

DOMAIN NAME DISPUTE auDRP_18_06

HATCHET PTY LTD -v- INTERNET PRODUCTS SALES & SERVICES PTY LTD

PANELIST'S DECISION

Domain Name: hatchet.com.au
Domain Name Registrar: Drop.com.au Pty Ltd
Name of Complainant: Hatchet Pty Ltd
Name of Respondent: Internet Products Sales & Services Pty Ltd
Provider: Resolution Institute
Panelist: John Emmet McDermott

1. PROCEDURAL HISTORY

- 1.1. On Thursday 19 July 2018, the Respondent submitted its Response to the Resolution Institute via email. The Complainant was included on the email.
- 1.2. On Friday 20 July 2018, the Provider approached the Panelist. The Panelist confirmed his availability, informed the Resolution Institute that he had no conflict issues with the Parties and accepted the matter on Monday 23 July 2018.
- 1.3. The Case file and relevant correspondence was forwarded on to the Panelist on Monday 23 July 2018.
- 1.4. The Parties to the dispute were notified of the Panelist's allocation on Monday 23 July 2018.
- 1.5. On Wednesday 25 July 2018 the Complainant submitted Supplementary Submissions to the Resolution Institute via email. The Respondent was included on the email.
- 1.6. On Thursday 26 July 2018 the Resolution Institute forwarded the Complainant's further Submissions to the Panelist.
- 1.7. The date on which the Decision is due is Monday 6 August 2018.

2. FACTUAL BACKGROUND

2.1 The facts as alleged by the Complainant, not including cross-references to attachments were as follows:

2.1.1 The Complainant, Hatchet Pty Ltd (ACN 607 716 718) is a registered Australian company.

2.1.2 The Complainant is a Digital Agency who provides website and database software design and development services to customers in Australia with customers in almost every state.

2.1.3 The Complainant is the legal owner of the "HATCHET" trade mark which has been registered in Australia with Trade Made number 1880359.

2.1.4 The Complainant is the owner of the registered domain name "hatchet.com.au".

2.1.5 Since the creation of the domain name "hatchet.com.au" ("**Domain Name**"), the Domain Name has been redirected to a website which includes "Pay Per Click" links to third party businesses.

2.1.6 The Complainant attempted to resolve the dispute by offering to purchase the Domain Name from the Respondent before commencing the administrative proceedings.

2.1.7 The Complainant seeks to have the Domain Name Licence for "hatchet.com.au" transferred to the Complainant.

2.1.8 These facts were not materially challenged by the Respondent but did not include the Complainant's further assertion that until recently the header of the website at the Domain Name included the banner / message:

"Contact Domain Owner – This Domain Name may be available for sale, lease or JV opportunity."

2.1.9 The Respondent has not sought to deny this or the Complainant's assertion that this message was removed when the Complainant filed its Complaint.

3. THE PARTIES' CONTENTIONS / DISCUSSION

3.1. The Complainant, which bears the onus of proof, contends, pursuant to paragraph 4a of the *Dispute Resolution Policy* that:

3.1.1. The Respondent's Domain Name is identical or confusingly similar to a name, trade mark, or service mark in which the Complainant has rights; and

3.1.2. The Respondent has no rights or legitimate interests in respect of the Domain Name; and

3.1.3. The Respondent's Domain Name has been registered or subsequently used in bad faith.

A. The Domain Name is identical or confusingly similar to a name and trade mark in which the Complainant has rights – Paragraph 4a(i).

1. The Complainant, using slightly different wording, asserts, using the Complainant's paragraph numbering, that:

"8. *The Complainant is the legal owner of the HATCHET trade mark which has been registered in Australia.*

9. *The Complainant has exclusive rights in respect of the HATCHET trade mark in Australia.*

10. *Ownership of a trade mark is sufficient to satisfy the requirement that the Complainant has the rights in the HATCHET trade mark (TrueLocal Inc., Geosign Technologies Inc. and True Local Limited v News Limited WIPO Case No. DAU2006-0003 (2006)).*

11. *The Respondent's Domain Name is identical to the Complainant's trade made.*

12. *The Respondent's Domain Name is confusingly similar to:*

(a) The Complainant's registered name Hatchet Pty Ltd; and

(b) *The Complainant's registered trade mark HATCHET.*"

2. The Respondent's Submission combine Statements, allegations, and a degree of rhetoric but do not attempt to deal with paragraphs to 10 12 inclusive. Paragraph 12, in particular, is a Statement of the Law which is conclusive against the Respondent's as regards paragraph 4a(i).
3. Nor does the Respondent, although raising matters not relevant in this context, attempt to deal with the Complainant's Submission at paragraphs 13 and 14. They are also decisive against the Respondent.
4. I find that the Complainant has established the ground dealt with at paragraph 4a(i).

B. The Respondent has no rights or legitimate interest in respect of the disputed Domain Name – Paragraph 4a(ii).

- 1 It is, as stated, insufficient for the Complainant to satisfy paragraph 4a(i) without also satisfying paragraphs 4a(ii) and 4a(iii). As regards paragraph 4a(ii) the Complainant's Submissions (which I will not repeat here) at paragraphs 15 to 18 inclusive are accurate enough but not sufficient if the Respondent can establish "rights or legitimate interests" on some other basis.
- 2 The Respondent's Submissions with regard to paragraph 4a(ii) are to adopt a word used by the Respondent "spartan".
- 3 The Respondent relies on the *Jacuzzi, Inc. v Wangra Pty Ltd WIPO Case No. DAU2005-0001* to which I will return.
- 4 Without being specific the Respondent appears to be relying on paragraph 4c of the *Monetisation Policy*, as regards which:
 - 4.1 4c(ii) is dealt with in the Claimant's Submissions at paragraphs 18 and 19a.
 - 4.2 4c(iii), which relates to the current use, is not satisfied in the circumstances of this matter.
 - 4.3 4c(i) is the "bad faith" provision to which 4a(iii) also relates.

5 At paragraph 19b the Complainant's Submissions are broadly correct but are not necessarily conclusive if the *auDA Monetisation Policy* ("the **Monetisation Policy**") is taken into account.

6 The Position in that regard is that re-direction such as that complained of was not acceptable prior to the introduction of the current *Monetisation Policy* and:

6.1 The subject Domain Name was registered on 3 August 2006.

6.2 The initial *Monetisation Policy* (now replaced by 2012-04) was introduced in 2008-10.

6.3 None of the policies 2008-10; 2012-04; or 2012-05 as referred to in the Respondent's Annexure 1 (as relied upon in connection with paragraph 4a(iii)) are expressed to have retrospective effect. As pointed out in **Jacuzzi**:

"In view of the difficulties in proving a negative, it is usually sufficient for the Complainant to advance facts giving rise to a prima facie case that the Respondent does not have the necessary rights or legitimate interest and then an evidential burden shifts to the Respondent to show the basis for a claim to rights or legitimate interests in the relevant sense."

7 The Complainant has made out a prima facie case and the Respondent has failed to refute it. The Complainant has therefore established the ground dealt with at paragraph 4a(ii).

C. The disputed Domain Name has been registered or subsequently used in bad faith – Paragraph 4a(iii).

1. The Complainant has not pursued the argument that registration was effected in bad faith. The allegation is "use" in bad faith.

2. The ***Educational Testing Service v TOEFL WIPO Case No. D22000-0044*** is relied on in paragraph 21 of the Complainant's Submissions.

3. Prima facie the materials supplied by the Complainant, including **Annexure 8** to the Complaint in particular, established bad faith.

4. Once again paragraph 4c of the *Dispute Resolution Policy* is relevant. It sets out examples of grounds upon which a Respondent may be able to demonstrate rights or a legitimate interest in a Domain Name.
5. The *F. Hoffmann-La Roche v Registered in hostingfreeweb.com Case No. D2007-0391* describes "Click Thru" as a common example of use in bad faith. This was a Decision made on 4 May 2007, shortly prior to the registration of the Domain Name and well before the current *Monetisation Policy* provisions.
6. At paragraph 23 the Complainant seems to be making the same point as at paragraph 22 but this 2003 case deals with a different circumstance where the Respondent redirected "traffic to a website connected to the Respondent". I do not regard it as being on point.
7. The Complainant's Submissions at paragraphs 24 and 25 have been sufficiently dealt with when considering paragraph 4a(ii) of the *Monetisation Policy*.
8. I note in passing that the Complainant's paragraph 24 point about "an entity name" is misconceived as is pointed out in the said Annexure 1. The relevant phrase is "at the time the Domain Name was registered" (see the 2012-04 *Policy* Schedule C, paragraph 3b).
9. The Respondent's Submissions in reply to paragraph 4a(iii) are once again brief and I have already dealt with Annexure 1 and the position generally with regard to monetisation.
10. Unfortunately for the Respondent it is a general rule of interpretation that legislation, the same principle applying to policies such as these, is not retrospective in its effect unless specifically stated to be so.
11. Notwithstanding the above the Respondent makes the point, previously noted, that the Complainant relies on "use" not "registration" although the Respondent's further Submissions tend to be argumentative rather than disciplined.
12. The Complainant seeks to demonstrate "use" in bad faith on the ground that **Annexure 8** to the original Complaint, to which the Respondent replies, clearly illustrated that Respondent's banner request to:

"Contact Domain Owner. The Domain Name may be available for sale, lease or JV opportunity."

13. The Respondent's response, (the opportunity to reply to the Complainant's further submissions not having been acted upon) appears to attempt characterise this as an "offering of advertising services" without actually referring to this banner.
14. Whilst it is possible to characterise it that way as to part, the words "sale" and "lease" are clear enough. It does not assist the Respondent if a website is partly used in good faith if it can be demonstrated that it is principally used in bad faith.
15. Further the Respondent asserts, obviously contrary to the fact and the annexures to its own Submissions, that approaches to purchase were not solicited.
16. A fairly standard definition of *solicit* is "to ask someone for something", the Complainant understood it was asked to make an offer to buy, as it did.
17. The Respondent also relevantly draws my attention to paragraph 4b of the auDRP which instancing examples of bad faith "in particular but without limitation" refers to:
 1. *Circumstances indicating that you have registered or you have acquired the Domain Name primarily for the purpose of selling, renting or otherwise transferring the Domain Name registration to another person for valuable consideration in excess of your documented out of pocket costs directly related to the Domain Name."*
18. This of course uses two important words "primarily" and "registered".
19. The banner I have referred to includes the phrase "sale, lease or JV opportunity" (see above) I am satisfied as to the primary purpose.
20. The paragraph 4b example chosen uses the word "registered" not "use" but is, see above, one of a number of "circumstances in particular but without limitation".
21. In the circumstances of this matter, an ongoing use which demonstrates all of the other characteristics of the example given and which includes an offer to sell for \$6,500.00 (ex. GST) and clearly in excess of the costs of registration can only be construed as use in bad faith.

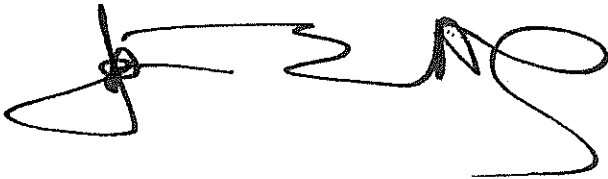
22. The Respondent's own annexures to its Submissions demonstrate that there were negotiations for a possible sale from April 2017 or thereabouts, before the Complainant advised the Respondent (as I find occurred) that it had an intention to file a Dispute with the Resolution Institute.
23. The removal of the banner in light of the Complaint suggests on any objective basis, apart from any opinion I might form, that the Respondent placed little faith in the Submissions which have subsequently been made. That removal of the banner supports the Complainant's contention that the disputed Domain was being used in bad faith.
24. I find that the Complainant has established the ground dealt with at paragraph 4a(iii).

4. **REVERSE DOMAIN NAME HIJACKING**

- 4.1. Whilst the Decision reached in this matter speaks for itself it is appropriate that I deal with the points raised by the Respondent as follows:
 - A. The Respondent was in fact served by email dated the 27th of May 2018.
 - B. This is not in issue, or relevant.
 - C. The finding is that there was a proper basis. It is noted that it is the Respondent who has identified the Complaint as relating to "cyber-squatting".
 - D. The finding is that all three grounds has been made out. Whilst paragraph 4a(ii) and 4a(iii) required consideration, the position as regards 4a(i) is regarded as being beyond effective argument.
 - E. Given that the original banner offer emanated from the Respondent it is difficult to see how an exchange of offers followed by an Application pursuant to the *Policy* can be seen to constitute harassment.
 - F. I make no finding of reverse Domain Name hijacking.

5. DECISION

5.1. The Complainant has satisfied all of the requirements of paragraph 4a of the *Policy* and accordingly I order that the disputed Domain be transferred to the Complainant.

A handwritten signature in black ink, appearing to read 'John Emmet McDermott'. The signature is stylized with a large initial 'J' and a long, sweeping underline.

John Emmet McDermott
Sole Panelist
3 August 2018