



# **THE CHARTERED INSTITUTE OF ARBITRATORS (AUSTRALIA) LIMITED ACN 118 131 016**

**.au Dispute Resolution Provider**

## **ADMINISTRATIVE PANEL DECISION**

**PS Business Pty Ltd trading as Property Secrets**

**v.**

**Wealth Dynamics International Pty Ltd**

Reference: auDRP 07-02

Date: 14 November 2007

### **1. The Parties**

- 1.1 The Complainant is PS Business Pty Ltd (ACN 120 373 471) trading as Property Secrets, 2 Stanley Street, Leichhardt, NSW, 2040. Telephone 1300 653 790 Fax 1300 653 791 Email info@propertysecrets.net.au ("Complainant").
- 1.2 The Respondent and holder of the domain name registration, at the time of filing of the complaint was Wealth Dynamics international Pty Ltd, (ACN 080 878 499) Suite 11/2 Beattie Street, Balmain NSW 2041. Telephone 61+ 39 886 0883 Fax 61+ 39 886 0883 Email service@isp.com.au ("Respondent").

### **2. The Domain Name and Registrar**

The domain name at issue is <www.propertysecrets.com.au> ("Domain Name"), currently registered by the Respondent. The Registrar is NetRegistry, registrar ID (R00015-AR).

### **3. Procedural History**

- 3.1 This is an administrative proceeding pursuant to the .au Dispute Resolution Policy ("auDRP") adopted by auDA on 13 August 2001, which commenced operation on 1 August 2002; the auDA Rules for .au Dispute Resolution Policy ("Rules") and the CIArb Supplemental Rules for .au Domain Name Dispute Resolution Policy ("Supplemental Rules").
- 3.2 The Complainant submits the complaint for decision in accordance with au Dispute Resolution Policy (2002 – 22) and the rules there-in.

- 3.3 The complaint was finally and correctly lodged (after initially being rejected for deficiencies) with The Chartered Institute of Arbitrators (Australia) Limited (the "Dispute Resolution Provider") by the Complainant on 11 October 2007.
- 3.4 As required by the auDA Clarification of Registrar Obligations Policy no. 2003-01 paragraph 2.2, the Dispute Resolution Provider requested that NetRegistry place a server lock on the domain, which was done on 11 October 2007.
- 3.5 A copy of the Complaint was sent by the Dispute Resolution Provider to the Respondent on 14 October 2007 requiring it to submit all materials that it wished to have considered by the Panel on or before 31 October 2007. The Respondent submitted a final and correct Reply (after initially being notified of deficiencies) to the Dispute Resolution Provider by fax on 30 October 2007.
- 3.6 The Dispute Resolution Provider appointed a single member Panel on 31 October 2007. The Panellist had submitted a Statement of Acceptance and Declaration of Impartiality and Independence, as required by the Dispute Resolution Provider in compliance with paragraph 7 of the Rules.
- 3.7 The Panel finds that the Complaint complies with the requirements of the .au Domain Administration Dispute Resolution Policy, its Rules and the Supplemental Rules of the Dispute Resolution Provider.

#### **4. Discussion**

- 4.1 The current auDA Guidelines for Accredited Registrars on the Interpretation of Policy Rules for Open 2LDs (Policy No. 2005-02 published 15/3/2005) provide guidance on the process by which domain name licenses are granted. The policy lays out the eligibility and allocation rules that apply.
- 4.2 The eligibility criteria require the Registrant to provide relevant identification details for the 2LD that they want to license their domain name in. The Allocation criteria require the registrant to give a reason why the requested domain name can be allocated to them. The reasons available in each 2LD are where the domain name is:
  - a) an exact match of the registrant's name; or
  - b) an abbreviation or acronym of registrant's name; or
  - c) indicative of a close and substantial connection to the registrant.
- 4.3 The auDA Domain Name Eligibility and Allocation Rules For Open 2LDs Policy (2004-01) explains the rights to the use of domain names:
  - 2.1 *There are no proprietary rights in the domain name system (DNS). A registrant does not "own" a domain name. Instead, the registrant holds a licence to use a domain name, for a specified period of time and under certain terms and conditions.*
  - 2.3 *There is no hierarchy of rights in the DNS. For example, a registered trade mark does not confer any better entitlement to a domain name than a registered business name. Domain name licences are allocated on a 'first come, first served' basis. Provided the relevant eligibility rules are satisfied, the first registrant to apply for a particular domain name will be permitted to license it.*

- 4.4 The purpose of an administrative process conducted under the auDRP is stated in section 1.2 of the Policy:  
*The purpose of the auDRP is to provide a cheaper, speedier alternative to litigation for the resolution of disputes between the registrant of a .au domain name and a party with competing rights in the domain name.*
- 4.5 The issue to be answered in this complaint is whether the registration of the domain name by the Respondent constitutes a breach of the auDRP such that the domain name should be transferred to the Complainant. This depends on the facts of the case as found in the material provided.
- 4.6 Paragraph 15(a) of the Rules requires the Panel to “*decide a complaint on the basis of the statements and documents submitted in accordance with the [auDRP and Rules], and any rules and principles of law that it deems applicable.*”
- 4.7 The auDRP is contained in Schedule A, paragraph 4(a) requires a Complainant to prove that:
- 4.7.1 the Disputed Domain is identical or confusingly similar to a name, trade mark or service mark in which the Complainant has rights; **and**
- 4.7.2 the Respondent has no rights or legitimate interests in respect of the Disputed Domain; **and**
- 4.7.3 the Disputed Domain has been registered or subsequently used in bad faith.
- 4.8 In an administrative proceeding, the Complainant bears the onus of proof.

## **5. Factual Background**

- 5.1 The Complainant was identified in the application filed by its solicitors, Latham Lawyers as PS Business Pty Ltd (ACN 120 373 471) trading as Property Secrets, of 2 Stanley Street, Leichhardt NSW, but:
- 5.1.1 The Australian Securities & Investments Commission (‘ASIC’) current company extract for this entity (being annexure ‘B’ to the complaint), lists the registered office for that company as Unit 2, 90 Penshurst Road Narwee NSW.
- 5.1.2 The sole director and owner (there being only one issued share which is held by him) is Paul Jacques Giezekamp, who lists his address as 124 Derbyshire Road Leichhardt NSW.
- 5.1.3 The business name “Property Secrets” which the Complainant claims to trade under was registered to PS Group Australia Pty Ltd on 5/10/2005. On 29/6/2006 the name was registered in the name of PS Business Pty Ltd, not in its own right but in trust for the PS Business Trust, a discretionary business services management trust (see annexure ‘C’ to the complaint).
- 5.1.4 The Complainant does own the proprietary company, Property Secrets Pty Ltd (ACN 123 598 756) which was registered on 24/1/2007 (see annexure ‘D’ to the complaint) but has its registered office address at 124 Derbyshire Road Leichhardt NSW.
- 5.1.5 The trademarks in the name “Property Secrets” as used with an image of an incomplete house enclosing a keyhole, registered in goods and services classes: 36, 37, 41 and 42 being trade mark registration numbers 1157980 (annexure ‘F1’), 1157989 (annexure ‘F2’), 1158011 (annexure ‘F4’), and

1157991 (annexure 'F3'), which were registered on 3 September 2007 are owned by a Katherine Rachel Giezekamp who does list her address as 2 Stanley Street, Leichhardt NSW.

- 5.1.6 No trade marks are currently registered in the words "Property Secrets" alone. Application was made by Katherine Rachel Giezekamp for trade marks in those words alone, to be registered in goods and services classes: 36, 37, 41 and 42 being trade mark registration numbers 1157983 (lodged 25/1/2007), 1188552 (lodged 20/7/2007 see annexure 'F5'), 1188554 (lodged 20/7/2007) and 1188556 (lodged 20/7/2007 see annexure 'F6'), which are either pending or under investigation.
- 5.1.7 The Complainant's statement that it "*warrants that it has licence to use six (6) registered trademarks bearing the name "Property Secrets", copies of which are annexed and marked 'F1-F6'*" is both incomplete and inaccurate, as:
- 5.1.7.1 Trade mark applications 1188552 (annexure 'F5') and 1188556 (annexure 'F6') have not been registered;
- 5.1.7.2 The owner of the registered trade marks annexure 'F1-F4' is not the Complainant but Katherine Rachel Giezekamp and the terms of any licence to use the trade marked symbols are not disclosed. That is, there is no confirmation that the owner of the trade marks who is neither an owner nor a director of the Complainant has authorised the licence holder to take action on her behalf in relation to the trade marks which she owns.
- 5.1.7.3 The trade marks identified in annexure 'F1-F4' do not give rights to the name "Property Secrets" *per se*, but only in relation to an image being a stylised incomplete house enclosing a keyhole with the words Property Secrets underneath as illustrated below.



- 5.2 The Respondent company, Wealth Dynamics international Pty Ltd was registered on 6/3/1998 (see annexure 'E' to the complaint). This company is the registrant of the domain name propertysecrets.com.au. The date of creation of the domain name as advised by the Policy Compliance Officer of the auDA, is 20/7/2005 (see annexure 'A' to the complaint).

## **6. Parties' Contentions**

### **Complainant**

- 6.1 The Complainant contended that:
- (a) The domain name www.propertysecrets.com.au is identical to a name over which it has proprietary rights. Property Secrets is a well known and established business in Australia.
- (b) The trading name "Property Secrets" is distinctive and represents the services uniquely provided by the Complainant.
- (c) The addition of ".com.au" at the end of the name offers no substantive, meaningful or material change to the use of the "Property Secrets" name

which could differentiate it, in the eyes of customers from the services provided by the Complainant.

- (d) The Respondent has registered or maintained the domain name in bad faith as it has no legitimate rights to the domain name in connection with any business carried on by it. The Complainant warrants that no authority has been given to the Respondent allowing it to act for or as its agent.
- (e) The Respondent has not used the domain name for any legitimate or professional reason. As a competitor of the Complainant the Respondent has intentionally and deliberately attempted to attract internet users who may have been searching for the information regarding the business carried on by the Complainant to a redundant website.
- (f) The Respondent has used the domain name in bad faith in that it has demanded in excess of \$100,000.00 for a transfer of the domain name from it to the Complainant.
- (g) The Complainant contends that the Respondent's primary purpose for registering and maintaining its registration of the domain name was to make a profit and disrupt the Complainant's business. The Respondent does not have any relationship with the name "Property Secrets" and therefore breaches the Schedule A Provision 4 (a) (i) of the auDA Dispute Resolution Policy.

## **Respondent**

6.2 The Respondent provided a 12 page faxed response to the complaint. Those sections of the Respondent's reply that are relevant to the determination of a complaint under the auDRP contained in Schedule A, paragraph 4(a) are dealt with below.

## **7. Findings**

### **7.1 The domain name is identical or confusingly similar to a name, trade mark or service mark in which the Complainant has rights.**

- 7.1.1 For the purposes of this policy, auDA has determined that a "*name ... in which the complainant has rights*" refers to:
  - 7.1.1.1 the complainant's company, business or other legal or trading name, as registered with the relevant Australian government authority; or
  - 7.1.1.2 the complainant's personal name.
- 7.1.2 The Domain Name is identical (except for the addition of the internet identifiers ".com" and ".au") to the name "property secrets". But it is not clear exactly what rights the Complainant actually has in the name "property secrets".
- 7.1.3 It is generally regarded that "rights" refer to proprietary rights or a right of ownership as opposed to a mere licence to use another person's rights. The Complainant does not have a trade mark in the name. Such trade mark that is granted for the words and symbol has been granted to someone other than the Complainant and was granted after the Respondent's use of the name in the same industry.

7.1.4 Because the Respondent has been using the same name in the same industry prior to the Complainant's use of the term, the Respondent could assert a common law trade mark in it and the Respondent would have the stronger claim as its use of the term in this industry predated that of the Complainant. No evidence is advanced to support the contention that, "Property Secrets is a well known and established business in Australia".

7.1.5 Although I find that the Domain Name is identical or confusingly similar to a name or service mark in which the Complainant has rights, the Respondent has a prior and prevailing interest in respect of the Domain Name.

## **7.2 The Respondent has no rights or legitimate interests in respect of the disputed domain name.**

7.2.1 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.

7.2.2 Paragraph 4(b) of Section 4(c) states that, in responding to a complaint, rights to and legitimate interest in a domain name may be demonstrated by a Respondent evidencing one of the following, non-exhaustive, situations:

- 7.2.2.1 before any notice of the subject matter of the dispute, bona fide use, or demonstrable preparations were made 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 acquired for the purpose of selling, renting or otherwise transferring), or
- 7.2.2.2 it (as an individual, business, or other organisation) has been commonly known by the domain name, even if it has acquired no trademark or service mark rights, or
- 7.2.2.3 it 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.

7.2.3 The Respondent states that he has been operating a business delivering property coaching, education, seminars and support services since 1998. He is the author of 6 best selling books on investing that have sold more than 150,000 copies. The Respondent markets his products from the website [www.supersecrets.com](http://www.supersecrets.com), which has been operating since 1998. He has also registered other domain names to promote his investing information services, including:

- [www.RealEstateInfo.com.au](http://www.RealEstateInfo.com.au)
- [www.RealEstateSecrets.com.au](http://www.RealEstateSecrets.com.au)
- [www.PropertyInvestingSecrets.com.au](http://www.PropertyInvestingSecrets.com.au)
- [www.PropertyInvestingMasters.com](http://www.PropertyInvestingMasters.com)
- [www.PropertyInvestingMasters.com.au](http://www.PropertyInvestingMasters.com.au)

7.2.4 These URLs and the Domain Name, all resolve to similarly designed sites featuring information about investment courses for personal investors and spruik books and CD's offering "secret" investment knowledge and strategies.

- 7.2.5 The idea of “secrets” in investing or real estate purchasing, is a prominent feature of the Respondent’s marketing and used in the Domain Name as well as the other names that the Respondent controls.
- 7.2.6 I find that the Respondent has been using the internet and various registered domain names for a number of years to market legitimate property investment services and books and CD’s featuring the idea of “secret” knowledge. His use of the Domain Name is a bona fide use in connection with an offering of goods or services.
- 7.2.7 Therefore the Respondent does have prior and legitimate interests in respect of the domain name.

**7.3 The Disputed Domain has been registered or subsequently used in bad faith.**

- 7.3.1 Paragraph 4(b) of Schedule A deems the following, non–exhaustively, to be evidence of registration or use in bad faith:
  - 7.3.1.1 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 valuable consideration in excess of documented out-of-pocket costs directly related to the domain name, or
  - 7.3.1.2 the domain name has been registered 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
  - 7.3.1.3 the domain name has been registered primarily for the purpose of disrupting the business or activities of another person; or
  - 7.3.1.4 the domain name has been used 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.
- 7.3.2 The Complainant has raised a number of complaints about “bad-faith” usage of the Domain Name by the Respondent. It contents that:
  - 7.3.2.1 it has demanded in excess of \$100,000.00 for a transfer of the domain name to the Complainant;
  - 7.3.2.2 the Respondent registered the Domain Name to make a profit and disrupt the Complainant’s business;
  - 7.3.2.3 the Respondent has no legitimate rights to the domain name in connection with any business carried on by it;
  - 7.3.2.4 the Respondent seeks to intentionally and deliberately attract internet users who may have been searching for information regarding the business carried on by the Complainant.
- 7.3.3 The Complainant offers no proof to the assertion that the Respondent has demanded over \$100,000.00 to transfer the domain name, and the Respondent vigorously denies it.
- 7.3.4 According to the Respondent, the Complainant wasn't even in business at the time the Domain Name was registered in July 2005, and the

Respondent had been trading since 1998. There is absolutely nothing to indicate that the Respondent was aware that the Complainant intended to use the name “property secrets” at some time in the future.

- 7.3.5 This same argument applies to the Complainant’s suggestions that the Respondent is using the Domain Name to attract users away or to disrupt the Complainant’s business. It is nonsensical to suggest that the Respondent who has been operating a legitimate business in the same market from a time *before* the Complainant’s business was even established, could be acting in bad faith in relation to it.
- 7.3.6 The Respondent is entitled to register such domain names as are available and to make use of them to further its legitimate business objectives without thought to some unknown and unnamed business. The Respondent’s business was established prior to that of the Complainant and the Domain Name was registered at an earlier date than the Complainant registered its business name.
- 7.3.7 On the evidence before me, the Respondent has not registered or subsequently used the Domain Name in bad faith. The Domain Name has been used in connection with the legitimate development of the Respondent’s internet business and the provision of services.
- 7.3.8 I therefore do not find that the use of the disputed Domain Name by the Respondent has been in “bad faith”.

## **8. Summary**

- 8.1 In an administrative proceeding, the Complainant bears the onus of proof.
- 8.2 The current auDA Guidelines for Accredited Registrars on the Interpretation of Policy Rules for Open 2LDs (Policy No. 2005-02 published 15/3/2005) provide guidance on the process by which domain name licenses are granted. The policy lays out the eligibility and allocation rules that apply.
- 8.3 The eligibility criteria require the registrant to provide relevant identification details for the 2LD that they want to license their domain name in. For example, if the registrant wants to license a domain name in com.au, they must provide identification details such as Australian registered company name and Australian Company Number (ACN).
- 8.4 The Allocation criteria require the registrant to give a reason why the requested domain name can be allocated to them. The reasons available in each 2LD are where the domain name is:
- a) an exact match of the registrant's name; or
  - b) an abbreviation or acronym of registrant's name; or
  - c) indicative of a close and substantial connection to the registrant.
- 8.5 However, as section 4.2 indicates, domain names are primarily allocated on a “*first come, first served*” basis. Provided that the registrant meets the relevant policy rules, the registrar may process the registration and issue a domain name licence



to the registrant. Once issued the licence continues unless a Complainant can make a successful application for the domain name to be transferred to them.

- 8.6 In this matter the Respondent was the first to register the domain name. The Complainant has failed to establish the criteria necessary for the domain name to be transferred to it under the rules that apply.

**9. Decision**

The Panel having found that the Complainant has not made out all of the three elements required by the abovementioned Section 4(a) of Schedule A of the Rules, it is the decision of the Panel that the Complaint be denied.



***Derek Minus***

Chartered Arbitrator and Sole Panellist