

Domain Name: *nutrafruit.com.au*

Name of Complainant: *Nutrafruit Pty Ltd ACN 138 385 154*

Name of Respondent: *Phytonova Pty Ltd ACN 107 942 665*

Provider: *Resolution Institute*

Single Member Panellist: *Dennis Liner*

1. The Parties

- 1.1 The Complainant in this proceeding is Nutrafruit Pty Ltd ACN 138 385 154 (“the Complainant”).
- 1.2 The Respondent in this proceeding is Phytonova Pty Ltd ACN 107 942 665 (“the Respondent”).

2. The Domain Name, Registrar and Provider

- 2.1 The Domain Name subject to this proceeding is “*nutrafruit.com.au*” (the Domain Name”).
- 2.2 The Registrar of the Domain Name is Netregistry Pty Ltd (“the Registrar”).
- 2.3 The provider in this Proceeding is Resolution Institute of Level 2, 13-15 Bridge Street, Sydney, NSW 2000 (“the Provider”)

3 Procedural Matters

- 3.1 This proceeding relates to the complaint submitted by the Complainant in accordance with:-
- (i) the .au Dispute Resolution Policy no.2016-01 published 15 April 2016 (“auDRP”) which includes Schedule A (Policy) and Schedule B (Rules); and
 - (ii) the Provider’s supplemental rules for the au Domain Name Dispute Policy.
- 3.2 The Provider was supplied with a non-compliant ADR Domain Name Dispute Complaint Application Form by way of an email and received by the Provider on Monday 1 July 2019. A notification of Non-Compliance dated Monday 8 July 2019 was issued to the Complainant. A Rectified Complaint was received by the Provider

via email on Wednesday 10 July 2019. Such document is accepted by the Panel as constituting the Complaint in this matter. The email with such Complaint attached supporting documentation referred to below.

The Provider was supplied with a Response of the Respondent lodged by way of an email Monday 5 August 2019. The email with such Response attached supporting documentation referred to below.

The Provider received by email on Tuesday 13 August 2019 a response to the Respondent's response and forwarded it by email to the Panel member on Wednesday 14 August 2019 ("the Complainant's response"). In the interest of procedural fairness, the panellist requested that the Respondent be provided with the Complainant's response with an opportunity to respond thereto.

The Respondent forwarded to the Provider by email on Monday 19 August a response to the Complainant's response ("the Respondent's further response")

I find that the making of the Complaint and the Response, and the Complainant's response and the Respondent's further response, together with the supporting documentation referred to below comprise all the relevant matters submitted to the Panellist. I have perused the documents and I am satisfied that the service of the documents and the time for service of the documents complies with the Rules.

3.3 The documents supplied by the Complainant were as follows:-

Domain Dispute Name Complainant by way of email to which the documents set out below were attached:

- i) Resolution Institute Domain Name Dispute Complaint Application Form dated 1 July 2019.
- ii) Complaint headed "Resolution Institute - Domain Name Dispute Complaint Submissions" ("the details of Complaint") .
- iii) Index of evidence relied on.
- iv) ASIC extract for Nutrafruit Pty Ltd ACN 138 385 154.
- v) ASIC extract for Phytonova Pty Ltd ACN 107 942 665
- vi) .auDA Dispute Resolution Policy 2016-01
- vii) Trade Mark 1724040 owned by the Complainant

3.4 The documents supplied by the Respondent were as follows:-

Response by way of email to which the documents set out below were attached:

- i) Resolution Institute Respondent's details Form dated 5 August 2019
- ii) Respondent's Submissions.
- iii) Index of Evidence
- iv) Expression of Interest - 2009.
- v) Notice of Successful Tender 17/03/09

- vi) Unsigned Collaborative (Licence) Agreement
- vii) Deed of Release – 01/05/17
- viii) Letter from Holland & Holland to McMahon Clarke -02/02/19

3.5 The documents supplied by the Complainant to the Respondent's response comprised:

- i) Complainant's response to Respondent's Submissions dated 13 August 2019.
- ii) Index of Evidence.
- iii) Collaborative Agreement entered into between the Complainant and the State of Queensland in February 2010
- iv) List of intellectual property which Hugh McIntosh claims is owned by him.
- v) Letter from McMahon Clarke to the Respondent dated 21 August 2018.
- vi) Letter from Holland & Holland Solicitors dated 21 March 2019 seeking payment for "intellectual property".

3.6 The Documents supplied by the Respondent to the Complainant's Response comprised:

- i) Respondent's Submissions to Complainant's Response 13 August 2019, dated 19 August 2019.

Factual background

FACTS ALLEGED BY THE CLAIMANT

- 4.1 In 2006 there were various meeting held between Hugh Macintosh ("Macintosh")(one of the Directors of the Respondent), William James Hatton, William Goodrich, Richard James Goodrich, and Michael Lehman wherein it was decided to form a Company to be called "Nutrafruit" for the purpose of submitting a tender to State of Queensland to acquire the commercialisation rights to the queen garnet plum.
- 4.2 In February 2009 the Domain Name was registered by the Respondent.
- 4.4 On 6 August 2009 the Complainant was registered as a corporation by ASIC.
- 4.5 In February 2010 the Complainant was granted an exclusive licence for the commercialisation of the queen garnet plum by State of Queensland ("the Licence").
- 4.6 The Respondent is not a related entity of the Complainant.
- 4.7 On 25 September 2015 the Complainant registered a trademark over the "Nutrafruit logo" which appears on the domain name website.

- 4.8 The Complainant owns the copyright in all material and content on the Domain Name website.
- 4.8 The Complainant states:
- (i) the Domain Name is identical with or confusingly similar to the registered Company name of the Complainant (“Nutrafruit Pty Ltd”).
 - (ii) the Respondent has no rights or legitimate interests in respect of the Domain Name
 - (iii) the Domain Name has been registered or subsequently used in bad faith.
- 4.9 The Respondent has no right or legitimate interest in the Domain Name because:
- (i) The Complainant carries on business under the name “Nutrafruit”.
 - (ii) The Complainant has the exclusive rights to the use of the “Nutrafruit logo” pursuant to its registered Trademark, such logo appears on the Domain Name website.
 - (iii) The Complainant holds the exclusive rights to commercialise the queen garnet plum pursuant to the Licence, and the subject of the Domain Name of the website is the queen garnet plum.
 - (iv) The Domain Name website acts as a business website for the Complainant, by marketing and selling queen garnet plum pursuant to the Licence.
 - (v) The Respondent registered the Domain Name in anticipation of the incorporation of the Complainant and it had been agreed that the Domain Name would become the primary website address for the Complainant.
 - (vi) The Respondent is not a related entity of the Complainant and has no rights or legitimate interest in the Domain Name, the business of the Complainant or the queen garnet plum.
- 4.10 The Respondent has subsequently used the Domain Name in bad faith because it refused to transfer the Domain Name to the Complainant or provide login details for the website or online shop. It alleges that the Domain Name is personally owned by McIntosh. The Respondent has demanded payment from the Complainant in exchange for the transfer of all rights, titles and interests in the Domain Name and associated online store. The Complainant relies on the Domain Name website and the online shop which forms part of the website and its business would suffer if the website were deactivated as a result of non-payment for the rights to the Domain Name.

FACTS ALLEGED BY THE RESPONDENT

- 5.1 There was no agreement as set out in paragraph 4.1. In 2006. The Licence was awarded to an unrelated third party. It was terminated in December 2008 and on 11 February 2009 the State of Queensland called for expressions of interest. The Respondent tendered for the Licence and was successful in it being awarded on or about 17 March 2019.

- 5.2 In or about late July 2009 various parties agreed to register a Company which was to take an assignment of the Licence with the consent of the State of Queensland .
- 5.3 Prior to July, Macintosh had created and owned significant intellectual property incidental to the tender, including grower licence agreements, financial and operating models and grower data bases (“the IP rights”).
- 5.4 The incorporation of the Complainant and the transfer to it of the Licence did not and were not intended to effect a transfer of ownership of the IP rights to the Complainant.
- 5.5 The Deed of Release referred to at 3.4 vii) acknowledges that Macintosh had various IP rights (not described) and provided that the Complainant would pay \$400,000 for the use of such rights. There is a dispute between the parties in respect to this Deed.
- 5.6 The Complainant admits that the Domain Name is identical to the Complainant’s name but denies that the Complainant trades under a registered business name.
- 5.7 In respect to whether the Respondent has rights or legitimate interest in respect of the Domain Name, the Respondent says:
- i) it admits paragraphs 4.9 iii) and iv);
 - ii) it admits that the Complainant trades in its Company name;
 - iii) in respect to paragraph 4.9 ii) it admits that the Complainant registered the Trademark but such Trademark does not contain the word “Nutrafruit”;
 - iv) it disagrees with paragraph 4.9 v) and says that it registered the Domain Name prior to the agreement referred to in paragraph 5.2, but the Respondent and Macintosh licensed the Complainant to use the Domain name.
 - v) the Respondent is a company associated with and under the control of Macintosh and carries on business as a breeder of stone fruit, registered the Domain Name prior to the incorporation of the Complainant and is part of the IP rights owned by Macintosh and accordingly has a legitimate interest in the Domain Name. Also, Macintosh is a shareholder of the Complainant through his company Kinault Holdings Pty Ltd.
 - vi) there has never been any agreement or understanding that the IP rights, including the Domain Name would be transferred to the Complainant without recompense.
- 5.8 In respect as to whether the Domain Name was registered or subsequently used in bad faith, the Respondent says:
- i) it denies that it has refused to transfer ownership to the Complainant and has, at all material times, agreed to transfer the IP rights, including the Domain Name for reasonable consideration;

ii) pursuant to the Deed of Release (3.4 vii))the Complainant licensed the Complainant to use the Domain Name as part of the IP rights and this enables the Complainant to operate the website and online shop unimpeded;

iii) neither it nor Macintosh have threatened to deactivate the website.

6.1 The Complainant's response comprised:

- i) Complainant's response to the Respondent's submissions
- ii) "Index of Evidence"
- iii) "Collaborative Agreement that was actually entered into between the Complainant and the State of Queensland in February 2010"
- iv) "Executed commercialisation licence between the Complainant and the State of Queensland"
- v) List of intellectual property which Macintosh claims is owned by him
- vi) Letter from McMahan Clarke to the Respondent dated 21 August 2018
- vii) Letter from Holland & Holland Solicitors dated 21 March seeking payment for intellectual property

6.2 The Complainant's response states that the Respondent's document 3.4 v) does not confirm that the Respondent was awarded the licence, but advises that the Respondent had been selected as the preferred bidder and was given a first option on negotiating an exclusive commercialisation licence.

6.3 The Complainant states that the Respondent's document 3.4 vi) was only an unsigned draft, whereas the Complainant's document 6.1 iii) is the Collaborative Agreement actually entered into between the Complainant and the State of Queensland in February 2010. This licence was not assigned to the Respondent.

6.4 In respect to paragraph 5.1 the Complainant states that there was an agreement reached in January, not July as set out in 5.2. The February 2009 Expression of Interest document (3.4 iv)) states that it is on behalf of consortium members named as Bill, Hatton, Mike Lehman, Adriana Burkard, Bim Goodrich, Rick Goodrich and Hugh Macintosh. Further, it states that a new entity will be formed to undertake evaluation work and, ultimately the commercialisation of the Queen Garnet.

6.5 The letter McMahan Clark (document 6.1 vi) claims that all work carried out by Macintosh was carried out on behalf of the Complainant and all intellectual property owned by Macintosh, including the Domain Name, is held by him in trust on behalf of the Complainant, Macintosh being a Director and shareholder of the Complainant.

7.1 The Respondent's further response states that after receiving the Notice of 13 March 2009 (document 3.4 v)) it negotiated and received various draft Licence Agreements and after receiving document 3.4 vi) there was a meeting between the parties referred to in paragraph 4.1 wherein it was agreed to incorporate the Complainant and, with the consent of the State of Queensland, have the Licence issued in the name of the Complainant instead of the Respondent.

7.2 The Respondent denies there was an agreement between the parties in January 2009, it was in mid-March after the Licence was successful that there was a meeting to inspect possible orchard sites. Although there were many discussions there was no agreement between the parties until late July 2009.

7.3 The Respondent denies that he holds the Domain Name upon a constructive trust on behalf of the Complainant.

8 Jurisdiction

8.1 Paragraph 2.1 of the auDRP states:

"All Domain Name licences issued or renewed in the open 2LDs from 1 August 2002 are subject to a mandatory administrative proceeding under the auDRP."

8.2 The Domain Name, being "com.au", is an open 2LD within the scope of the aforementioned paragraph. It is therefore subject to the mandatory administrative proceeding prescribed by the auDRP

9 Basis of Decision

9.1 Paragraph 15(a) of the Rules state:

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

9.2 Paragraph 4(a) of the Policy provides that 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, Trade Mark 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.

I note that **all three** components of Paragraph 4(a) are required to be proven for any Complaint to be upheld.

- **Domain Name is identical and confusingly similar to names or Trade Marks in which the Complainant has rights.**

The Complainant contends that the Domain Name is identical to the name of the Complainant. The Respondent (paragraph 5.6) admits this.

The Domain Name is identical to the Name of the Complainant. Accordingly, I find that Paragraph 4(a) (i) is satisfied.

- **Respondent has no rights or legitimate interests in respect of the Domain Name**

The Complainant contends that the Respondent has no rights or legitimate interests in respect of the Domain Name upon the basis of the facts as set out in paragraph 4.9. The Respondent contends that it registered the Domain Name on its own behalf in anticipation of using it, inter alia, as a breeder of stone fruit and in anticipation of obtaining a Licence for the State of Queensland.

Pursuant to Schedule A of auDRP the Respondent is required to demonstrate its rights or legitimate interests in respect to the Domain Name by inter alia, any of the following:

- *before any notice to the respondent of the subject matter of the dispute, the respondent's bona fide use of, or demonstrable preparations to use, the domain name or a domain name corresponding to the domain name in connection with an offering of goods or services(not being the offering of domain names that it has acquired for the purpose of selling, renting or otherwise transferring); or*
- *the respondent (as an individual, business, or other organisation) has been commonly known by the domain name, even if the respondent has acquired no trademark or service mark rights; or*
- *the respondent is making a legitimate non-commercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the name, trademark or service mark at issue.*

The Respondent contends the Domain Name was registered prior to any notice by the Complainant in respect of the business and in applying to obtain the relevant Licence form the State of Queensland. However, the Complainant contends that it was registered in anticipation of the agreement between the various parties and did so on their behalf .

Upon evaluating all the evidence provided to me I find that the Respondent does not offer goods or services in connection with the Domain Name, is not commonly known by the Domain Name or making a legitimate use of the Domain Name, the Complainant using the Domain Name for its business. Accordingly I find that paragraph 4(a)(ii) is satisfied.

- **The Domain Name was registered or was subsequently used in bad faith**

The Complainant contends that the Domain Name was registered or is being used in bad faith as it was registered on behalf of the Complainant, and subsequently used

in bad faith as the Respondent has refused to transfer the Domain Name to it without payment. The Complainant, with the knowledge and consent of the Respondent relies on the Domain Name website for its business.

The Respondent denies bad faith upon the basis that it was acquired with the intention of using it, did not register it on behalf of the Complainant or other persons and is willing to transfer the Domain Name upon appropriate payment.

Pursuant to Schedule A of auDPR the following circumstances, inter alia, shall be evidence of the registration and use of a domain name in bad faith:

- (i) circumstances indicating that the domain name has been registered or acquired primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to another person for a profit; or*
- (ii) the registration of the domain name in order to prevent the owner of a name, trademark or service mark from reflecting that name or mark in a corresponding domain name; or*
- (iii) registering the domain name primarily for the purpose of disrupting the business activities of another person; or*
- (iv) using 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 with the Complainant's name or mark as to the source, sponsorship, affiliation, or endorsement of that website or location or of a product or service on that website or location.*

Upon the submissions, documents and evidence supplied, I find that that the Domain Name was registered or subsequently used in bad faith in accordance with Schedule A (i), namely that it was registered primarily for the purpose of selling or renting, or otherwise transferring the domain name registration to another person for profit.

In accordance with the above findings, I find that Paragraph 4(a)(i), (ii) and (iii) are satisfied.

10. Decision.

10.1 As I have found that as each element of Paragraph 4(a) has been proven, the Complainant is upheld.

10.2 Accordingly, for the above reasons, I direct that the Domain Name be transferred to the Complainant.

Dated 23 August 2019

Dennis Liner

Panellist