



LEADR Domain Name Dispute: littmannstethoscopes.com.au; 3Mlittman.com.au

<b>Domain Names:</b>	littmannstethoscopes.com.au; 3Mlittman.com.au
<b>Name of Complainant:</b>	3M Australia Pty Ltd (ACN 000 100 096) (First Complainant) 3M Company (Second Complainant)
<b>Name of Respondent:</b>	Phillip Brumby (to 3Mlittman.com.au) (Respondent) Australian Securities and Investments Commission (to littmannstethoscopes.com.au) (ASIC)
<b>Provider:</b>	LEADR
<b>Panel:</b>	N J Hickey

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## 1 THE PARTIES

The complainants are 3M Australia Pty Ltd of 950 Pacific Highway, Pymble, NSW, Australia, 2073, (“**First Complainant**”) and 3M Company of the 3M Centre, St Paul, Minnesota, United States of America, 55144 (“**Second Complainant**”, together, “**Complainants**”).

There are two domain names in dispute: 3Mlittman.com.au and littmannstethoscopes.com.au (together “**Disputed Domain Names**”). These were the subject of separate complaints submitted in accordance with:

- (a) the .au Dispute Resolution Policy No. 2002/22, which was approved by .au Domain Administrator Ltd in 2001 and which commenced operation on 1 August 2002, including:
  - (i) Schedule A (“**auDRP Policy**”);
  - (ii) Schedule B (“**auDRP Rules**”); and
- (b) the Provider’s Supplemental Rules to Rules for au Domain Name Dispute Resolution Policy (“**Complaints**”).

The Complainants requested that the same panellist adjudicate both matters. Given that there is a significant overlap of issues, it is convenient that they be dealt with together.

The registrar of littmannstethoscopes.com.au is Enetica of Suite 101, Level 1, 74 Burwood Road, Burwood, NSW, 2134. The registrar of 3Mlittman.com.au is Namescout of Whitepark House, White Park Road, Bridgetown, Barbados.

The provider in relation to this proceeding is LEADR (“**Provider**”).

The registrant for 3Mlittman.com.au is Phillip Brumby of 319 Wellington Street, Launceston, Tasmania, Australia, 7250 (“**Respondent**”).

The registrant for littmannstethoscopes.com.au is E.C.W.S Consulting Pty Ltd (“**Company**”).

The Provider has supplied the Panel with a document entitled “Procedural History”. According to this document, the Complaints in relation to the Disputed Domain Names was first lodged with the Provider in one application in early April 2007.

Later, on 1 June 2007, two applications were lodged, so that each domain name was the subject of a separate application.

Littmannstethoscopes.com.au was locked on 23 May 2007; 3Mlittman.com.au was locked on 4 June 2007. The Panel, constituted by a sole panellist, was appointed on 3 July 2007.

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## **2 Preliminary issue**

A preliminary issue concerns the proper Respondent in respect of the Disputed Domain Name littmannstethoscopes.com.au. This is because the Company was deregistered on 23 July 2006 under s 601AB of the *Corporations Act* 2001 (Cth). Property in all of the Company’s assets, including property in that domain name, was vested in the Australian Securities and Investments Commission (“**ASIC**”). The Provider advised the solicitors for the Complainants that ASIC was the appropriate respondent.

By a letter dated 27 June 2007, ASIC contended that it was not the appropriate respondent. It observed that Mr Brumby was the sole former director of the Company and the holder of 50% of its shares. Notwithstanding this, it was the Company which was the registrant, not Mr Brumby. The Company is a separate legal entity. When the Company was deregistered, its assets were vested in ASIC, including property in littmannstethoscopes.com.au. I therefore find that ASIC is the proper respondent in respect of the littmannstethoscopes.com.au complaint.

ASIC further stated in its correspondence that it would not make submissions in these proceedings, and that it had no objection to littmannstethoscopes.com.au being transferred to the First Complainant, if the complaint was made out. Contrary to the contention of the Complainant’s solicitors (pursuant to its letter dated 29 June 2007), this is not sufficient to constitute consent to the transfer of the domain name. Instead, I would regard ASIC’s position as one which does not oppose the complaint.

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## **3 FACTUAL BACKGROUND**

### **3.1 Complainants’ position**

The Complainants submit by way of background that:

- (a) The First Complainant is the Australian subsidiary of the Second Complainant, which is a company incorporated in Delaware in the

United States of America. The Second Complainant was founded in 1902.

- (b) The Second Complainant owns three relevant Australian registered trade marks:
  - (i) Trade Mark 106022 for “3M”, registered since 1951 [*IP Australia extract supplied*];
  - (ii) Trade Mark 206112 for “LITTMANN”, registered since 1966 [*IP Australia extract supplied*]; and
  - (iii) Trade Mark 193661 for “CARDIOSONICS LITTMANN STETHOSCOPE + IMAGE”, registered since 1965 [*IP Australia extract supplied*].
- (c) The “LITTMANN” and “CARDIOSONICS LITTMANN STETHOSCOPE + IMAGE” trade marks are both registered in class 10 for “*Medical instruments, namely... stethoscopes*”.
- (d) The First Complainant has traded in Australia under the “3M” and “LITTMANN” trade marks since each was registered.
- (e) The Complainants manufacture and supply a broad range of products, including products used in the healthcare industry, as well as electronics, home and office stationery, and cleaning products.
- (f) The First Complainant has developed a valuable reputation in the “3M” trade mark, and is a “*leader in the stethoscope market*”.
- (g) The First Complainant often uses the 3M trade mark in conjunction with the LITTMANN trade mark to refer to “3M Littmann Stethoscopes” [*3M product brochure supplied*].
- (h) While the websites operated by the Respondent under the Disputed Domain Names do appear to sell genuine Littmann stethoscopes, the Respondent is not a licensee of any trade marks owned by the Complainants.

In light of the above information, the Complainants contend that the Disputed Domain Names are confusingly similar to the Complainants’ company names and to the Australian Registered trade marks held by the Second Complainant and used by the First Complainant. The Complainants further submit that the Respondent has no rights or legitimate interests in respect of the Disputed Domain Names, and that the Disputed Domain Names were registered or used in bad faith.

### **3.2 The Respondent’s position**

The auDRP Rules provide that a respondent to a complaint shall submit their response no later than 20 days after the commencement of the proceeding. No submissions in response were received within this period by the Provider.

However, by separate letters dated 29 June 2007 respectively, the Respondent purported to provide a response to the Provider in relation to each of 3Mlittman.com.au and littmannstethoscopes.com.au separately.

I will disregard the correspondence concerning littmannstethoscopes.com.au in circumstances where I have determined that ASIC is the proper respondent.

In relation to the correspondence concerning 3Mlittman.com.au, I will permit this to be taken into account (I have the discretion to do this pursuant to rule 12 of the auDRP Rules). Some of the matters set out in that letter included the following:

*“The [3mlittman.com.au] domain name was registered for the purpose of supporting my business selling 3Mlittmann stethoscopes. I had previously registered stethoscopes.com.au and stethoscope.com.au and after 6 months found that over 70% of my sales were Littmann Stethoscopes given that these products represented the majority of my stethoscope and as 3M Australia does not retail Littmann stethoscopes I regarded the acquisition of the domain as a more appropriate domain name....*

*In the first half of 2006, during my negotiation to become an authorised reseller of 3Mlittmann stethoscopes in Australia, I provided documentation in writing to 3M Australia outlining the basis of my application. Contained in that application was advice to 3M of the Internet Sales strategy and a list of domains registered by me for that purpose. The list of domains included 3MLittmann.com.au.*

*The Littmann Stethoscopes product manager for 3M Australia was fully aware from our discussions over the application time frame that I had registered 3M Littmann.com.au*

*Later in 2006 3M Australia approved a reseller account based on my application... in the name of First Responder Group Pty Ltd a company owned by a close associate and business mentor of mine.*

*When contacted by 3M lawyer in early 2007 I was essentially told to sign this domain over to 3M Australia.*

*Their lawyer has been both provocative and antagonistic and has prohibited what could have been a win win situation.”*

The Respondent finally states:

*“Without prejudice I recognise that 3M and Littmann are the registered trademarks of the 3M Corporation and that I may have registered this domain name in error.”*

Although the Respondent has prefaced this statement with the words “Without prejudice” I have not taken this to be used in the technical legal sense, as the letter does not contain a legitimate offer of a compromise.

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## **4 RELEVANT PRINCIPLES**

### **4.1 Jurisdiction**

Paragraph 2.1 of the auDRP states:

*“All domain name licences issued in the open 2LDs from 1 August 2002 are subject to a mandatory administrative proceeding under the auDRP. At the*

*time of publication, the open 2LDs are asn.au, com.au, id.au, net.au and org.au...*”

The Disputed Domain Names are open 2LDs within the meaning of this provision. 3Mlittman.com.au was registered on 12 September 2005, and littmannstethoscopes.com.au was registered on 10 April 2006. They are therefore subject to the mandatory administrative proceeding prescribed by the auDRP.

#### **4.2 Basis of decision**

Paragraph 15(a) of the auDRP Rules states:

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

#### **4.3 Elements of a successful complaint**

According to paragraph 4(a) of the auDRP Policy, a person is entitled to complain about the registration or use of a domain name where:

- (i) the respondent’s domain name is identical or confusingly similar to a name, trademark 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.

The three elements of a complaint under paragraph 4(a) of the auDRP Policy are cumulative: all of them must be proved if the Complaint is to be upheld.

#### **4.4 Is the domain name identical or confusingly similar to names, trade marks or service marks in which the Complainants have rights (paragraph 4(a)(i))?**

The Panel must determine whether, on the basis of the facts set out above, the Complainants have rights in a relevant name, trademark or service mark.

Note 1 to the auDRP 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.”*

#### **4.5 Does the Respondent have any rights or legitimate interests in respect of the Disputed Domain Names (paragraph 4(a)(ii))?**

The auDRP requires the Panel to have regard to several matters when considering whether the Respondent has “any rights or legitimate interests” in respect of the Disputed Domain Name.

Note 2 to the auDRP Policy states:

*“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.”*

This means paragraph 4(a)(ii) of the auDRP Policy is not satisfied simply because the Respondent has previously been treated as eligible for the Disputed Domain Names.

Paragraph 4(c) of the auDRP Policy sets out particular circumstances, any of which, “if found by the Panel to be proved based on its evaluation of all evidence presented, is to be taken to demonstrate ... rights or legitimate interests to the domain name for purposes of Paragraph 4(a)(ii)”. These circumstances include:

- (i) before the respondent is notified 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 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 trade mark or service mark rights; or
- (iii) the respondent is making a legitimate non-commercial 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.

Paragraph 4(c) of the auDRP Policy states that the above circumstances are “without limitation”, so that rights or legitimate interests could exist in respect of a domain name even if none of the above circumstances are applicable in the particular case.

#### **4.6 Have the Disputed Domain Names been registered or subsequently used in bad faith (paragraph 4(a)(iii))?**

Paragraph 4(b) of the auDRP Policy sets out circumstances which, “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”. These are:

- (i) circumstances indicating that the Respondent has registered or has 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) the respondent has registered the domain name in order to prevent the owner of a name, trade mark or service mark from reflecting that name or mark in a corresponding domain name; or
- (iii) the respondent 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 respondent has 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 as to the source, sponsorship, affiliation, or endorsement of that website or location or of a product or service on that website or location.

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## **5 littmannstethoscopes.com.au**

### **5.1 Identical or confusingly similar**

The test for determining whether a domain name is identical or confusingly similar to a name or trade mark is akin to the test which is applied in Australia in respect of trade mark infringement, but is not the same.

Here, the littmannstethoscopes.com.au domain name is confusingly similar to the registered trade marks LITTMANN and CARDIOSONICS LITTMANN STETHOSCOPE owned by the Second Complainant in Australia. The domain name wholly contains the LITTMANN mark, and contains two key words of the CARDIOSONICS LITTMANN STETHOSCOPE mark. LITTMAN is also a term which is distinctive in nature. Further, given the fame of the mark and the lengthy period in which it has been registered as a trade mark, I am of the view that those in the relevant industry would be confused into thinking that the domain name is derived from or connected to 3M or LITTMAN.

Accordingly, paragraph 4(a)(i) of the auDRP Policy must be regarded as satisfied in respect of the littmannstethoscopes.com.au domain name.

### **5.2 Rights or legitimate interests**

There is no evidence to suggest that the Company, who owned the website prior to its transfer to ASIC, had been commonly known by the name "Littmannstethoscopes" (paragraph 4(c)(ii)). Nor can it be said, given the sales facilities available through littmannstethoscopes.com.au that the use of the site was non-commercial (4(c)(iii)).

The remaining issue is whether the Company, before being notified of the subject matter of the present dispute, made "*bona fide use of... the domain name ... in connection with an offering of goods or services*" (paragraph 4(c)(i)).

The evidence provided by the Complainant, being printed copies of the relevant sites posted at littmannstethoscopes.com.au, establishes that Company was using littmannstethoscopes.com.au in connection with an offering of stethoscopes for sale.

However, there remains the question of whether this use can be described as "bona fide", and whether the Company's use satisfies the requirement for legitimate interests or rights.

The first printed page from [Littmannstethoscopes.com.au](http://Littmannstethoscopes.com.au) is headed “Littmann Stethoscopes Australia Online Store” which implies that the site is the ‘official’ Littmann online purchasing facility in Australia.

The website appears to contain a number of images and links to Littmann branded stethoscopes, but it also links to images of products which measure blood pressure, defibrillator products, and a first aid handbook, which are not produced by either of the Complainants, and none of which are Littmann branded products.

According to the Complainants, when an internet user clicks on an image of a product they are taken to a product specification page. That page may contain external links to the technical data sheet published by the manufacturer of that product.

An internet user who visits [littmannstethoscopes.com.au](http://littmannstethoscopes.com.au) on the basis of the goodwill associated with the Littmann brand (sometimes described as the “bait”) may in fact be led to purchasing products from an unrelated entity (the “switch”), and who may be a potential competitor of the Complainants.

The printed matter from [Littmannstethoscopes.com.au](http://Littmannstethoscopes.com.au) contains a statement that “*We are an authourised [sic] reseller of 3M Littmann stethoscopes. Please note we are NOT 3M Australia*”. The Complainants submit that the first sentence of this disclaimer is inaccurate, as neither the Respondent, nor the Company are in fact authorised resellers of 3M Littmann stethoscopes. The Complainants also submit that the second sentence of the disclaimer was not displayed on the site prior to 24 March 2007. [*Screen shots of Littmannstethoscopes.com.au on 23 March 2007 and 30 March 2007 provided.*]

These features of the [littmannstethoscopes.com.au](http://littmannstethoscopes.com.au) site lead me to conclude that the Company, prior to the transfer of the property in the domain name to ASIC, did not have the requisite legitimate interest in the domain name. ASIC has disclaimed any interest in the domain name. Therefore paragraph 4(a)(ii) of the auDRP Policy is satisfied.

### **5.3 Bad faith**

The Complainants do not seek to establish bad faith by reference to paragraphs 4(b)(i), (ii) or (iii).

However, the Complainants rely on paragraph 4(b)(iv): that by using the domain name [littmannstethoscopes.com.au](http://littmannstethoscopes.com.au), the Company has intentionally attempted to attract, for commercial gain, users to the site, by creating a likelihood of confusion with the Complainants’ names or marks as to the sources of products sold through those sites.

By offering products which are unrelated to the 3M or Littmann brands, the Company effects the “bait and switch” system. A consumer seeking a Littmann stethoscope, by reference to the domain name, would be presented with the other products on the site (including “economy” stethoscopes) and may mistakenly understand those products to come from the same manufacturing source as the Littmann products. Alternatively, the consumer may be diverted away from the Littmann products, and purchase a competitor’s product. Either way, the Company would maximise its potential to profit by using the goodwill associated with the 3M and LITTMANN trade marks.



For these reasons, paragraph 4(a)(iv) of the auDRP Policy has been satisfied by the Complainant.

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## **6 3Mlittmann.com.au**

### **6.1 Identical or confusingly similar**

As with the littmannstethoscopes.com.au domain name, the 3Mlittmann.com.au domain name either wholly or partially contains trade marks which are registered to the Second Complainant in Australia. Accordingly, the domain name is identical to or confusingly similar with a registered trade mark in which a complainant has rights. Paragraph 4(a)(i) of the auDRP Policy is satisfied.

### **6.2 Rights or legitimate interests**

In considering whether the Respondent has rights or legitimate interests in the 3Mlittmann.com.au domain name I have taken into consideration the statement by the Respondent that:

*“Without prejudice I recognise that 3M and Littmann are the registered trademarks of the 3M Corporation and that I may have registered this domain name in error.”*

I take this to be an acknowledgement that the Respondent does not have rights or legitimate interests in the Disputed Domain Name.

In any event, as with littmannstethoscopes.com.au, the website for 3Mlittmann.com.au offers Littmann branded stethoscopes for sale (as per paragraph 4(c)(i) of the auDRP Policy). However, other products are also listed for sale on the site, and, according to the evidence supplied by the Complainants, when a user clicks on a link to a product, the internet user is redirected to a product page from a different site, stethoscopes.com.au, which appears also to be operated by the Respondent. The stethoscopes.com.au site sells a number of different brands of stethoscopes (including “economy” stethoscopes) and other medical equipment.

Given the above facts, I find that the Respondent does not have sufficient rights or legitimate interests in the 3Mlittmann.com.au domain name as required by paragraph 4(a)(ii) of the auDRP Policy.

### **6.3 Bad faith**

Even though the domain name is for 3Mlittmann.com.au, the actual website which appears when this address is entered is headed “Stethoscope.com.au”. Underneath this heading are four logos: Littmann, WelchAllyn, Omron and ADC, all of which appear to be companies which manufacture medical products. The 3Mlittmann.com.au site does not appear to contain any disclaimer or explanation of the relationship between the Respondent and the Complainants.

As with the littmannstethoscopes.com.au website, use in bad faith is made out through the “bait and switch” strategy whereby, even though “3M” and “Littmann” are the only brands used in the domain name, the site actually provides (through a redirection to stethoscopes.com.au) a number of different and in some cases competing brands of medical supplies.

In light of these observations, the Panel finds that the Respondent does not have the requisite rights or legitimate interests in the Disputed Domain Names, and therefore paragraph 4(a)(ii) of the auDRP Policy has been satisfied by the Complainant.

In reaching this conclusion, however, it is important to observe that while a complainant can not be expected to register every possible permutation of their name or trade mark, the use of certain domain names by authorised resellers of branded products will not necessarily always result in the ultimate transfer of that name back to the owner of the brand or trade mark.

I had some concerns about this matter, and I regard this as a case where bad faith, on balance, has been made out. However, this is not an open and shut case. The Respondent, from his correspondence, appears to have made efforts to have become an authorised reseller of “Littman” products. There also appears to be an attempt to use the site for the sale of Littman products, and the Respondent refers to the fact that 70% of sales were of Littman products. There will be circumstances where such conduct is acceptable. In the present case, it was the use of a famous trade mark like “3M” and the fact that the actual website has a different title, which persuaded me that the Respondent was endeavouring to leverage off the goodwill in “3M” and “Littman” in an impermissible manner.

However, it is incumbent on the owners of trade names or marks who wish to use those signs as domain names to register them to protect their interests, and it should not be automatically assumed that resellers with legitimate interests in the domain name (even if they are not authorised by the trade name or mark owner) can simply be required to accede to the transfer of that domain name on request.

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## **7 CONCLUSIONS**

Each of the Disputed Domain Names are identical or confusingly similar to the names or trade marks which the Complainants have rights. Neither the Company, the Respondent, nor ASIC have any rights or legitimate interests in respect of the Disputed Domain Names, which have been used in bad faith.

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## **8 RELIEF**

### **8.1 Transfer of the Disputed Domain Name**

According to paragraph 4(i) of the auDRP:

*“The remedies available to a complainant pursuant to any proceeding before an Administrative Panel shall be limited to requiring the cancellation of your domain name or the transfer of your domain name registration to the complainant (provided that the complainant is otherwise eligible to hold that domain name).”*

The Complainants seek the licence in the Disputed Domain Names to be transferred to the First Complainant.

## 8.2 Eligibility for a domain name in the open 2LDs

The Eligibility and Allocation Rules for the Open 2LDs (2002-07) commenced operation on 8 May 2002. Schedule C relates to “com.au” domain names, and provides:

*“1. To be eligible for a domain name in the com.au 2LD, registrants must be:*

*(a) an Australian registered company; ...*

*2. Domain names in the com.au 2LD must:*

*(a) exactly match:*

*(i) the registrant’s company, business, trading, association or statutory body name; or*

*(ii) the words comprising the registrant’s Australian Registered Trade Mark or application for an Australian Registered Trade Mark; or*

*(b) be an acronym or abbreviation of 2(a)(i) or (ii); or*

*(c) be otherwise closely or substantially connected to the registrant, because the domain name refers to:*

*(i) a product that the registrant manufactures or sells; or*

*(ii) a service that the registrant provides...”*

The First Complainant is an Australian registered company and the Disputed Domain Names are closely connected to the First Complainant, as they refer both to a product that the First Complainant sells (Littmann Stethoscopes), and trade marks under which the First Complainant and the First Complainant’s registered company name (3M Australia Pty Ltd).

## 8.3 Orders

The Panel orders that the Disputed Domain Names be transferred to the First Complainant.

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## 9 Decision

The Complainant has satisfied the elements of paragraph 4(a) of the auDRP Policy.

The Panel directs that the Disputed Domain Names be transferred to the First Complainant.

Dated this 17th day of July 2007

Natalie J Hickey  
Sole Panelist