



ABN 69 008 651 232

LEADR Domain Name Dispute Administrative Panel Decision

auDRP 114-06

Single Panelist Decision - Jennifer Scott

Domain Name: < gracegarrett.com.au >

Complainant: Grace Garrett Design Pty. Ltd.

Respondent: Levitt Consulting Pty. Ltd.

1. THE PARTIES

- 1.1 The Complainant in this proceeding is Grace Garrett Design Pty Ltd of 27 Cousins Road Beacon Hill, NSW Australia, 2100.
- 1.2 The Respondent to the proceeding is Levitt Consulting Pty Ltd 38B Gurner Street Paddington Australia, 2021.

2. SUBJECT MATTER OF COMPLAINT

- 2.1 The domain name in dispute: "gracegarrett.com.au" ("**Domain Name**").
- 2.2 Jurisdiction: auDRP Rules 3(a) and 3(b)(xv).
- 2.3 The registrar of the Disputed Domain Name is Tucows, ("**Registrar**").

3. BASIS OF DETERMINATION

- 3.1 The complaint was submitted for determination by a single panelist under:
 - (a) The provisions of Schedule A of the .au Dispute Resolution Policy and Rules 2010-05 ("auDRP") and,
 - (b) LEADR's Supplementary Rules (LEADR is the Provider).
- 3.2 Section 4 of the auDRP covers Mandatory Administrative Proceedings.

4. PROCEDURAL HISTORY.

- 4.1 LEADR received the complaint on or about the **06/06/2014**
- 4.2 LEADR sent non-compliance notification **06/06/2014**
- 4.3 The complete application was received from the Complainant by LEADR on **10/06/2014**
- 4.4 A copy of the complaint was submitted and a request to clarify Respondent details and lock the Domain Name during proceedings was emailed to the registrar Tucows on 10/06/2014
- 4.5 On **17/06/2014** the Registrar confirmed via email that the domain name in dispute has been locked.
- 4.6 LEADR advised auDA of the complaint on **18/06/2014** via e-mail.
- 4.7 On **18/06/2014** LEADR sent the Respondent an email and written notification of the complaint lodged against them. The Complainant was copied in on these notifications.
- 4.8 The due date for the response to the complaint was confirmed to be **08/07/2014**.
- 4.09 A reminder was sent via email to respondent one week before due date of response.
- 4.10 On **8/07/2014** Justin Levitt, on behalf of the Respondent submitted a response to the domain name complaint.
- 4.11 Further submissions were received from the Complainant/Respondent on **15/07/2014** (Complainant) and **17/07/2014** (Respondent).
- 4.12 On **16/07/2014** the provider approached the Panellist. The Panellist confirmed their availability, informed LEADR that they had no conflict issues with the parties and accepted the matter on **16/07/2014**.
- 4.14 The Case file and relevant correspondence was forwarded onto the Panellist on **17/07/2014**.
- 4.15 The Parties to the dispute were notified of the Panellist's allocation on the **17/07/2014**.
- 4.16 The decision is due is **1 August 2014**.

5. FACTUAL BACKGROUND

Facts alleged by the Complainant

- 5.1 In submissions attached to its Complaint and its response, the Complainant raises the matters set out below:
 - 5.1.1 The Complainant is a registered company incorporated in March 2013. Grace Garrett is the sole director and shareholder of the company. On 14 March 2007, Grace Garret began trading as Grace Garrett Design, with the business name being registered in August 2008 and deregistered in November 2011. The business creates designs for fabric and wallpaper, manufactures fabric based products and imports rugs.
 - 5.1.2 In or around February 2012 the Complainant claims that it entered into business arrangements with the Respondent for the Resondent’s business “Emily Ziz Style Studio” (EZ) to act as distributor for Grace Garrett designs in Australia.
 - 5.1.3 The Complainant claims that the Respondent was from time to time using its designs in breach of its copyright and that conflict had arose between the parties.
 - 5.1.4 The Complainant claims it became aware in May 2014 that the Respondent had registered the Domain Name, which is the name of the sole director, without consent or agreement with the Complainant, and that it was done in bad faith and with the intention to create confusion in the marketplace and to disrupt the Complainant’s business.

Facts alleged by the Respondent

- 5.2 In submissions the Respondent raises the matters set out below:
 - 5.2.1 The Respondent’s business, EZ, is a supplier of fabrics, wallpapers, artwork, rugs, lighting and other accessories in the interior design trade. It acts as agent and distributor for designers and manufacturers, who, it claims it represents on an exclusive basis. The Respondent confirms that it registered the Domain Name on 2 February 2012 to coincide with the launch of the Grace Garrett collection. It is used to point traffic directly to the Grace Garrett designs on the Emily Ziz website. In order to market the Complainant’s designs, the Respondent has invested 100 hours of web development time in the Complainant’s first collection – “Beauty of Asia” and 70 hours in the second collection. The Domain Name is provided to clients specifying the collection in the design schemes.
 - 5.2.3 The Respondent claims that it is the exclusive agent for the Complainant’s designs (which the Complainant denies) since Grace Garrett launched in

Australia in February 2012 and that it has invested considerably in the collection. Its income is earned from the sales of the products in the collection.

5.2.4 With regard to the claim of bad faith, the Respondent states that it has made no commercial gain for the use of the Domain Name, other than to market and sell the Complainant's collection.

5.2.5 In response to the claim of confusion in the marketplace, the Respondent states that it is widely known as the Claimant's agent and that it has not been the Respondent's intention disrupt business as such action would be detrimental to the Respondent's business.

6. DISCUSSION AND FINDINGS

Jurisdiction

6.1 Paragraph 2.1 of the auDRP states:

"All domain name licences issued in the open 2LDs from 1 August 2002 are subject to a mandatory administrative proceeding under the auDRP. At the time of publication, the open 2LDs are asn.au, com.au, id.au, net.au and org.au..."

6.1.1 The Domain Name is an open 2LD within the meaning of this provision. As the Domain Name was registered in 2012 it is subject to the mandatory administrative proceeding prescribed by the auDRP.

Basis of decision

6.2 Paragraph 15(a) of the auDRP Rules states:

"A Panel shall decide a complaint on the basis of the statements and documents submitted and in accordance with the Policy [the auDRP Policy], these Rules and any rules and principles of law that it deems applicable."

Elements of a successful complaint

6.3 According to paragraph 4(a) of the auDRP Policy, a person is entitled to complain about the registration or use of a domain name where:

(i) The domain name is identical or confusingly similar to a name, trademark or service mark in which the complainant has rights; and

(ii) The respondent to the complaint has no rights or legitimate interests in respect of the domain name; and

(iii) the respondent's domain name has been registered or subsequently used in bad faith.

6.3.1 It is to be noted that the three elements of a complaint under paragraph 4(a) of the auDRP Policy are cumulative; all of them must be proved if the complaint is to be upheld.

Is www.gracegarrett.com.au identical or confusingly similar to a name, trademark or service mark in which the Complainant has rights?

6.4 The Panel must determine whether, on the basis of the facts set out in section 4 above, the Complainant has rights in a relevant name, trademark or service mark.

6.4.1 The auDRP Policy states:

“For the purposes of this policy, auDA has determined that a “name...in which the complainant has rights” refers to

- (a) *the complainant's company, business or other legal or trading name, as registered with the relevant Australian government authority;*
- (b) *the complainant's personal name.”*

6.4.2 The auDRP Policy does not provide guidance as to the intended meaning of “identical” or “confusingly similar”. Panelist N J Hickey in *Camper Trailers WA Pty Ltd v Off Road Equipment Pty Ltd* LEADR Case number 06/2004(12 November 2004) provided a summary of recent principles arising out of other domain name dispute decisions:

“(a) *“Identical”*

As was noted in BlueChip InfoTech Pty Limited v Roslyn Jan and Blue Chip Software Development Pty Ltd LEADR Case No. 06/03 (26 December 2003), “essential or virtual identity” is sufficient.

(b) *“Confusingly Similar”*

(i) The “level domain” components of domain names (that is, “.com”, “.net” and similar suffixes) are to be ignored when comparing domain names with other names or marks (see for example *GlobalCenter Pty Ltd v Global Domain Hosting Pty Ltd*, WIPO Case No DAU2002-0001(5 March 2003) referred to in *Esat Communications Pty Ltd v Kingford Promotions Pty Ltd* LEADR Case No. 03/2003 (11 July 2003)).

(ii) The test of “confusing similarity” is confined to a comparison between the disputed domain name and the name or trade mark alone, independent of other marketing and use factors usually considered in trade mark infringement or other competition cases (see for *example The Crown in Right of the State of Tasmania trading as “Tourism Tasmania” v James Gordon Craven*, WIPO Case No DAU2003-0001 (16 April 2003)).

- 6.4.3 These principles do not clarify what is meant by “confusing similarity”. In particular, it is not clear what is contemplated to be “confusing” in circumstances where similar domain names and other names are registered or used by different persons. As noted in *Camper Trailers WA Pty Ltd*, the test of “confusing similarity” could be applied in much the same way as the test of “deceptive similarity” in trade mark infringement cases, where the concept of “deception” contemplates consumers who may be deceived or “caused to wonder” about the source or origin of goods or services.”
- 6.4.4 It is clear in the present case that the only additional component between the Complainant’s company and domain name with the disputed Domain Name, concerns the “.au”. As stated in *GlobalCentre* one should ignore the “.com.au” component of the Disputed Domain Name in making the comparison.
- 6.4.5 The Complainant’s sole director and shareholder is Grace Garrett, the designer. It is also the name of the company and previously a registered business name owned by Grace Garrett. Although there is no documentation regarding ownership of the domain name “gracegarrett.com”, the Respondent concedes that it belongs to and is used by Grace Garrett to market her designs and refers to EZ as agent and to the media promotions by the Respondent. The Panel is satisfied that the Domain Name is identical in all respects to the Complainant’s Company Name and to the Complainant’s trademark and is confusingly similar to other domain names owned by the Complainant.
- 6.4.6 The Complainant has, therefore, satisfied the requirement of “identical” in paragraph 4(a) (i) of the auDRP Policy.

Does the Respondent have any rights or legitimate interests in respect of www.gracegarrett.com.au?

- 6.5 Paragraph 4(c) of the auDRP Policy sets out particular circumstances, which can demonstrate a Respondent's *"rights or legitimate interests to the domain name for purposes of Paragraph 4(a) (ii)."*
- 6.5.1 The first issue to consider is whether the Respondent, prior to being notified of the subject matter of the present dispute, made *"bona fide use of or demonstrable preparations to use the domain name or a name corresponding to the domain name in connection with an offering of goods or services"* (paragraph 4(c) (i)).
- 6.5.2 The Claimant submits that the Respondent was using the name in bad faith because of the commercial disagreement between the parties and has no legitimate interest in the Domain Name. The Respondent contends that the Domain Name has been used solely for the purpose of promoting the Complainant's designs which is financially beneficial for both the Complainant as well as the Respondent. The Respondent denies obtaining any other commercial benefit from the Domain Name. Although there is disagreement as to whether the Respondent is (or was) the exclusive agent and distributor of the Claimant's designs, the evidence is clear (reference the Respondent's appendices, showing the designs and email correspondence) and indeed, there is no dispute, that the Respondent is or was an authorized agent for the Claimant.
- 6.5.3 The Panel notes that the Domain Name was registered in February 2012, when the business relationship between the parties commenced, and the design was being introduced to the Australian market, not as the Claimant alleges, at a time when the parties were in commercial disagreement.
- 6.5.4 Based on its evaluation of all the evidence presented, the Panel is satisfied that the Respondent's use of the Domain Name was based on legitimate interests and that the Respondent's website is not *"likely to misleadingly divert customers"* from the Complainant.
- 6.5.5 Accordingly, the Panel finds that paragraph 4(a)(ii) of the auDRP Policy has not been satisfied by the Complainant.

**Has www.gracegarrett.com.au been registered or subsequently used in bad faith?
(Paragraph 4(a)(iii))**

- 6.6 Whether a domain name is registered and/or subsequently used in bad faith for purposes of the Policy may be determined by evaluating four (non-exhaustive) factors set forth in the Policy:

i. Circumstances indicating that the registrant has registered or the registrant has acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of the registrant's documented out-of-pocket costs directly related to the domain name; or

ii. The registrant has registered the domain name primarily for the purpose of disrupting the business of a competitor; or

iii. By using the domain name, the registrant has intentionally attempted to attract, for commercial gain, Internet users to the registrant's website or other online location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of the registrant's website or location or of a product or service on the registrant's website or location. Paragraph 4(b) of the Policy.

- 6.6.1 The Complainant claims that the Respondent is attempting to attract users by creating confusion with the Complainant's website since the disagreement between the parties.
- 6.6.2 With respect to paragraph 4(b) (i) of the auDRP Policy, the Complainant has not satisfied the Panel that the Respondent has registered or has acquired or used the Domain Names primarily for the purpose of denying the Complainant the use of the Domain Name.
- 6.2.3 With respect to paragraph 4(b) (i) of the auDRP Policy, the Respondent has satisfied the Panel that it has legitimately used the Domain Name as part of its business and not for the purpose of disrupting the Complainant's business.
- 6.2.4 The evidence provided by the Complainant and the Respondent clearly show that the Complainant and Respondent's companies are not competitors but are in mutually supporting markets and the purpose of the Domain Name is to promote the Complainant's designs. In the Panel's view, the Respondent does not use the Domain Name to "*intentionally attempt to attract, for commercial gain, Internet users to a website or other online location by creating a likelihood of confusion.*"
- 6.6.5 For the reasons outlined above, the Complainant has not satisfied the requirements of paragraph 4(a) (iii) of the auDRP Policy.

7. **RELIEF**

Transfer of the Domain Name

- 7.1 The Respondent has sought that the Domain Name be retained by the Respondent.
- 7.2 Eligibility for a domain name in the open 2LDs is governed by auDA's Domain Name Eligibility and Allocation Rules for the Open 2LDs (2002-07) ("**Eligibility Rules**").
- 7.3 The Respondent is an Australian registered company and the Disputed Domain Name was registered by the Respondent on 2 February 2012. The Respondent therefore satisfies the Eligibility Rules.
- 7.4 The Panel orders that the Domain Name '**www.gracegarrett.com.au**' be retained by the Respondent.

8. **DECISION**

- 8.1 The Complainant has failed to satisfy the elements of paragraph 4(a) of the auDRP Policy.

Dated: 1 August 2014

JENNIFER A SCOTT
SOLE PANELIST