



## ADMINISTRATIVE PANEL DECISION

Smart LLC

v.

Care Products Group Pty Ltd

auDRP\_21\_10

<chemicalguys.com.au>

### 1. The Parties

The Complainant is Smart LLC, United States, represented by Gadens Lawyers, New South Wales.

The Respondent is Care Products Group Pty Ltd, formerly known as Wow Wash Pty Ltd, internally represented, New South Wales.

### 2. The Disputed Domain Name and Registrar

The disputed domain name is <chemicalguys.com.au> ("the Domain Name"). The Registrar of the Domain Name is Web Address Registration Pty Ltd.

### 3. Procedural History

This is an administrative proceeding pursuant to the 2016-01.au Dispute Resolution Policy published by auDA on April 15, 2016 ("auDRP" or "Policy"); the auDA Rules for .au Dispute Resolution Policy ("Rules"); and the Resolution Institute Supplemental Rules for .au Domain Name Dispute Resolution Policy ("RI Supplemental Rules").

The Complaint was received by Resolution Institute ("RI") via email on Friday, 28 May 2021 and acknowledged that day. Also that day a copy of the Complaint was emailed to the Registrar with a request to clarify the Respondent's details and to lock the Domain Name pending the final decision in this proceeding. On Monday, 31 May 2021 the Registrar confirmed via email the Respondent's contact details and that the Domain Name has been locked. That day RI advised auDA of the Complaint via e-mail and, by email and express post, notified the Respondent of the Complaint lodged against it. These notifications were copied to the Complainant and its representative. The proceeding therefore commenced on Monday, 31 May 2021 and the due date for a Response was Sunday, 20 June 2021. On Saturday, 19 June 2021 the Respondent submitted a Response. On Monday, 21 June 2021, RI approached the Panellist, who that day confirmed his availability, informed RI that he has no conflict issues with the parties and

accepted the matter. The case file and relevant correspondence were forwarded to the Panellist that day.

#### **4. Factual Background**

Both parties are in the business of supplying automotive supplies, including car wash products, car detailing supplies, chemicals, waxes and polishes. The Complainant, based in California, uses for its website the domain name <chemicalguys.com>, which it registered on December 2, 2003.

The Complainant has registered the CHEMICAL GUYS trademark in many countries, the earliest registration being in the United States, No. 3444673, applied for on October 5, 2007 and registered on June 10, 2008. The Complainant also owns Australian Trade Mark No. 1595049 (IR 1183810) CHEMICAL GUYS, registered on May 14, 2014 and No. 2089536 CHEMICAL GUYS, registered on December 29, 2020. Since 2008 the Complainant has supplied its products under the CHEMICAL GUYS brand in Australia through its Australian distributor, Chemical Guys Australia Pty Ltd., which registered the Australian Business Name CHEMICAL GUYS on February 28, 2019.

The Respondent provides automotive supply products through its website at "www.carcareproducts.com.au". The Respondent registered the <chemicalguys.com.au> domain name on April 4, 2008, since when it has remained inactive.

The Complainant (through its lawyers) wrote to the Respondent on 10 March 2021 setting out its rights in the CHEMICAL GUYS trademark, asserting failure by the Respondent to comply with the applicable domain name eligibility requirements, requesting transfer of the Domain Name to the Complainant and offering \$A1,000 to cover the Respondent's costs. The Respondent, through its CEO, replied on 18 March 2021 stating: "I do have plans to develop a site under this domain name for resale of chemical products commercially and fulfill auDA requirements. However if your client is committed to purchasing this domain name, the cost required would be USD\$11,000 payable in agreement before the release of the domain name is fully authorized."

On April 22, 2021, the Australian Business Name DETAILING CHEMICAL GUYS was registered in the name of Car Care Products Australia Pty Ltd.

#### **5. Parties' Contentions**

##### **Complainant**

The Complainant submits that the Domain Name is identical or confusingly similar to the CHEMICAL GUYS trade mark in which the Complainant has rights and that the Respondent has no rights or legitimate interests in respect of the Domain Name, which has been registered or subsequently used in bad faith.

As to legitimacy, the Complainant says that, based on its lawyers' extensive investigation, at no time from the registration of the Domain Name on 4 April 2008 until now has the

Respondent met the registrability criteria for registration of the Domain Name pursuant to the Domain Name Eligibility and Allocation Policy Rules for the Open 2LDs (Eligibility Rules), which require a domain name to be either: (a) an exact match, abbreviation or acronym of the registrant's name or trade mark; or (b) otherwise closely and substantially connected to the registrant, in accordance with the categories of "close and substantial connection" set out in the Guidelines on the Interpretation of Policy Rules for the Open 2LDs (Interpretation Guidelines).

As to bad faith, the Complainant submits that:

- (i) by seeking a payment of USD11,000 in exchange for the Domain Name, the Respondent has clearly demonstrated bad faith registration for the purpose of selling, renting, or otherwise transferring the domain name registration to another person for valuable consideration in excess of documented out-of-pocket costs directly related to the domain name;
- (ii) the Respondent registered the Domain Name in order to prevent the Complainant from reflecting its CHEMICAL GUYS trademark in a corresponding domain name. The Respondent is the registrant of other domain names incorporating third party trademarks. This pattern of behaviour strongly suggests that the Respondent has a practice of deliberately registering domain names featuring third party trade marks in order to prevent those legitimate third parties from doing so;
- (iii) the Respondent would have been aware of the Complainant's reputation in 2008 and registered the Domain Name for the primary purpose of disrupting the business activities of the Complainant in Australia;
- (iv) the Respondent provided no justification for the amount of USD11,000 in exchange for the Domain Name particularly when the Domain Name does not appear to have even been used by the Respondent in over 13 years. The communication of 18 March 2021 amounts to an admission that the Respondent's registration of the Domain Name does not satisfy the Eligibility Rules and evidence that the Respondent is exploiting the Complainant by seeking an exorbitant sum of money in return for the transfer of the Domain Name; and
- (v) at no point in time has the Respondent been eligible to hold the Domain Name and is in breach of the Eligibility Rules. As such, the Respondent has made representations and warranties at the time of registration of the Domain Name and renewal of the Domain Name that are false and misleading. This conduct also amounts to evidence of registration of the Domain Name in bad faith.

The remedy the Complainant is seeking is transfer of the Domain Name <**chemicalguys.com.au**> to the Complainant.

## **Respondent**

Care Products Group produces, imports and distributes a range of chemicals and cleaning products from various manufacturers including own label chemical products. It has been in operation for over 15 years in this industry and has represented and sold several international brands.

The Respondent does have the right to own and operate the Domain Name based on the following points:

- a) the Domain Name was registered in Australia prior to any representation, activity or otherwise from the Complainant;
- b) we have been offered Chemical Guys products on multiple occasions to sell in Australia. We remain open to a relationship selling this range of products;
- c) we have a registered Business Name "Detailing Chemical Guys" under which we propose to offer news and information on detailing chemicals, techniques and news about the detailing market using the Domain Name.

The auDA 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; or b) the complainant's personal name."

The Respondent does not believe the Complainant has a trading company in Australia or a legal, business or trading name registered with the Australian Government.

## **6. Discussion and Findings**

Paragraph 15(a) of the Rules instructs the Panel as to the principles it is to use in determining this dispute:

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

Paragraph 4(a) of the auDRP requires the Complainant to prove each of the following three elements:

- (i) the Domain Name is identical or confusingly similar to a name (Note 1), trade mark or service mark in which the Complainant has rights; and

- (ii) the Respondent has no rights or legitimate interests in respect of the Domain Name (Note 2); and
- (iii) the 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.

**Rights**

The Complainant has shown that it has rights in the trademark CHEMICAL GUYS through numerous registrations around the world, the first being in the United States, No. 3444673, applied for on October 5, 2007 and registered on June 10, 2008. The Complainant also owns Australian Trade Mark No. 1595049 (IR 1183810) CHEMICAL GUYS, registered on May 14, 2014 and No. 2089536 CHEMICAL GUYS, registered on December 29, 2020.

**Identity or confusing similarity**

The <chemicalguys.com.au> Domain Name is clearly identical to the Complainant’s CHEMICAL GUYS trademark, since the absence of a space between the two words of the mark and the “.com.au” suffixes are inconsequential and may be disregarded.

The Complainant has established this element.

**Legitimacy**

Paragraph 4c of the auDRP provides:

“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 your rights or legitimate interests to the domain name for purposes of Paragraph 4(a)(ii):

- (i) before any notice to you of the subject matter of the dispute, your 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 you have acquired for the purpose of selling, renting or otherwise transferring); or

- (ii) you (as an individual, business, or other organisation) have been commonly known by the domain name, even if you have acquired no trademark or service mark rights; or
- (iii) you are 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.

As noted above, the Domain Name was registered on April 4, 2008, since when it has remained inactive.

Under the auDA auDRP Overview 1.0, paragraph 2.1:

“A complainant is required to make out a prima facie case that the respondent lacks rights or legitimate interests. The complainant will usually make out a prima facie case by establishing that none of the paragraph 4(c) circumstances are present. Once such a prima facie case is made, the burden of production shifts to the respondent, requiring it to provide evidence or plausible assertions demonstrating rights or legitimate interests in the domain name. If the respondent fails to provide such evidence or assertions, a complainant is generally deemed to have satisfied paragraph 4(a)(ii) of the Policy ... If the respondent does provide some evidence or plausible assertions of rights or legitimate interests in the domain name, the panel then weighs all the evidence – with the burden of proof always remaining on the complainant”.

Although the appropriate process to determine the Complainant’s contention that the Respondent is ineligible to hold its licence for the Domain Name is set out in the auDA 2004-01 - Complaints (Registrant Eligibility) Policy, the Panel accepts that the Complainant’s assertion of ineligibility, together with the Complainant’s other assertions and the fact that the Domain Name has not been used, are together sufficient to constitute a prima facie case of absence of rights or legitimate interests in respect of the Domain Name on the part of the Respondent.

As mentioned, the Respondent relies on three points in support of its contention that it does have the right to own and operate the Domain Name.

As to the point that the Domain Name was registered in Australia prior to any representation, activity or otherwise from the Complainant, the Panellist considers that the mere registration of the Domain Name in Australia prior to any representation, activity or otherwise from the Complainant does not confer upon the Respondent rights or legitimate interests in respect of the Domain Name.

As to the point that the Respondent has been offered Chemical Guys products to sell in Australia on multiple occasions and remains open to a relationship selling this range of products, the Panellist notes that the correspondence exhibited by the Respondent in which the Complainant offered its products to Respondent for re-sale in Australia did not involve any use of the Domain Name, even as an email address, and gave no indication that the Complainant was then aware of the registration by the Respondent of the Domain Name. Accordingly, the Panellist finds that those offers do not confer upon the Respondent rights or legitimate interests in respect of the Domain Name.

As to the point that the Respondent has a registered Business Name “Detailing Chemical Guys” under which it proposes to offer news and information on detailing chemicals, techniques and news about the detailing market using the Domain Name, the Panellist notes that, in responding to the Complainant’s letter asserting failure to comply with the auDA eligibility requirements, the Respondent’s CEO said:

“I do have plans to develop a site under this domain for resale of chemical products commercially **and fulfill auDA requirements.**” [emphasis added]

On April 22, 2021, the Australian Business Name DETAILING CHEMICAL GUYS was registered in the name of Car Care Products Australia Pty Ltd, which the Panellist takes to be a member of the Respondent’s group of companies. This business name registration may possibly satisfy the eligibility requirements by the time the Complaint was filed on 28 May, 2021 but, in light of Note 2 to paragraph 4 of the auDRP set out above, it does not follow that mere compliance with the eligibility requirements demonstrates rights or legitimate interests in respect of the Domain Name.

Accordingly, the Panellist finds that the Respondent has not rebutted the Complainant’s *prima facie* case.

The Complainant established this element.

### **Bad faith**

Paragraph 4(a) of the auDRP provides that, for the purposes of Paragraph 4(a)(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 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; or
- (ii) you have 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) you have registered the domain name primarily for the purpose of disrupting the business or activities of another person; or
- (iv) by using the domain name, you have intentionally attempted 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; or
- (v) if any of your 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.

The Complainant relies on (i) to (iii) and (v), as well as the Respondent's failure to provide justification for the "extortionate" amount of USD11,000 in exchange for the Domain Name.

As to (i), the auDA auDRP Overview 1.0, paragraph 3.1A says:

"auDRP panels have drawn a distinction between an offer to transfer that is unsolicited and an offer to transfer that is solicited by the complainant. Where the complainant has solicited an offer of transfer, such as by enquiring if the respondent is willing to sell the domain name, a consequential offer by the respondent to transfer the domain name is generally considered insufficient, of itself, to demonstrate bad faith on the part of the respondent. However, the presence of additional facts – such as a false statement by the respondent to the complainant about the registration and use of the domain name, or "the tone of the correspondence" between the respondent and the complainant – may support a finding that, even though the offer was solicited by the complainant, the respondent registered the domain name with the intention of selling it to the complainant."

Here the Complainant first approached the Respondent and, in response, the Respondent offered to sell the Domain Name to the Complainant. There are no additional facts that support a finding that the Respondent registered the Domain Name with the intention of selling it to the Complainant or anyone else.

As to (ii) and (iii), the Panellist notes that the Domain Name was registered before the registration of the Complainant's first registration, in the United States, of its CHEMICAL GUYS trademark. There is no evidence that the Complainant or its mark were well-known in Australia in 2008 nor that it is more likely than not that the Respondent was aware of either of them when registering the Domain Name. Hence neither of these circumstances is established.

As to (v), Paragraph 2 of the auDRP states that by applying to register the domain name, or by requesting maintenance or renewal of the domain name registration, the respondent



warrants that statements made in the domain name application are complete and accurate, including those as to the respondent's eligibility for a domain name in the open second-level domains (2LDs). The Complainant's extensive investigations produced no evidence supporting a finding of eligibility and the Respondent's reply to the Complainant's assertion of ineligibility that "**I do have plans to ... fulfill auDA requirements**" amounts to an admission of ineligibility. The Panellist concludes that the warranties as to eligibility made by the Respondent upon registration and subsequent renewals were false. This is evidence that the Domain Name was registered in bad faith and the Panellist so finds.

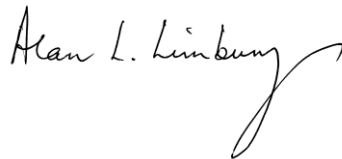
The Complainant has established this element.

It is unnecessary to address the Complainant's contention that the Respondent's failure to provide justification for the amount of USD11,000 in exchange for the Domain Name amounted to bad faith.

## **7. Decision**

The Complainant having established all three elements required to entitle it to relief and being eligible to register the Domain Name by virtue of its registration of the Australian trademark CHEMICAL GUYS, the Panel orders that the Domain Name <**chemicalguys.com.au**> be transferred to the Complainant.

Dated this 26<sup>th</sup> day of June, 2021

A handwritten signature in black ink, reading "Alan L. Limbury". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Alan L. Limbury, Panellist