

## **ADMINISTRATIVE PANEL DECISION**

Metro Baby Pty Ltd v. Swaddle Shop Pty Ltd  
Case No. DAU2022-0012

### **1. The Parties**

The Complainant is Metro Baby Pty Ltd, Australia, represented by Cooper Mills Lawyers, Australia.

The Respondent is Swaddle Shop Pty Ltd, Australia.

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

The disputed domain name <metrobaby.com.au> is registered with GoDaddy.com, LLC.

### **3. Procedural History**

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on June 2, 2022. On June 2, 2022, the Center transmitted by email to GoDaddy.com, LLC a request for registrar verification in connection with the disputed domain name. On June 3, 2022, GoDaddy.com, LLC transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details.

The Center verified that the Complaint satisfied the formal requirements of the .au Dispute Resolution Policy (the “Policy”), the Rules for .au Dispute Resolution Policy (the “Rules”), and the WIPO Supplemental Rules for .au Domain Name Dispute Resolution Policy (the “Supplemental Rules”).

In accordance with the Rules, paragraphs 2(a) and 4(a), the Center formally notified the Respondent of the Complaint, and the proceedings commenced on June 13, 2022. In accordance with the Rules, paragraph 5(a), the due date for Response was July 3, 2022. The Response was filed with the Center on July 3, 2022.

The Center appointed Warwick A. Rothnie as the sole panelist in this matter on July 8, 2022. The Panel finds that it was properly constituted. The Panel has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the Center to ensure compliance with the Rules, paragraph 7.

Also on July 8, 2022, the Center received an unsolicited supplemental filing from the Complainant.

#### 4. Factual Background

Both parties are in the business of retailing products for babies and mothers.

The Complainant, or the trust of which it is the corporate trustee, began trading under the name “Metro Baby” in November 2019. It now carries an extensive range of over 2,600 products which it retails from a retail shop and an online store at “www.metro-baby.com.au”. This domain name was registered by the Complainant on November 15, 2019. The retail shop was initially in Heidelberg West but is now in Richmond, Victoria.

The Complainant’s Instagram account has some 20,000 followers; its Facebook page, more than 5,300 followers. Between January 2020 and April 30, 2022, the Complainant has spent approximately USD 473,000 on Google Adwords advertising which attracted 587,218 Internet users to the Complainant’s website. The Complainant also spent an additional USD 439,000 on Facebook advertising which the Complainant says generated almost 700,000 Internet users to its site. According to the Complaint, the Complainant’s search engine optimization and other promotional campaigns have also attracted significantly more traffic to its website.

Annexure 6 to the Complaint shows that the Complainant’s website started incurring Google Adwords costs in September 2020 and in that month generated some 22,000 “clicks”. In August 2021, the Adwords campaign generated some 80,000 “clicks”. Annexure 6 shows that Facebook advertising started in April 2021 in which month some 6,278 “clicks” were generated with 552,906 impressions.

The Complainant is the registered owner of Australian Registered Trade Mark No. 2165495, “Metro Baby”, which has been registered from March 23, 2021, its filing date, in respect of retail services in class 35.

The Respondent was incorporated on January 1, 2019. As already noted, it also retails baby and mothercare products, from a website at “www.swaddleshop.com.au”. The website claims “Swaddle Shop” was established in 2014, but there is no evidence to corroborate that.

The Respondent’s director and secretary is one Yan Zhu. Yan Zhu also owns 50 of the 100 issued shares in the Respondent. The other 50 shares are owned by one Blake Newman.

Mr. Newman is the registrant contact for the domain name <swaddleshop.com.au> but the registrant is Revision3 Pty Ltd, which was itself deregistered in 2017. Until it was deregistered, Mr. Newman was its sole director, shareholder and secretary.

Mr. Newman or “Array” first registered the disputed domain name on January 29, 2018 for a period of two years.

According to auDA, the disputed domain name was first registered in the Respondent’s name on September 27, 2020.

According to Wayback Machine records at <archive.org>, during 2018 the disputed domain name resolved to a website at which baby and mothercare products were offered for sale under the name “Metro Baby”. The Response also includes evidence in the form of a single invoice for a sale under the name “Metro Baby” to a customer dated May 6, 2018. For a number of months in 2019, however, the Wayback Machine captured only a page stating “Sorry, this store is temporarily down for maintenance. Please check back soon.”

From May 16, 2019 until December 2021, the Wayback Machine did not capture any records for the disputed domain name.

On December 17, 2021, the Wayback Machine captured a website headed “Metro Baby” and which stated “Preview New Store Re-launching Late 2020!” and “Our site relaunch is coming December 2020!”. By May

2022, however the disputed domain name re-directed to the website at “www.swaddleshop.com.au”.

On March 21, 2021, the principal of the Complainant, using his [...]@metro-baby.com.au email address, emailed the contact address for the Respondent indicating an interest in purchasing the disputed domain name. It appears nothing came of this approach.

## 5. Discussion and Findings

Paragraph 4(a) of the Policy provides that in order to divest the Respondent of the disputed domain name, the Complainant must demonstrate each of the following:

- (i) the disputed domain name is identical or confusingly similar to a name, trade mark or service mark in which the Complainant has rights;
- (ii) the Respondent has no rights or legitimate interests in respect of the disputed domain name; and
- (iii) the disputed domain name has been registered or subsequently used in bad faith.

Paragraph 15(a) of the Rules directs the Panel to decide the Complaint on the basis of the statements and documents submitted and in accordance with the Policy, these Rules and any rules and principles of law that the Panel deems applicable.

Apart from documents requested by the Panel pursuant to paragraph 12 of the Rules, neither the Policy nor the Rules expressly provide for supplemental filings. Their admissibility is therefore in the discretion of the Panel bearing in mind the requirements under paragraph 10 of the Rules to ensure that the proceeding is conducted with due expedition and both parties are treated equally, with each party being given a fair opportunity to present its case. See, e.g., auDA Overview of Panel Views on Selected auDRP Questions, First Edition 2014 (“auDA auDRP Overview”), section 4.2.

In the present case, the Complainant’s unsolicited supplemental filing seeks to address the Respondent’s claim that it has been using the disputed domain name since before the Complainant started business under the name “Metro Baby”. Having regard to the information apparently available to the Complainant when the Complaint was filed, including auDA’s certification that the disputed domain name was registered in the Respondent’s name after the Complainant apparently commenced business, the Panel accepts that the Complainant could not reasonably have anticipated that defence and so it is appropriate to admit the Complainant’s unsolicited supplemental filing into the record.

### A. Identical or Confusingly Similar

The first element that the Complainant must establish is that the disputed domain name is identical with, or confusingly similar to, the Complainant’s name, trade mark or service mark.

There are two parts to this inquiry: the Complainant must demonstrate that it has rights in a trade mark at the date the Complaint was filed and, if so, the disputed domain name must be identical or confusingly similar to the trade mark.

The Complainant has proven that it owns the registered trade mark for “Metro Baby” No. 2165495. It also appears, given the apparent volume of traffic to the Complainant’s website over a comparatively short time, that the Complainant’s trade mark is well known amongst the relevant public in Australia.

On the question of identity or confusing similarity, what is required is simply a visual and aural comparison and assessment of the disputed domain name itself to the Complainant’s trade marks: see for example, *GlobalCenter Pty Ltd v. Global Domain Hosting Pty Ltd.*, WIPO Case No. [DAU2002-0001](#). This test is narrower than and thus different to the question of “likelihood of confusion” under trade mark law which can

require an assessment of the nature of the goods or services protected and those for which any impugned use is involved, geographical location or timing. Such matters, if relevant however, may fall for consideration under the other elements of the Policy.

Typically and as is appropriate in this case, it is permissible to disregard the country-code Top-Level Domain (“ccTLD”), “.com.au”, as a functional component of the domain naming system. See for example auDA auDRP Overview 1.0, section 1.2. It is also permissible to disregard the substitution of a hyphen for the space between the words “metro” and “baby”, not least because spaces cannot be represented in domain names. On that basis, the Complainant’s trade mark is plainly recognisable within the disputed domain name.

Accordingly, the Panel finds that the disputed domain name is to all intents and purposes identical to the Complainant’s trade mark and the Complainant has established the first requirement under the Policy.

## **B. Rights or Legitimate Interests**

The second requirement the Complainant must prove is that the Respondent has no rights or legitimate interests in the disputed domain name.

Paragraph 4(c) of the Policy provides that the following circumstances may be situations in which a respondent has rights or legitimate interests in a disputed domain name:

- (i) before any notice to you of the dispute, your use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a *bona fide* offering of goods or services (not being the offering or domain names that the respondent has acquired for the purpose of selling, renting or otherwise transferring); or
- (ii) you (as an individual, business, or other organization) have been commonly known by the domain name, even if you have acquired no trade mark or service mark rights; or
- (iii) you are making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trade mark or service mark at issue.

These are illustrative only and are not an exhaustive listing of the situations in which a respondent can show rights or legitimate interests in a domain name.

The *onus* of proving this requirement, like each element, falls on the Complainant. Previous panels have recognized the difficulties inherent in proving a negative, however, especially in circumstances where much of the relevant information is in, or likely to be in, the possession of the respondent. Accordingly, it is usually sufficient for a complainant to raise a *prima facie* case against the respondent under this head and an evidential burden will shift to the respondent to rebut that *prima facie* case. The ultimate burden of proof, however, remains with the Complainant. See *e.g.*, *GlobalCenter Pty Ltd v. Global Domain Hosting Pty Ltd*, WIPO Case No. [DAU2002-0001](#).

Given the nature of the use being made of the disputed domain name, paragraph 4(c)(iii) is not applicable.

It is also not in dispute between the parties that the respondent is not licensed by or associated with the Complainant in any way. The disputed domain name is also not derived from the Respondent’s corporate name. Nor does the Respondent have a registered business name from which the disputed domain name could be derived. Likewise, the Respondent does not own a registered trade mark from which the disputed domain name could be derived.

Bearing in mind that the disputed domain name is being used to redirect Internet users to a business competitive with the Complainant’s business, these factors are usually sufficient to establish the required *prima facie* case.

In rebuttal, the Respondent relies on Mr. Newman's first registration of the disputed domain name and the conduct of the "Metro Baby" business from the website to which the disputed domain name resolved before the Complainant started its business.

The Complainant points out, however, that the disputed domain name was registered in the name of "Array", not the Respondent. The Complainant also points out that "Array" is not the same name as Mr. Newman's legal name. In addition, the Complainant points out that at no time has "Array", Mr. Newman, or the Respondent registered the business name "Metro Baby" as they were and are legally required to do under the Business Names Registration Act 2011 (Cth) if they were or are carrying on business under that name as it is not their legal name(s). Furthermore, the Complainant contends that Mr. Newman, or "Array", abandoned the "Metro Baby" business and the disputed domain name in 2019 or 2020. Then, the Respondent only re-registered it in September 2020 after the Complainant had adopted "Metro Baby" and is seeking to take advantage of the Complainant's reputation impermissibly to attract sales to the competing Swaddle Shop business.

The certificate of registration from auDA has confirmed that the disputed domain name was originally registered to "Array". As the Complainant contends, that is not the Respondent's or Mr. Newman's name. However, Mr. Newman claims it was in fact him and has provided the invoice from the then Registrar billing him for the disputed domain name. Given this corroboration, the Panel cannot dismiss Mr. Newman's claim.

While there is, as the Complainant points out, only one purported invoice for a sale by the then "Metro Baby" business, Wayback Machine records also show that there was an online business apparently operating at least through 2018. There is also evidence that the website was taken offline for "maintenance" in the first half of 2019. Thereafter, there is no evidence about any use that may have been made of the disputed domain name until the Wayback Machine capture in December 2021. The evidence of the Wayback Machine capture in December 2021 does not suggest that there was an active business at that time as it announced the planned relaunch in December 2020 – a year earlier. By that stage, Mr. Newman was no longer the registrant; the Respondent was.

How the disputed domain name came to be registered in the Respondent's name and not Mr. Newman's (or Array's) has not been explained. It is not clear whether the registration lapsed and was subsequently registered some nine months later by the Respondent or Mr. Newman transferred an existing, renewed licence into the Respondent's name.

These are matters in the Respondent's knowledge and it fell to it and Mr. Newman (who prepared and submitted the Response on the Respondent's behalf) to explain.

That said, given Mr. Newman owns, and appears always to have owned, 50 *per cent* of the shares in the Respondent, the Panel cannot rule out the potential that Mr. Newman transferred his licence to the Respondent and so, arguably, the registration of the disputed domain name in the Respondent's name should be treated as a renewal, not a new registration. See *e.g.*, *Intellogy Solutions, LLC v. Craig Schmidt and IntelliGolf, Inc.* WIPO Case No. [D2009-1244](#) and *The Proprietors of Strata Plan No. 36, A Turks and Caicos Corporation v. Gift2Gift Corp.*, WIPO Case No. [D2010-2180](#).<sup>1</sup>

In some decisions applying the "renewal rule", it has been considered significant that there was no change in the nature of the business or use of the domain name following the transfer to the related entity. That is often a consideration in assessing whether or not there has been a change in control of the domain name in question. Apart from that, it may be debatable whether a change in the nature of use should affect the

---

<sup>1</sup> Under the Uniform Domain Name Dispute Resolution Policy ("UDRP"), a renewal is not generally treated as a new registration so that the issue of registration in bad faith falls to be tested at the date of the original registration, not the renewal. See *e.g.*, WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("[WIPO Overview 3.0](#)"), section 3.9. According to the auDA auDRP Overview 1.0, section 3.7, Panels have not yet resolved this question under the Policy as use in bad faith alone is sufficient to satisfy the requirement under the Policy. Given the derivation of the Policy from the UDRP and the disjunctive operation of the requirement of use in bad faith, the Panel considers it appropriate to adopt the position under the UDRP.

application of the “renewal rule”. In any event, in the present case it is not clear that there was a change in the nature of use until after December 2021.

For present purposes, the significance of these matters is that under Australian law the owner of a trade mark in Australia for particular goods or services is the first person either to use the trade mark in the course of trade for those goods or service or, if there has not been any use, to apply to register it with an intention to use it in good faith as a trade mark in respect of those goods and services. See *e.g.*, *Anchorage Capital Partners Pty Limited v ACPA Pty Ltd* [2018] FCAFC 6; 259 FCR 514.

Given the limited evidence in this proceeding, it appears that Mr. Newman was the first user of the trade mark “Metro Baby” and, if so, it was not in bad faith as that use commenced before the Complainant came into existence or adopted the trade mark.

That first use may not necessarily, on the facts before the Panel, protect the Respondent from an action for infringement of the Complainant’s trade mark as the defence provided by section 124 of the Trade Marks Act 1995 requires the use to be continuous. On the limited materials before the Panel, there does not appear to have been a continuous chain of use by Mr. Newman and then the Respondent. There is no evidence of what, if anything, was done at least between the period of May 2019 and December 2021 (apart from the change in registrant).

Given the long period in which the disputed domain name appears to have been dormant, there is a credible argument that Mr. Newman and the Respondent as his apparent successor could be taken to have abandoned the trade mark. See *e.g.*, *Thai World Import & Export Co. Limited v Shuey Shing Pty Ltd* [1999] FCA 735; 17 IPR 289.

The registration of the disputed domain name in the Respondent’s name in September 2020 and the Wayback Machine capture in December 2021 provide some limited contradiction of that proposition.

It is possible that the disputed domain name was registered in the Respondent’s name in September 2020 to take advantage of the Complainant’s developing reputation. However, the evidence in Annexure 6 indicates the Complainant’s Google Adwords advertising campaigns started in that month. During that month, there were some 22,000 clicks generated. The evidence of Facebook advertising does not start until April 2021. The Complainant has also stated that it had other promotional efforts and self-generated traffic but it has not advanced evidence of extensive reputation before September 2020 in either its Complaint nor the unsolicited supplemental filing made with knowledge of the Respondent’s claimed defence.

It is certainly feasible that the Mr. Newman, the Respondent, or its staff, became aware of the Complainant and its use in September 2020 given they are competitors, therefore, but that conclusion is on the material in this proceeding speculative rather than more likely than not. Given Mr. Newman’s apparent prior use and relationship to the Respondent, the Panel cannot safely infer that the disputed domain name was registered in the Respondent’s name to take unfair advantage of the Complainant’s reputation.

The questions whether a person has abandoned its trade mark or has renewed or re-registered a disputed domain name involve both objective and subjective considerations. Such considerations in turn are better explored through the processes of discovery and possibly even cross-examination. In the circumstances of this case, they are not appropriately addressed under the Policy.

The Panel notes that, subject to the question of the abandonment of the “Metro Baby” name and mark, Mr. Newman and the Respondent both appear to have satisfied the “close and substantial connection” under the Guidelines On The Interpretation Of Policy Rules For Open 2LDS, auDA Policy No 2012-05 paragraph 10.5(b). Given the nature of the redirection use in May 2022, that is much more debatable under the .au Domain Administration Rules – Licensing, August 17, 2021, paragraph 2.4.4(2)(f)(i); paragraph 2.4.5 being inapplicable in light of the definition of “Australian presence” in paragraph 1.4.

On the record in this case, and especially noting that there are evidentiary question raised that require further exploration and analysis, the Panel is left to conclude that the Complainant has not established that the Respondent does not have rights or legitimate interests in the disputed domain name.

**C. Registered or Subsequently Used in Bad Faith**

In view of the conclusion reached in section 5.B., the Complaint cannot succeed and so no good purpose would be served by considering this requirement under the Policy.

**6. Decision**

For all the foregoing reasons, the Complaint is denied.

*/Warwick A. Rothnie/*

**Warwick A. Rothnie**

Sole Panelist

Date: July 23, 2022