

Nick (aka Nik) Seirlis atf North South Executive Rentals UT No 1 and North South Executive Rentals PL auDRP_24_03

Determination re: northsouth.com.au

1. I received the complaint and procedural history on 16 April 2024 with due date 30 April 2024. The complaint was lodged on 19 February 2024 (with payment received 6 March 2024) and receipt was acknowledged of the completed complaint on 14 March 2024. The relevant domain name registrar was notified of the complaint on 14 March 2024 and provided registrant details and confirmed lock on the challenged domain name (the domain name) on 14 March 2024. The respondent and auDA were notified of the complaint on 22 March 2024. The response was lodged on 10 April 2024 before the due date of 11 April 2024. All the foregoing were by email.

Complainant's contentions

2. The complainant's material stated the following matters in support of its application to have the the domain name transferred to it under para 6.1(b) of the auDA Dispute Resolution Policy (auDRP):

2.1 The respondent became the registrant of the domain name on a date unknown to the complainant but after the respondent's incorporation on 26 August 2010; the domain name had first been registered on 5 March 2007 (to whom is not revealed in the evidence). The domain name was used as a business listing website up to at least 25 January 2014. At a point after that date the website became used in the North South real estate business with first recorded use being 4 December 2014.

2.2 The complainant owns the following registered Australian trade marks: 1280340 "North South" word mark registered 9 January 2009; 1227423 stylised northsouth logo mark registered 10 November 2008. Both marks are

registered in classes 36 and 37. In summary, class 36 covers real estate services including agency services and investment advice and class 37 covers real estate development services. The priority date of the marks pre-dated the respondent's incorporation.

2.3 At registration of the marks all issued capital of the respondent was owned by the previous trustee of the complainant trust, Evangelia Seirlis (the complainant's mother), who was replaced by the present trustee, being the complainant, by variation deed dated 28 May 2019. That trustee wholly owned and operated the respondent and its real estate business known as North South up to January 2017. The respondent does not own and has no pending applications for, any Australian trade marks.

2.4 The shares in the respondent were sold in January 2017 to three trustees of trading trusts who were or were associated with a former director and the current directors (Domenico Bellino and Thomas Kralikas) of the respondent. About 6 January 2017 the former trustee of the complainant trust entered into a licence deed with the respondent, under which the respondent was granted a non-exclusive, non-transferable licence to use the complainant's marks in its real estate business and on termination of the licence was to cease use of the marks.

2.5 On 29 October 2021 the complainant and respondent executed a deed of settlement and release which, among other matters, terminated the licence deed on 29 April 2022 and required the respondent to cease use of the marks from 29 January 2022 in the respondent's sale business and from 29 April 2022 for all other use.

2.6 Despite requests the respondent refuses to cease using the domain name.

Respondent's contentions

3. The respondent relevantly stated the following in its resistance to the complainant's application:

3.1 The domain name was registered by Mr Kralikis as a director of the respondent in 2017, and one of the current directors (the ASIC search showed that it was Mr Bellino) had been a director of the respondent for five years. (I have taken this to mean that the renewal by the respondent occurred after the events in 2017 described earlier, but ultimately that does not matter in the decision below. I also note that the ASIC search in the complainant's evidence showed the complainant as a director only for 15 months in 2010-2011 and the former trustee as never a director.)

3.2 The "Intellectual Property" as defined in the licence deed dated 6 January 2017 expressly included other domain names (and email addresses with those suffixes) but not the domain name.

3.3 The "Intellectual Property" as defined in the deed of settlement and release dated 29 October 2021 was that licensed under the licence deed. In that respect, I note that the defined term was not relevantly used further in that deed and only cessation of use of the marks was required in the deed.

The auDRP requirements to be proved by the complainant

4. 4.1 The matters which the complainant is required to establish are set out in para 4a of Sch A to the auDRP 2016-01 (current to date of this determination):

- (i) the challenged domain name is identical or confusingly similar to a name (Note 1), trademark or service mark in which the complainant has rights; and
- (ii) the respondent has no rights or legitimate interests in respect of the challenged domain name (Note 2); and
- (iii) the challenged domain name has been registered or subsequently used in

bad faith.

Note 1

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; or
- (b) the complainant’s personal name.

Note 2

For the purposes of this policy, auDA has determined that “rights or legitimate interests in respect of the domain name” are not established merely by a registrar’s determination that the respondent satisfied the relevant eligibility criteria for the domain name at the time of registration.”

4.2 On each of the requirements, and overall, the complainant bears the onus.

4.3 Under para 4c of Sch A, any of the following circumstances, in particular but without limitation, if found by the panel to be proved based on its evaluation of all evidence presented, is to be taken to demonstrate the respondent’s rights or legitimate interests to the domain name for purposes of para 4a(ii):

(i) 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 name corresponding to the domain name in connection with an offering of goods or services (not being the offering of domain names that the respondent has acquired for the purpose of selling, renting or otherwise transferring); or

(ii) 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

(iii) 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.

4.4 Under para 4b of Sch A, for the purposes of para 4a(iii), the following circumstances, in particular but without limitation, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith:

(i) Circumstances indicating that the registrant has registered or 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 the registrant's documented out-of-pocket costs directly related to the domain name; or

(ii) the registrant has registered 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) the registrant has registered the domain name primarily for the purpose of disrupting the business or activities of another person; or

(iv) by using the domain name, the registrant has intentionally attempted to attract, for commercial gain, Internet users to a web site 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 web site or location or of a product or service on that website or location; or

(v) if any of the registrant's representations or warranties as to eligibility or third party rights given on application or renewal are, or subsequently become, false or misleading in any manner.

Discussion and decision on each auDRP requirement

5. As to the first auDRP requirement, the complainant has registered trade marks to which the domain name is identical in text except for a space between the words “north” and “south” in the word mark but not the logo mark. The evidence established that registration of marks pre-dated registration of the domain name to the respondent but not first registration of the domain name to an earlier unidentified registrant.
6. The test under auDRP 2016-01 Sch A para 4a, unlike a test of confusion or association in some other domain name protocols and legal contexts, is that one simply compares the substantive word(s), in this case in the marks and the domain name, ignoring the domain suffix unless that forms part of the mark or name with which the domain name is compared: see, eg, costumesdirect.com.au LEADR auDRP 02/11 (3 person panel) at [10]-[12]; cp engineer.com.au LEADR auDRP 03/09 at [6]: “auDRP proceedings are designed to deal with relatively straight forward cases of cybersquatting; that is conduct that *classically involves a respondent registering as a domain name another person’s mark*” [emphasis added]); *Tigers Direct* WIPO DAU 2010-005 at [6A] (where the complainant had a registered trade mark).
7. Here, on the required comparison the common substantive part of the domain name is identical with the common substantive part of the complainant’s marks. Paragraph 4a(i) is satisfied.
8. Turning to the second auDRP requirement, a decision that the name meets the eligibility requirements for registration as a domain name does not of itself affect rights to challenge the use by that registrant (the respondent) of the domain name: Note 2 to auDRP 2016-01 Sch A para 4a.
9. On the evidence the respondent has always had, and continues to have, the

elements “North South” as part of its corporate name and there was no question that it was entitled to use the complainant’s marks containing those words up to 29 April 2022. There was equally no question that until that date it had a right to use or legitimate interest in using the domain name.

10. The deed under which use of the marks ceased did not mention the domain name nor expressly require the respondent to change its corporate name to remove “North South” nor to cease to use the domain name. It could have expressly done so if that was intended. There may have been good commercial reason not to include such requirements. That is beyond the evidence in and scope of this determination and would be for another forum. In the circumstances just described, and contrary to the submission of the complainant, the cessation of right to use the marks of itself and without more does not establish that the respondent has ceased to have a right to or legitimate interest in the domain name.
11. Accordingly, the complainant has not satisfied its onus to establish the second requirement in para 4(a)(ii) with note 2 and para 4c. Whether this remains the position at the time that the respondent is required to satisfy renewal requirements for registration of the domain name is a separate issue.
12. Turning to the third auDRP requirement, the complainant relied on the cessation of right to use the marks in itself as a primary indication of illegitimate continued use and bad faith. It referred to the potential for confusion with the complainant’s business and use of the marks and what it described as an excessive sale price offered to sell the domain name, the respondent having rejected what it described as a reasonable offer to purchase the domain name.
13. It should be noted that the monetisation inferences and disruption references in Sch A para 4b expressly refer to acquisition of the disputed name, not its continued use, although one must acknowledge that these are stated to be

non-exclusive examples. The reference to use in para 4b(iv) requires proof of intent to divert business by inducing confusion. Continued use of a domain name of itself does not establish that required intent in the circumstances described above, even if there may be other available avenues for relief.

14. The complainant has not provided sufficient evidence to resolve in its favour the claim that the respondent has no commercial or other rationale for continued use of the domain name.
15. On the evidence the complainant has not satisfied its onus to establish the third requirement under auDRP 2016-01 paras 4a(iii) with para 4b. Again, whether this remains the position at the time that the respondent is required to satisfy renewal requirements for registration of the domain name is a separate issue.

Result

15. The complainant has not discharged its onus to establish all the required elements to obtain the remedy it seeks. The complaint is determined in favour of the respondent. The lock on the challenged domain name should be removed within the time limits under the auDRP absent any successful interlocutory application to the contrary of that removal in another appropriate forum. This result does not forestall the parties litigating ownership of or rights to the domain name in another forum: see auDRP paras 2.3, 7.2, Sch A paras 4k, 5, 6, Sch B para 18.

Determination

- 16. The complaint is not made out and is determined in favour of the respondent. The lock on the challenged domain name should be removed within the time limits under auDRP absent any successful interlocutory application to the contrary of that removal in another**

appropriate forum.

25 April 2024

Determining Panel

Gregory Burton SC

Liability limited by a scheme approved under Professional Standards Legislation in addition to under the auDRP