

## **ADMINISTRATIVE PANEL DECISION**

EMPR Group Holdings Pty Ltd v. Empirical Australia Pty Ltd  
Case No. DAU2023-0011

### **1. The Parties**

The Complainant is EMPR Group Holdings Pty Ltd, Australia, represented by FB Rice Pty Ltd, Australia.

The Respondent is Empirical Australia Pty Ltd, Australia, represented by Catherine Nguyen, Australia.

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

The disputed domain names <empr.au> (second disputed domain name) and <empr.com.au> (first disputed domain name) are registered with GoDaddy.com, LLC.

### **3. Procedural History**

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on February 27, 2023. On February 27, 2023, the Center transmitted by email to GoDaddy.com, LLC a request for registrar verification in connection with the disputed domain names. On February 28, 2023, 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 March 2, 2023. In accordance with the Rules, paragraph 5(a), the due date for Response was March 22, 2023. The Response was filed with the Center on March 22, 2023.

The Center appointed Warwick A. Rothnie as the sole panelist in this matter on March 30, 2023. 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.

#### 4. Factual Background

The Complainant was incorporated as a company in Australia in 2009, under the name EMPR Holdings Pty Ltd. It changed its name to its current name in 2011.

The Complainant is the parent of another company, EMPR Australia Pty Ltd, which is the operating company. According to the Complaint, this company was incorporated in 1998 under the name Parallel Solutions & Distribution Pty Ltd and changed its name to its current name in 2006. Unless it becomes necessary to distinguish between them, the Panel will refer to both companies as “the Complainant”.

The Complainant is a supplier of parts and upgrades for a wide range of information technology (IT) products including servers, storage, laptops, notebooks and tablets, desktops, workstations, printers, printing supplies, and batteries. It distributes its products throughout Australia, New Zealand, and the South Pacific. It claims to be the largest distributor in the region of replacement parts for Hewlett-Packard Enterprise and the exclusive distributor of Lenovo and Lexmark products. The Complainant also claims to be the leading distributor of Dell replacement parts in the South Pacific.

The Complainant, or at least its operating company, has been doing so under a trade mark, or trade marks, that are based on EMPR since 2006.

Amongst other things, the Complainant promotes its products and services from its website at “<https://store.emprgroup.com.au>”. Google Analytics statistics for this website show that it had over 440,000 unique visitors in 2021 and over 383,000 visitors in 2022. These figures do not include multiple visits on the same day or customers who logged in.

According to the Complaint, the Complainant has achieved sales of approximately AUD 24 million in each of the last five years. Approximately AUD 10 million of those annual sales are generated through the website.

The Complaint includes evidence that the Complainant has a number of registered trade marks in Australia and New Zealand. For present purposes, it is sufficient to note:

- (a) Registered Trade Mark No. 1163267, EMPR AUSTRALIA and device, which has been registered with effect from February 23, 2007;
- (b) Registered Trade Mark No. 1649111, EMPR EXPRESS, which has been registered with effect from September 25, 2014; and
- (c) Registered Trade Mark No. 2053177, EMPR, which has been registered with effect from November 25, 2019.

The Panel also notes that the Complainant had previously registered EMPR as a trade mark, Registered Trade Mark No. 1292122. This trade mark was registered with effect from March 27, 2009, but was not renewed and has been removed from the Register.

The Complainant’s trade marks are registered for services in International Class 35 either for:

- (a) Wholesale and retail services for computer products, computer peripheral products, information technology product and communications and telecommunications products including such services provided via a global computer network; or
- (b) Wholesale and retail services for information technology apparatus, computer ware, communications and telecommunications apparatus and equipment, computer software, printing and copying machines, computer peripheral apparatus and equipment, parts and accessories for all the aforesaid, including such services provided via a global computer network.

The Respondent is a brand and digital marketing agency conducted under the brand EMPIRICAL.

The Respondent was incorporated under its current name on November 15, 2019. Prior to that, the Respondent's sole director and shareholder was the holder of a registered business name, Empirical Australia, from January 14, 2019. (The business name was cancelled on August 25, 2020.)

According to the Response, the Respondent has been conducting its business utilising the first disputed domain name since 2019. It registered the second disputed domain name during the priority registration period for direct registration in the .au domain (which commenced in March 2022). It does not resolve to an active website.

In addition to its use for the website, the Respondent has also provided its five employees with email addresses based on the first disputed domain name.

On September 16 and 28, 2022, the Complainant sent two emails to the Respondent alleging the Respondent's registration and use of the disputed domain name infringed the Complainant's Registered Trade Mark No 2053177 and demanding the "release back" to the Complainant of the disputed domain names. As no reply to these emails was received, a further demand was sent via the Complainant's lawyers on October 28, 2022.

In the meantime on October 1, 2022, the Respondent applied to register EMPR as a trade mark, Trade Mark Application No 2304097, in respect of the following services in International Class 35:

"Business consultancy services relating to marketing; Consultancy relating to marketing; Direct marketing; Marketing; Marketing advisory services; Marketing agency services; Marketing consultancy; Promotional marketing; Brand creation services; Advertising services to create brand identity for others"

The trade mark application has been accepted for registration by the Registrar of Trade Marks on March 2, 2023. The opposition period to oppose registration of the trade mark, therefore, has not expired.

## **5. Discussion and Findings**

Paragraph 4(a) of the Policy provides that in order to divest the Respondent of a 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; and
- (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.

### **A. Identical or Confusingly Similar**

The Respondent does not dispute that the disputed domain names are identical or confusingly similar to the Complainant's trade marks.

This is entirely appropriate. The term "EMPR Australia" is a prominent and key element of Registered Trade Mark No 1163267 and not overborne by the device element. Within the verbal element, "Australia" is a geographical reference and, further, the term EMPR is presented in much larger type.

Disregarding the “.com.au” and “.au” suffixes of the disputed domain name as functional components of the domain name system, therefore, the key, distinctive feature of Registered Trade Mark 1163267 is wholly and distinctly recognisable within both disputed domain names. See e.g., auDA Overview of Panel Views on Selected auDRP Questions First Edition (“auDRP Overview 1.0”), sections 1.9 and 1.11. Similar considerations apply in respect of Registered Trade Mark No 1649111. And, on this analysis, both disputed domain names are identical to Registered Trade Mark No. 2053177.

## **B. Registered or Subsequently Used in Bad Faith**

In the circumstances of this case, it is appropriate to consider the third requirement under the Policy next.

Under the third requirement of the Policy, the Complainant must establish that the disputed domain names have been either registered or subsequently used in bad faith by the Respondent. In contrast to the Uniform Domain Name Dispute Resolution Policy, the requirements of registration or use are disjunctive. It is necessary for the Complainant to establish only one or the other.

The Complainant contends that the mere act of registering the disputed domain names is in itself bad faith given the Complainant’s registration of its trade marks. The Complainant further submits that the Respondent’s failure to respond to the Complainant’s infringement demands in the emails and filing the trade mark application (which the Complainant contends the Respondent has no intention to use) constitutes bad faith.

Generally speaking, a finding that a domain name has been registered or is being used in bad faith requires an inference to be drawn that the respondent in question has registered or is using the disputed domain name to take advantage of its significance as a trademark owned by (usually) the complainant.

The Respondent denies knowledge of the Complainant or its trade mark before receiving the emailed demands to “release back” to the Complainant the disputed domain names.

In the circumstances of this proceeding, that denial does not appear implausible. Nor is it inconsistent with the other, objective evidence.

First, the Respondent accepts, on the basis of the materials in the Complaint, that the Complainant may be well-known to some people in the computer parts industry or the other fields that the Complainant operates in, but points out that that is a very different field to the field the Respondent operates in – brand and digital marketing consultancy.

While the Panel accepts the Complainant has achieved substantial sales over each of the past five years at least, the Panel does not consider that the scale and nature of those operations is such that someone operating in the Respondent’s field, in this case apparently well outside the Complainant’s field, must necessarily have known of the Complainant.

Secondly, the Complainant relies on the close resemblance of the disputed domain names to the Complainant’s trade marks. The Respondent contends, however, that EMPR is merely an abbreviation of its name – “Empirical” or “Empirical Australia”.

In the context of the second requirement (rights or legitimate interests), the Complainant contends that EMPR does not constitute a legitimate abbreviation of “Empirical”. Instead, relying on definitions of “acronym” and “abbreviation” from the *Macquarie Dictionary* and *National Spiritual Assembly of the Bahá’í of the United States v Second International Bahá’í Council*, WIPO Case No. [D2005-0214](#), the Complainant contends that EMPR is not an acronym nor an abbreviation of “Empirical” or “Empirical Australia”.

On the basis that the *Macquarie Dictionary* defines an “abbreviation” as “a shortened or contracted form of a word or phrase, used as a symbol for the whole”, the Complainant contends that an abbreviation typically comprises the first few letters of a word and gives examples such as “cont.”, “decaf.”, Ave” for Avenue, “Mon”

for Monday and “Oct.” for October. The Complainant says “empr” does not qualify as an abbreviation for “empirical”; therefore, as it is just a random selection of letters from within the word and not one which naturally or meaningfully abbreviates the word “empirical” and would not be readily understood by consumers or the public as such. According to the Complainant, “empr” is no more an abbreviation of “empirical” than “empa”, “emr”, “empc”, “emc”, “emri” or “emcl” would be.

In answer, the Respondent points out it is conducting a legitimate and genuine business in the brand and digital marketing field and has been doing so using the first disputed domain name, both for its website and its employees’ email addresses, since 2019. The Respondent emphasises the word “typically” in the Complainant’s contention. It says that the cases mentioned by the Complainant are examples only. Not all abbreviations conform to the Complainant’s rule; on the contrary, the styling of abbreviations is inconsistent and arbitrary and includes many variations including those where some or all of the middle letters of the word are omitted. Examples include “govt” for government, “Dr” for doctor, “atty” for “attorney”. Further, abbreviations for American states include AR for Arkansas, ME for Maine, and TX for Texas.

According to the Respondent, “empr” is a combination of phonetic sounds and the removal of vowels (disemvowelment) of the kind made popular with the introduction of SMS messaging in the early 2000s that required little cognitive effort to read but saved space, especially when messages could only use a limited number of characters.

Further, as the Respondent points out, the Guidelines On The Interpretation Of Policy Rules For Open 2Lds (2012-05) (Guidelines) stated at paragraph 8.2 that “abbreviation” was adopted in replacement for the “derivation rule”. According to the Guidelines, the “derivation rule” permitted registration of names which used only a consecutive sequence of the letters in the applicant’s name. Instead, an abbreviation must “represent or stand for the complete form”. This required a “close approximation of, and related meaning to, the complete form”. This in turn required consideration of how the term looked so that, in general, “partial words or words that contain the same letters in a similar sequence will be a close approximation”.

Schedule B of the Guidelines also included a number of examples of acceptable abbreviations including: “auda.org.au” for .au Domain Administration Ltd, “cmyer.com.au” for Coles Myer Ltd and “singair” for Singapore Airlines, amongst others.

Having regard to these matters, the Panel considers that an abbreviation will often fit the definition provided by the Complainant. However, that definition is too strict and does not encompass the range of situations which are naturally suggested by the word “abbreviation” or the examples set out in the Guidelines.

Further, in contrast to the Complainant’s contention, the panel in the *National Spiritual Assembly of the Bahá’í of the United States* case, *supra*, appears to have accepted that “uhj” was an acronym for “United House of Justice”. The panel found, however, that the acronym was not confusingly similar to “United House of Justice” for the purposes of the first requirement under the Uniform Domain Name Dispute Resolution Policy (UDRP). A similar approach has been taken under the Policy: see *e.g.*, auDRP Overview 1.0, section 1.2. As a result of that finding, the panel in the *National Spiritual Assembly of the Bahá’í of the United States* case, *supra*, did not consider, and did not need to consider, the second requirement under the UDRP (corresponding to the second requirement under the Policy). In these circumstances, the Panel considers the *National Spiritual Assembly of the Bahá’í of the United States* case, *supra*, does not support the Complainant’s contention.

The Panel is not aware of any particular term being accepted or generally understood as an abbreviation for “empirical” in contrast to, say, *e.g.*, for example or “incl” for inclusive or including.

What “empr” stands for in any given situation will very much depend on the particular context in which it is being used much like any three or four letter combination such as, for example, “uhj” considered in the *National Spiritual Assembly of the Bahá’í of the United States* case, *supra*, or “apra” which can refer in Australia to, for example, the Australian Prudential Regulation Authority or the Australasian Performing Right Association Ltd.

Bearing in mind that “emp” consists of the first three letters of “empirical” and the fifth letter, omitting the intervening vowel, the Panel considers that “emp” can fairly be considered an abbreviation of “empirical”. Other combinations of the letters in “empirical” may also serve as abbreviations, but that does not preclude “emp” from being an abbreviation. At the very least, in the context of proceedings such as these on the papers, there is a sufficiently close relationship between “emp” and “empirical” that the Panel considers the Respondent’s claim about the derivation of the disputed domain names cannot be rejected.

Thirdly, while the Complaint does not directly allege that the registration and use of the disputed domain names infringes the Complainant’s trade mark rights, that is at least implicit in the claim of registration in bad faith and was explicitly alleged in the emails sent by, or on behalf of, the Complainant in September and October 2022.

The Panel accepts that a domain name can be used as a trade mark potentially implicating rights in a registered trade mark. See *e.g.*, *Solahart Industries Pty Ltd v Solar Shop Pty Ltd* [2011] FCA 700. The registration and use of a disputed domain name may also give rise to misleading or deceptive conduct or passing off. See *e.g.*, *CSR Limited v Resource Capital Australia Pty Limited* [2003] FCA 279.

As the Respondent points out, however, the Complainant’s trade marks are registered for a narrow field and do not give the Complainant a monopoly over all uses of the term “emp”.

In the present case, the Respondent does not use the disputed domain names in respect of the same services as those for which the Complainant’s trade marks are registered. So infringement contrary to *Trade Marks Act* 1995 s 120(1) is not available.

It is also very unlikely that the Respondent’s services could be considered similar to those covered by the Complainant’s registered trade marks. That is, the Respondent’s services are very unlikely to be services of the same description as the Complainant’s. See *e.g.*, *Accor Australia & New Zealand Hospitality Pty Ltd v Liv Pty Ltd* [2017] FCAFC 56 at [339]. Accordingly, it would seem very unlikely that the requirements of *Trade Marks Act* 1995 s 120(2) would be satisfied. Even if that threshold were crossed, the manner of use in evidence in this proceeding shows that the Respondent uses the disputed domain name in close association with its own name. It would seem very likely therefore that the Respondent would be able to demonstrate that its use of the sign was not likely to deceive or cause confusion and so falls within the exception to infringement under s 120(2).

*Trade Marks Act* 1995 s 120(3) also provides for infringement where a trade mark is well-known in Australia and, as a result, the use of a deceptively similar trade mark for unrelated services is likely to indicate a connection to the trade mark owner which is likely to adversely affect the interests of the trade mark owner.

The Panel is not aware of a decision of the Courts in which this sub-section has been successfully applied. In the context of the Respondent’s manner of use and the very disparate services, however, the Panel is unable to find the Complainant would likely succeed on this ground. Indeed, in the context of the prohibitions on misleading or deceptive conduct and passing off, use of the name “Tabasco” for a business providing exhibit stands was found to be far too remote from the sauces and condiments for which “Tabasco” was very well-known to give rise to any likelihood of connection. See *McIlhenny Company v Blue Yonder Holdings Pty Limited formerly trading as TABASCO DESIGN* [1997] FCA 962.

Accordingly, the Panel is unable to find that the registration of the disputed domain names constitutes registration in bad faith.

Nor does the Panel find that the disputed domain names have been, or are being, used in bad faith. So far as the record in this case shows, the Respondent is using the first disputed domain name in connection with a genuine business in a field very remote from the Complainant’s field of activity. Merely failing to respond to a letter of demand where the Respondent appears to have adopted the disputed domain names in good faith therefore does not constitute use in bad faith in itself.

The Respondent has not used the second disputed domain name yet. The Panel notes, however, that direct registration in the .au domain has been introduced only recently. Many businesses are still developing plans for how registration in this domain may be used usefully given their investments in their existing domains. Also, many businesses have secured the corresponding registration directly in the .au domain as a defensive measure to protect their existing investment in, as here, the .com.au domain.

The Panel recognises that “passive holding” of a domain name can constitute registration and use in bad faith: *Telstra Corporation Limited v Nuclear Marshmallows*, WIPO Case No. [D2000-0003](#). In that case, however, the panel found that there was no conceivable use the respondent could put the domain name in question, <telstra.org>, to without breaching the complainant’s rights. For the reasons explained, however, the Complainant’s position in this proceeding falls a long way short of that. Accordingly, the Panel does not characterise the non-deployment of the second disputed domain name as “use in bad faith”.

Accordingly, the Complainant has not established the third requirement under the Policy in respect of either disputed domain name. And the Complaint must fail.

### **C. Rights or Legitimate Interests**

As the Complaint must fail, no good purpose would be served by addressing this requirement.

## **6. Decision**

For all the foregoing reasons, the Complaint is denied.

*/Warwick A. Rothnie/*

**Warwick A. Rothnie**

Sole Panelist

Date: April 13, 2023