

.nz Dispute Resolution Service

DRS Reference: 1153

Converse Inc. and All Star C.V. vs Robert Vale

Key words -

Identical or similar trade mark or name

Registered mark - well-known mark – similar – mark with generic word

Unfair registration

Likely to confuse, mislead or deceive - pattern of registration

1. Parties

Complainant:

Converse Inc. and All Star C.V.
160 North Washington St.
Boston
United States of America

Represented by: David Steele, Tucker Ellis LLP

Respondent:

Robert Vale
77 Butts Hill Road RG5 4NN,
56541 Reading, Berkshire,
United Kingdom

Self represented

2. Domain Name/s

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

3. Procedural history

3.1 The Complaint was lodged on 09 March 2016 and Domain Name Commission (DNC) notified Respondent of the validated Complaint on 10 March 2016. The domain was locked on 10 March 2016, preventing any changes to the record until the conclusion of these proceedings.

3.2 No Response was received.

- 3.3 Complainant paid Domain Name Commission Limited the appropriate fee on 27 April 2016 for a decision of an Expert, pursuant to Paragraph 9 of the .nz Dispute Resolution Service Policy (“the Policy”).
- 3.4 Clive Elliott QC, the undersigned (“the Expert”), confirmed to the DNC on 02 May 2016 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.

4. Factual background

- 4.1 According to Whois, Respondent registered the Domain Name on March 23, 2015.

5. Parties’ contentions

5.1 Complainant

- 5.1.1 Complainant states that All Star C.V. is a wholly owned subsidiary of Converse Inc. and that together they own the exclusive rights to the CONVERSE trade mark and trade name (collectively, the “CONVERSE Mark”), which they have used for over a hundred years.
- 5.1.2 Complainant contends that it has continuously and exclusively used the CONVERSE Mark since 1909, and as a result of its extensive global use, it has created a famous and distinctive mark. Complainant operates retail stores throughout the United States and in numerous countries around the world, including in New Zealand. Complainant further contends that revenue from its worldwide sales was in excess of USD\$1.6 billion in 2014, and revenue from 2007 through 2014 exceeded USD\$8 billion.
- 5.1.3 Complainant asserts that it extensively promotes its CONVERSE Mark around the world, including print ads in major publications, on television, online and at major sporting events. Complainant states that it also has an online presence at <converse.com> and contends that consumers closely associate and use the Internet to learn about and purchase Complainant’s goods.
- 5.1.4 In addition to its rights in its CONVERSE Mark, Complainant states that it owns separate trade mark registrations in over 110 countries for its CONVERSE Mark, including registrations in New Zealand.
- 5.1.5 Complainant contends that the Domain Name is confusingly similar to its CONVERSE Mark, as it is made up of the word “converse” and the addition of the geographically descriptive term New Zealand, and asserts that the addition of the level and country code identifiers “.co and “.nz” are of no consequence for the determination of confusing similarity.
- 5.1.6 Complainant further contends that 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 Complainant.

- 5.1.7 Complainant submits that Respondent has registered the Domain Name in order to sell counterfeit CONVERSE goods and that Respondent is engaged in cybersquatting.
- 5.1.8 Complainant also asserts that the website hosted at <conversenewzealand.co.nz> closely imitates its own website <converse.com>, and also prominently displays the CONVERSE Mark to sell counterfeit CONVERSE goods. Complainant states that in December, 2015, it was contacted by a consumer who purchased CONVERSE goods from <conversenewzealand.co.nz>, not realising that the Domain Name was not operated by Converse or that the goods were counterfeit. The goods were later inspected by Complainant and confirmed to be counterfeit.
- 5.1.9 Complainant states that on October 10, 2015, its brand protection unit sent Respondent a notice and complaint regarding the violation of Complainant's rights and the sale of counterfeit goods. Respondent did not respond to the notice and continued selling counterfeit goods and infringing Complainant's CONVERSE Mark.
- 5.1.10 Complainant points out that Respondent has a pattern of registrations which correspond to well-known names or trade marks, for example <2015nike.co.nz>, and <newbalancenewzealand.co.nz>.

5.2 Respondent

No response was received by Respondent.

6 Discussion and findings

- 6.1 The dispute is governed by the Policy issued by the office of the Domain Name Commissioner on behalf of DNC. The relevant portions of the Policy for present purposes are as follows:

“3. Definitions ...

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.

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

4.1.1 The Domain Name, in the hands of Respondent, is an Unfair Registration.

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;

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 that 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; or

5.1.5 The Domain Name was registered arising out of a relationship between the Complainant and the Respondent, and the circumstances indicate that it was intended by both the Complainant and the Respondent that the Complainant would be entered in the Register as the Registrant of the Domain Name;"

6.2 In order to support a complaint Complainant must satisfy three elements:

6.2.1 Rights in respect of a name or mark (para 4.1.1);

6.2.2 Identity or similarity between that name or mark and the Domain Name (para 4.1.1); and

6.2.3 Unfair registration in the hands of Respondent (para 4.1.2).

Each of these elements is addressed below.

7 **Decision**

7.1 **Rights in respect of a name or mark (Para 4.1.1 of Policy)**

7.1.1 In terms of assessing whether Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name the Expert must consider the wording of the Policy.

7.1.2 The expression "Rights" is referred to in the definition of "Unfair Registration" in paragraph 3 of the Policy. It is directed to a Domain Name which "took unfair advantage of or was unfairly detrimental to Complainant's Rights" in some way. The primary question is whether some disadvantage or detriment occurs in relation to Complainant's Rights.

7.1.3 Complainant must establish the requisite Rights in order to establish that some form of disadvantage or detriment is likely to occur through the existence or use of the Domain Name by Respondent.

7.1.4 Complainant asserts that All Star C.V. is a wholly owned subsidiary of Converse Inc. and that together they own the exclusive rights to the CONVERSE Mark, which they say they have used for over a hundred years. Further, Complainant asserts that it owns separate trade mark registrations in over 110 countries for its CONVERSE Mark, including in New Zealand.

7.1.5 Respondent does not dispute these assertions. On this basis, the Expert is satisfied that Complainant has established sufficient Rights in respect of a name or mark which is similar to the Domain Name.

7.2 Identity or similarity (Para 4.1.1 of Policy)

7.2.1 Complainant's Mark and the Domain Name both contain, as an essential part, the word "Converse", accompanied in the case of the Domain Name by the geographic name "New Zealand".

7.2.2 Admittedly, with the Domain Name the term New Zealand is rendered in lower case and as one word. Nevertheless, it is reasonable to infer that, to a substantial number of consumers, the Domain Name would denote, refer to or connect in some way the Converse trade mark and the country New Zealand. Complainant's Mark and the Domain Name are therefore similar for purposes of paragraph 4.1.1 of the Policy.

7.2.3 This ground is thus established.

7.3 Unfair registration (Para 4.1.2 of Policy)

7.3.1 As referred to in paragraph 6.1 above, a number of factors may be taken into account as evidence that the Domain Name is an Unfair Registration. The Expert needs to be satisfied that Respondent has registered or otherwise acquired the Domain Name primarily for certain purposes.

7.3.2 The primary question under Rule 4.1.2 of the Policy is whether the Domain Name, in the hands of Respondent, is an Unfair Registration.

7.3.3 Complainant's argument is relatively straightforward. It submits that Respondent has registered the Domain Name in order to sell counterfeit CONVERSE goods and that it is cybersquatting. Complainant asserts that the website hosted at <conversenewzealand.co.nz> closely imitates its own website <converse.com>, and also displays the CONVERSE Mark in order to sell counterfeit CONVERSE goods. In support of this allegation Complainant relies on evidence from a consumer who is said to have purchased CONVERSE goods from <conversenewzealand.co.nz>, only to find that the goods were counterfeit.

7.3.4 Respondent has not attempted to refute these allegations and the Expert accepts, on the basis of the Record as it stands, that the allegations have some substance.

7.3.5 Further, the Expert accepts Complainant's submission that 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 Complainant.

7.3.6 The Expert is satisfied that the way in which Respondent has used the Domain Name wrongly suggests Respondent's website or webpage is approved by, or associated or connected with Complainant. That is, because this would tend to suggest that Respondent is entitled to use Complainant's Mark either in New Zealand or in the region.

7.3.7 Finally, Complainant relies on a pattern of registrations by Respondent, which correspond to well-known names or trade marks, in particular, <2015nike.co.nz>, and <newbalancenewzealand.co.nz>. There appears to be some merit in this point.

7.3.8 The Expert is required, pursuant to paragraph 6 of the Policy, to take into account a range of factors which may indicate that the Domain Name is not in fact an Unfair Registration. However, given that Respondent has not lodged a submission or attempted to justify its actions the Expert is not able to give any real weight to these considerations.


8 Decision

8.1 Complainant has thus established each part of paragraph 4.1 of the Policy and is entitled to the relief sought. In the result, the Expert orders that the Domain Name be transferred from Respondent to Complainant.

Place of decision: Auckland, New Zealand

Date May 13, 2016

Expert Name Clive Elliott QC



Signature