision Auckland

Date 21 March 2014

Expert Name Andrew Brown QC

Signature

A handwritten signature in blue ink, appearing to read 'Andrew Brown'.

Expert Name Hon Robert Fisher QC

Signature

A handwritten signature in blue ink, appearing to read 'Robert Fisher'.

Expert Name Hon Barry Paterson QC

Signature

A handwritten signature in blue ink, appearing to read 'Barry Paterson'.

Note of Clarification

In fairness to the Expert (Clive Elliott QC), it should be recorded that, prior to being appointed the Expert made the following disclosure to the Domain Name Commission regarding his impartiality and independence:

"..., I was a partner at Baldwins previously (before going to the independent Bar) but that was some 13 years ago, so in my view that should not pose a problem. Otherwise, I am available to do this."

This disclosure was not provided to the parties by the Domain Name Commission and (as a result of this) did not form part of the record of the case."