

.nz Dispute Resolution Service

DRS Reference: 1169

My Tax Limited

v

**The Web Company NZ Ltd
and
My Tax Back NZ Ltd**

Key words -

Domain name

mytaxrefunds.co.nz

Identical or similar trade mark or name

Unregistered mark - trade name - similar - generic - descriptive - overall impression - mark with generic word

Rights

Generic - descriptive

Unfair registration

Procedure

Evidence - relevance

1. Parties

Complainant:

My Tax Limited
C/-Tim Riley
C/- Walker Davey Limited
92 Russley Road
Russley
Christchurch
New Zealand

Represented by: Kirsten Maclean, Tavendale and Partners Limited

Respondents:

The Web Company NZ Ltd
39 A Stanhope Road
Mt Wellington
Auckland

(First Respondent)

My Tax Back NZ Ltd

c/o Nicholas Brooks
 86 Highbrook Drive
 East Tamaki
 Auckland

(Second Respondent)

- 1.1. As the determination of domain name complaints normally involves only one respondent, some explanation is appropriate for the presence of two in the present case.
- 1.2. The situation has arisen because the First Respondent sold the Domain Name to the Second Respondent without proper registration of the transfer. The Domain Name Register has not been changed to reflect the sale apart from the entry of the Second Respondent's email address as the new "Registrant Contact Email". The WHOIS response records a mixture of details from both the First and Second Respondents. The First Respondent is given as the Registrant Contact. The other details relate to the Second Respondent. The wording of the Complaint makes it clear that the primary target of the Complaint is the Second Respondent, although there is one formal reference to the First Respondent at the outset.
- 1.3. An entity's right to use a Domain Name is a form of property. Situations in which there is a delay between the sale of property and registration of the new owner's interest are common wherever there are systems for the registration of title to property. Land and trade marks are examples. The approach taken in law is that from the date on which the sale is settled, the registered owner holds the registered interest as mere trustee for the purchaser. The purchaser is the one with the beneficial interest in the property pending registration of the purchaser's title.
- 1.4. Once there is a dispute over property, natural justice normally requires that the party with the beneficial interest in the property be included in the resolution process instead of, or as well as, the party with an interest as mere trustee. It follows that on general principles it is appropriate to have both the vendor and the purchaser of the Domain Name joined as respondents in the present case.
- 1.5. That approach is consistent with the .nz Dispute Resolution Service Policy ("the Policy"). Paragraph 3 of the Policy defines "Respondent" as follows:

Respondent means the entity in whose name or on whose behalf a Domain Name is registered and against whom the Complainant makes a Complaint
- 1.6. The definition embraces two kinds of respondent:
 - 1.6.1. "the entity in whose name ... the Domain Name is registered and against whom the Complainant makes a Complaint"; and
 - 1.6.2. "the entity ... on whose behalf a Domain Name is registered and against whom the Complainant makes a Complaint".
- 1.7. In most cases there will be only one respondent, namely the entity in whose name the Domain Name is registered. In this case the Second Respondent is the entity on whose behalf the Domain Name is registered. Strictly speaking the First Respondent holds the Domain Name on behalf of the Second Respondent as trustee. Both are properly joined as respondents.

2. Domain Name

mytaxrefunds.co.nz

3. Procedural history

- 3.1. The Complaint was lodged on 02 June 2016 and identified both the First and Second Respondent as respondents. The Domain Name Commission (“DNC”) notified the Second Respondent of the validated Complaint on 03 June 2016. The domain was locked on 02 June 2016, preventing any changes to the record until the conclusion of these proceedings.
- 3.2. The Second Respondent filed a Response to the Complaint on 23 June 2016 and the DNC so informed the Complainant on 28 June 2016. The Complainant filed a Reply to the Response on 05 July 2016. The DNC informed the parties on 29 July 2016 that informal mediation had failed to achieve a resolution to the dispute.
- 3.3. The Complainant paid Domain Name Commission Limited the appropriate fee on 16 August 2016 for a decision of an Expert, pursuant to Paragraph 9 of the Policy.
- 3.4. Robert Fisher QC, the undersigned, (“the Expert”) confirmed to the DNC on 22 August 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. The Second Respondent is a duly incorporated company registered on 27 November 2001. It has traded as “My Tax Back” since around 2008 providing a service whereby it files tax returns on behalf of its clients to claim tax refunds.
- 4.2. The Complainant is also a duly incorporated company and was registered on 19 March 2008. It offers an identical tax refund service provided from <mytaxrefund.co.nz>, which was registered on 26 March 2008. The Complainant has traded from that domain since.
- 4.3. On 25 May 2009 the disputed Domain Name <mytaxrefunds.co.nz> was registered. It is unclear who registered the Domain Name. However by around December 2015 the First Respondent had become the registrant. In January 2016 the First Respondent sold the Domain Name to the Second Respondent.
- 4.4. The Second Respondent established a website at the Domain Name branded as “My Tax Returns”. This website also offers the identical tax refund service. Unlike the Second Respondent’s operation from <mytaxback.co.nz>, which charges a fee proportionate to the refund successfully claimed, the operations at the Domain Name and the Complainant’s <mytaxrefund.co.nz> charge only a fixed fee.
- 4.5. The Second Respondent invited me to view the websites of the Complainant, the Second Respondent and some of their competitors. The Second Respondent also annexed to its response the Google search result of various relevant terms. I have seen these websites. It is clear that there are many providers of essentially the same tax refund service albeit at different prices.

5. Parties' contentions

a. Complainant

- 5.1. The Complainant contends that the Second Respondent has common law rights in the phrase "my tax refund". It says that it has built up goodwill over several years, although it does not say that the goodwill is linked to the phrase "my tax refund" or the name "Mytaxrefund". The Complainant claims that the Respondent deliberately acquired the Domain Name to cause confusion about, and to disrupt, the Complainant's business and has been successful in doing so.

b. Second Respondent

- 5.2. The Second Respondent says that there are many similarly named businesses which provide an identical service to the Second Respondent and the Complainant. It contends that the Complainant has little or no brand awareness in a market where there is already much brand confusion.
- 5.3. The Second Respondent denies that it acquired the Domain Name to disrupt the Complainant's business or that the use of the Domain Name is likely to confuse, mislead or deceive potential customers as to the connection of the Domain Name to the Complainant. It notes that its website at the Domain Name looks very different to the Complainant's and identifies the Complainant as a competitor.
- 5.4. In its response the Second Respondent also claims that the Complainant is misusing Google adwords. This is not relevant and will be disregarded.

6. Discussion and findings

- 6.1. The dispute is governed by the Policy issued by Domain Name Commission Ltd on behalf of InternetNZ. Critical portions of the Policy for present purposes are:

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;

...

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 that the Respondent has registered or otherwise acquired the Domain Name primarily:

...

(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 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;

...

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;

6.2. It will be seen that to support a complaint of the present kind (as distinct from complaints regarding sub-domains) the Complainant must satisfy three elements:

- a) Rights in respect of a name or mark (para 4.1.1);
- b) Identity or similarity between that name or mark and the Domain Names (para 4.1.1); and
- c) Unfair registration in the hands of the Respondent (para 4.1.2).

(a) Rights in respect of a name or mark

- 6.3. The Complainant relies on rights with respect to the name “mytaxrefund”.
- 6.4. In many cases a complainant need only point to a registered trade mark to prove the necessary rights. If there is no registered trade mark a common law trade mark will be sufficient. A common law trade mark is founded upon the right to protect that mark in an action for passing off.
- 6.5. A complainant will have rights in a name enforceable by an action for passing off if he establishes a “reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with [the name] under which his particular goods or services are offered to the public, such that [the name] is recognised by the public as distinctive specifically of the plaintiff’s goods or services” (*Reckitt & Colman Products Ltd v Borden Inc* [1990] 1 WLR 491 (HL) at 499). The name in such circumstances may otherwise be described as a common law trade mark.
- 6.6. A critical requirement is that the name over which rights are claimed has “a distinctive character which the market recognises” (*Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] 1 All ER 213 (PC) at 218). A reputation could only attach to a name if it is sufficiently distinctive. It is more difficult to establish distinctiveness where ordinary or descriptive words have been used. That is because the name’s “very descriptiveness tends to make it not truly distinctive of any particular business. ... This principle does not altogether rule out the possibility that by usage the descriptive words may become distinctive of the business ... but it means true distinctiveness is especially hard to establish.” (*Dominion Rent A Car Ltd v Budget Rent A Car Systems (1970) Ltd* [1987] 2 NZLR 395 (CA) at 408).
- 6.7. I accept that the Complainant used the website <mytaxrefund.co.nz> from 2008. However use of a name is one thing, the acquisition of an associated reputation another.
- 6.8. There is no basis for inferring that the Complainant had already acquired a reputation in that name by the time the subject Domain Name was registered on 25 May 2009. As to whether the Complainant had acquired the requisite reputation by the time it lodged its complaint, the Complainant produced an invoice for the marketing and promotion of “Mytaxrefund.co.nz” dated 19 May 2016. It is reasonable to infer that over time a campaign of marketing and promotion would produce the necessary association between the name and the Complainant in the eyes of the public. However in this case the invoice was issued a mere three weeks before the Complainant lodged its complaint. Both the isolated nature of the document produced, and its timing, count against reliance on it as sufficient for this purpose.
- 6.9. The Complainant also produced other documents. One was a certificate of achievement from the Commissioner of Inland Revenue of April 2015 issued to “My Tax Ltd”. Another was the Complainant’s own form of invoice to customers headed “My Tax Refund”. However the resultant impact on reputation was left for speculation

. Neither of those names exactly replicates “mytaxrefund”. And the very fact that the Complainant is using more than one name tends to dilute the reliance it can place on “mytaxrefund” in particular.

- 6.10. It is also important to consider the extent to which similar names were, and are being, used by other tax agencies providing the same service. The websites of competitors providing tax refund services include <mytax.co.nz> (where the business trades as “mytax.co.nz”) and <myrefund.co.nz> (where the business trades as “My Refund”) and <mytaxback.co.nz> where the Second Respondent has traded as “My Tax Back” since around 2008. Various Google searches show that <mytax.co.nz> and <mytaxback.co.nz> have prominence similar to <mytaxrefund.co.nz>.
- 6.11. Google search results show the Complainant’s promotion of its business via Google adwords. By paying Google, an advertiser can promote its links to the top of particular Google search result pages. For example searches of “mytaxrefund” and “woohoo tax” result in links to the Complainant’s website labeled “Tax Refund New Zealand – MyTaxRefund.co.nz” and “Fast Income Tax Refund – MyTaxRefund.co.nz”. However in many cases the Complainant’s campaign does not promote the phrase “mytaxrefund”. For example searches of “nztax”, “mytax” and “mytaxback” result in promoted links to the Complainant’s website labelled “My Tax Back – Quick and Easy Tax Refund only \$39”. A search for “taxback” gives a link labeled “Claim Tax Back Now – We Do Tax Refunds For Only \$39”.
- 6.12. In summary, “Mytaxrefund” does not appear to be so different from other names used in the same field that the public would use it to mark out one particular operator from the others, particularly when the name is so generic and descriptive. Too many similar names are used by too many others. Nor has the Complainant shown that it has used that name with enough frequency and saturation for the public to associate it with the Complainant in particular. The effect of using that name has also been diluted by the Complainant’s use of other names.
- 6.13. My conclusion is that insufficient evidence has been produced to infer that the Complainant has rights in respect of the name “mytaxrefund”. As that is one of the essential elements for a complaint its absence is fatal.

(b) Other elements

- 6.14. If the Complainant had had rights in the name “Mytaxrefund” there would clearly be no difficulty over the second requirement namely similarity to the Domain Name.
- 6.15. However it is difficult to see how the Complainant could have satisfied the third requirement, unfair registration. No basis has been provided for concluding that registration of the Domain Name in 2009 took unfair advantage of, or was unfairly detrimental to, the Complainant’s Rights. That would have required evidence as to the Complainant’s reputation in the name in 2009. Nor has it been established that the Domain Name is now being used in a manner which takes advantage of, or is unfairly detrimental to, the Complainant’s rights.

7. Decision

- 7.1. The Complaint is dismissed. The disputed domain name is to remain with the Respondents.

Place of decision Auckland

Date 9 September 2016

Expert Name Robert Fisher QC

Signature

A handwritten signature in blue ink, appearing to read 'R. Fisher', written in a cursive style.