

# .nz Dispute Resolution Service

DRS Reference: 1313

**Active Internet  
Technologies, LLC d/b/a  
Finalsite**

v

**Digistorm Pty Ltd**

## Key words -

*Identical or similar trade mark or name*

Registered mark - unregistered mark - well-known mark

*Unfair registration*

Likely to confuse, mislead or deceive - pattern of registration - unfairly disrupting the business of the complainant – blocking registration

## 1. Parties

### Complainant:

Active Internet Technologies, LLC  
d/b/a Finalsite  
655 Winding Brook Dr □ Glastonbury  
Connecticut 06033 □ UNITED STATES  
OF AMERICA (“United States”)

**Represented by:** Keypoint Law, Sydney, Australia

### Respondent:

Digistorm Pty Ltd  
3/4 James Street, □ Br □ Bundall, QLD  
4217 □ AUSTRALIA

## 2. Domain Name/s

finalsite.co.nz (the “Domain Name”)

## 3. Procedural history

3.1. The Complaint was lodged on 28 June 2018 and Domain Name Commission (DNC), notified Respondent of the validated Complaint on 6 July 2018. The

Domain Name was locked on 6 July 2018, 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 30 August 2018 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 11 September 2018 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, the Domain Name was registered on 1 May 2017 with Gandi (“the Registrar”).
- 4.2. Complainant is a United States entity with its principal place of business in Connecticut. It operates an education technology business known as “Finalsite”, with its core business being the design, creation and hosting of websites for its clients.
- 4.3. Complainant is the owner of the following registrations for the FINALSITE mark (“Complainant’s Mark”):
  - 4.3.1. United States Trademark 3172869;
  - 4.3.2. European Trademark 010281095;
  - 4.3.3. Canadian Trademark 846490;
  - 4.3.4. Canadian Trademark 857239;
  - 4.3.5. New Zealand Trademark 1079528; and
  - 4.3.6. Australia – Trademark application pending.

The United States Trademark was registered on 21 November 2006. The New Zealand Trademark was registered on 1 May 2018. It should be noted that this is one year after the Domain Name was registered in New Zealand.

- 4.4. Complainant also owns the domain names <finalsite.com> (“Complainant’s Australian Domain”) being its principle website, and <finalsite.co.uk> (“Complainant’s UK Domain”). Complainant’s Australian Domain is held by SW Studios Pty Ltd, which is an Australian company, part of the Finalsite Group.

#### **5. Parties’ contentions**

##### **5.1. Complainant**

- 5.2. Complainant asserts that it also holds extensive unregistered rights in Complainant’s Mark as it has traded and provided its services under or by reference to Complainant’s Mark since 2000. It contends that it currently provides services in 76 countries, and there have been over 30 million user logins to the Finalsite content management system in the last 12 months.

- 5.3. Complainant advises that it has designed its materials, including printed, promotional and online, with Complainant's Mark prominently featured.
- 5.4. Complainant asserts that Complainant's Australian Domain has been live since 2000, attracting approximately 15,000 weekly visitors and Complainant's UK Domain attracts approximately 2,500 weekly visitors.
- 5.5. Complainant states that it has an active and extensive social media presence with its Facebook page receiving 1,912 likes, its Twitter account having 3,462 followers and its Instagram account having 647 followers.
- 5.6. Complainant asserts that it has received significant industry and media attention, including receiving 19 website design awards in 2017, as well as enjoying the top-ranking organic Google search result for FINALSITE.
- 5.7. Complainant asserts that New Zealand is an expansion market for Complainant and it has been making a concentrated effort in both marketing and sales in the Australian and New Zealand markets. In New Zealand specifically, it has targeted its efforts at the 40 independent schools within New Zealand.
- 5.8. Complainant states that it has marketed its services under Complainant's Mark in New Zealand since 2013. Its marketing activities have included direct approaches (via phone and email) to independent schools in New Zealand, providing information about Complainant's business and services and offering proposals for technology solutions specific to the school in question. For at least the last 5 years, representatives of Complainant have attended prominent industry conferences to promote Complainant's business. Attendees at these conferences are said to have included representatives from New Zealand schools and other education bodies.
- 5.9. Complainant further states that it has carried out various marketing activities in New Zealand to promote Complainant's Mark including its sponsorship of the Educate Plus 2018 International Conference, being held in Auckland in September 2018. This is a large regional educational advancement conference with a focus on international best practice.
- 5.10. Complainant asserts that it is recognised as a quality provider by Educational Infrastructure Services Australia, which connects providers of goods and services with schools in Australia and New Zealand, and from 2016 to early 2018, it had a Director of Sales Australia/New Zealand based in Sydney, Australia. Given the extent of its global reputation in the relevant industry and as a result of its international activities outside of New Zealand (as well as within), Complainant submits that it is a recognised provider of technology services by the New Zealand education sector.
- 5.11. To Complainant's knowledge, there are no third parties trading in New Zealand under the FINALSITE brand in the same industry as Complainant.
- 5.12. Complainant believes that Respondent was aware of Complainant and Complainant's Mark before the registration date of the Domain Name, being 1 May 2017, and further believes that the Domain Name was registered in a manner which took unfair advantage of or was unfairly detrimental to Complainant's rights and/or has been used, and is likely to be used, in such a manner, and therefore amounts to an Unfair Registration.

- 5.13. Complainant further submits that Respondent registered the Domain Name knowing Complainant would seek to acquire the domain as part of its growing global presence. Complainant therefore believes Respondent registered the Domain Name to procure payment from Complainant and/or as a block to its operations. To support this, Complainant notes that Respondent registered the Domain Name just a few days after Complainant contacted it regarding its registration of the Australian Domain.
- 5.14. The Australian Domain was previously registered to Digistorm Education Pty Ltd, a company under common control with Respondent. In November 2017, Complainant made a Complaint under the .auDRP (“the Australian Complaint”) on grounds similar to the basis of this complaint. In the Australian Complaint, Complainant provided evidence about exchanges between the parties relating to the Australian Domain. It explained that Complainant had called Digistorm’s Managing Director, Mr Tim Oswald, on 28 April 2017. In that call, Mr Oswald acknowledged that Digistorm had registered domain names incorporating trademarks of some competitors. He did not seek to assert that Digistorm had rights in the Trademark.
- 5.15. On 1 May 2017, only days after this conversation took place, Respondent is alleged to have registered the Domain Name in New Zealand. Digistorm chose not to file a Response in relation to the Australian Complaint and the Panellist ruled that Digistorm’s registration of the Australia Domain disrupted Complainant’s business without legitimate basis and, inferentially, had been made for the purpose of extracting a collateral financial advantage. The Australian Domain was transferred to the Finalsite group.
- 5.16. Complainant submits that as a further example of Respondent’s pattern of behaviour, is that Respondent’s contact information is listed for the domain name <interactiveschools.com.au>. This domain name is registered to Oswald Industries Pty Ltd, but the contact email address is domains@digistorm.com, which indicates a link to Respondent. Further, Complainant notes that the Managing Director of Respondent is Mr Oswald, which suggests a further link.
- 5.17. Complainant submits that Complainant’s Mark is the only distinctive element of the Domain Name and therefore there is a real risk that internet users will be confused into thinking there is a connection between the Domain Name and Complainant and/or Complainant’s services.
- 5.18. Complainant submits that Respondent has not used the Domain Name for a genuine offering of services or for any other legitimate purpose and has no legitimate interest in Complainant’s Mark. Complainant further submits that the Domain Name is not a generic word nor is it descriptive and that Complainant has never assigned, licensed, sold or otherwise transferred or granted any rights to Complainant’s Marks to Respondent.
- 5.19. Complainant in addition points out that the Domain Name is materially identical (save for the substitution of .co.nz for .com.au) to the Australian Domain.
- 5.20. Complainant states that it sought to resolve this matter directly with Respondent prior to filing this complaint by sending a letter, sending multiple follow up emails and leaving a phone message asking for Mr Oswald to make contact. No response was ever received from Respondent to these communications.

## 5.21. Respondent

5.22. No formal response was received from Respondent.

## 6. Discussion and finding

6.1. In terms of paragraph 4.1 of the Policy, Complainant must show that:

The Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name; and

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

6.2. Pursuant to paragraph 4.2 of the Policy, Complainant is required to prove to the Expert that, on the balance of probabilities, both elements are present.

6.3. Paragraph 3 of the Policy (Definitions) defines “Unfair Registration” as:

“... 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.

6.4. As noted above, Respondent filed no formal response. Accordingly, the Expert must make an assessment on the basis of the information and submissions filed by Complainant. In the absence of any dispute as to the accuracy and correctness of that information, the Expert will decide this proceeding on the basis of Complainant's undisputed representations and draw appropriate inferences from them.

## 7. Rights

7.1. Complainant has the necessary rights. In terms of assessing whether Complainant had such rights at the time that the Domain Name was registered it is relevant to note that the Domain Name precedes Complainant's New Zealand Trademark registration by a year. Nevertheless, Complainant asserts that it was active in the Australian and New Zealand markets prior to 1 May 2017 (see, for example, paragraphs 5.7 – 5.10 above). These assertions are not challenged by Respondent. On this basis it is reasonable to infer that Complainant has sufficient common law rights in Complainant's Mark in New Zealand as at 1 May 2017 and certainly since 1 May 2018.

7.2. On that basis, it is found that:

7.2.1. Complainant has rights in respect of Complainant's Mark.

7.2.2. The Domain Name is the same as and at least confusingly similar to Complainant's Mark.

7.3. Accordingly, the Expert is satisfied that the first element of the Policy has been met.

## **8. Unfair Registration**

8.1. Paragraph 3 of the Policy requires Complainant to establish that at least one of the necessary requirements is established, namely that the domain name in issue was registered or otherwise acquired in a particular way or has been used in a manner which is unfair or unfairly detrimental to Complainant's Rights. These requirements are stated in the alternative, meaning that in order to succeed a complainant need establish one or the other.

8.2. Paragraph 5.1 of the Policy sets out a non-exhaustive list of factors which may be regarded as evidence that the domain name 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;"

### *Domain Name Confusing or Misleading*

8.3. Paragraph 5.1.2 refers to:

"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".

8.4. The Expert considers that the Domain Name is likely to attract and divert customers, interested in Complainant's technology solutions in the

educational sector and accordingly that it is likely to confuse and mislead such customers or potential customers.

#### *Blocking Registration*

- 8.5. Paragraph 5.1.1(b) of the Policy prevents Respondent from registering a domain name as a blocking registration against a name or mark in which the Complainant has rights.
- 8.6. While Respondent has apparently not used the Domain Name to attempt to negotiate a satisfactory commercial arrangement with Complainant, there does appear to be a history between Complainant and Respondent and unless and until the Domain Name is handed over, in Respondent's hands the Domain Name amounts to a blocking registration. That is, insofar as it has prevented, in practical terms, Complainant from registering and using the Domain Name.
- 8.7. Under the circumstances, the Domain Name amounts to a blocking registration

#### *Sale of Domain Name*

- 8.8. As noted above, Complainant submits that Respondent registered the Domain Name knowing Complainant would seek to acquire the Domain Name as part of its growing global presence and that Respondent registered the Domain Name to procure payment from Complainant.
- 8.9. Paragraph 5.1.1(a) of the Policy deals with the situation where a Respondent has registered or otherwise acquired the Domain Name primarily for the purposes of selling, renting or otherwise transferring the Domain Name. However, this only applies in certain specified circumstances and there is no evidence to suggest that Respondent has sought to sell or otherwise transfer the Domain Name to Complainant.
- 8.10. This allegation is therefore not made out.

#### *Pattern of Registrations*

- 8.11. Finally, Complainant submits that Respondent has a pattern of unfair registrations. There is however insufficient foundation for this allegation.

### **9. Decision**

- 9.1. On this basis, it is found that the Respondent's conduct is unfair and detrimental to the Complainant's Rights and that the second element of the Policy has been met; on the grounds of likelihood of confusion and blocking.
- 9.2. Complainant having established both parts of paragraph 4.1 of the Policy it is entitled to the relief sought. The Expert orders that the Domain Name be transferred from Respondent to Complainant.

**Signature**

A handwritten signature in blue ink, consisting of several loops and a final horizontal stroke, positioned above a light blue horizontal line.

**Expert Name**

Clive Elliott QC

**Place of decision**

Auckland, New Zealand

**Date**

September 27, 2018