

ARBITRATION AND MEDIATION CENTER

# ADMINISTRATIVE PANEL DECISION

Trustd Figures Pty Ltd v. Pinnacle Strategic Holdings Pty Ltd Case No. DAU2024-0004

#### 1. The Parties

The Complainant is Trustd Figures Pty Ltd, Australia, represented by Aitken Partners, Australia.

The Respondent is Pinnacle Strategic Holdings Pty Ltd, Australia, represented by Sladen Legal, Australia.

# 2. The Domain Names and Registrar

The disputed domain names <agentdesk.au>, <agentdesk.com.au>, and <agentdesk360.com.au> are registered with Web Address Registration Pty Ltd (the "Registrar").

## 3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on March 5, 2024. On March 6, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain names. On March 8, 2024, the Registrar 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 proceeding commenced on March 12, 2024. In accordance with the Rules, paragraph 5(a), the due date for Response was April 1, 2024. On March 19, 2024, the Respondent sent an email to the Center requesting an extension to the Response due date. On March 22, 2024, the Center confirmed that the due date for Response was extended to April 2, 2024 pursuant to paragraph 5(d) of the Rules. The Response was filed with the Center on April 2, 2024.

The Center appointed Sebastian M.W. Hughes as the sole panelist in this matter on April 11, 2024. 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.

On April 15, 2024, the Complainant sent an email communication to the Center requesting the Panel to afford the Complainant the opportunity to make a further short submission addressing certain of the contentions in the Response. On April 16, 2014, the Respondent sent an email to the Center opposing the Complainant's request.

On April 17, 2024, the Panel issued a Procedural Order permitting the Complainant to file supplemental submissions by April 24, 2024, limited to three pages and addressing only the issues identified by the Complainant in its request; granting the Respondent the opportunity to respond to the Complainant's submissions by May 1, 2024, limited to three pages; and extending the due date for the Decision until at least May 8, 2024.

On April 23, 2024, the Complainant filed its supplemental submissions.

On May 1, 2024, the Respondent filed its response to the Complainant's supplemental submissions.

### 4. Factual Background

The Complainant is a company incorporated in the State of Victoria, Australia on May 4, 2021, and providing various business administration and related services primarily to persons in the real estate and property business, under the trade mark agent Desk. (the "Trade Mark").

The Complainant is the owner of Australian registered trade mark No. 2094011 for the Trade Mark, registered from June 5, 2020 in respect of services including business administration, advertising analysis and accounting services in Class 35; real estate affairs and financial affairs in Class 36; provision of training and education services in Class 41; and information technology services provided on an outsourcing basis in Class 42 (the "Registered Trade Mark").

The Respondent is a company incorporated in the State of Victoria, Australia in 2005 and a provider since at least 2012 of web-based software and digital solutions predominantly for real estate agents and other participants in the housing and property management industries, under the name AgentInspect.

In September 2018 the respective directors of the Respondent and of the Complainant agreed to set up a business together and, on October 11, 2018, arranged for the incorporation of Agent Desk Pty Ltd to conduct the business.

Between late February 2019 and its liquidation in mid-2021, Agent Desk Pty Ltd used the disputed domain name <agentdesk.com.au> in respect of the website "www.agentdesk.com.au" for its business.

On June 5, 2020, Agent Desk Pty Ltd filed the application for registration of the Registered Trade Mark.

Between late 2020 and mid-2021, the respective directors of the Complainant and the Respondent had a shareholder dispute in respect of Agent Desk Pty Ltd in the Supreme Court of Victoria, which culminated in Agent Desk Pty Ltd being wound up on just and equitable grounds.

On August 23, 2021, Agent Desk Pty Ltd (in liquidation) assigned ownership of the Trade Mark to the Complainant by way of a deed of assignment, which was recorded with IP Australia on August 26, 2021 (the "Assignment").

On November 5, 2021, the Respondent filed an opposition to registration of the Registered Trade Mark with IP Australia (the "Opposition").

On December 5, 2023, the Delegate of the Registrar of Trade Marks determined the Opposition in the Complainant's favour (the "Opposition Decision").

The Trade Mark proceeded to registration and was entered in the Register on February 1, 2024.

On February 16, 2024, the Respondent filed an application with IP Australia under section 92(4)(b) of the Trade Marks Act 1995 (Cth) for removal of the Registered Trade Mark for non-use.

On February 20, 204, IP Australia notified the Respondent that its application for removal for non-use was invalid as a period of three years from the date the Registered Trade Mark was entered in the Register (February 1, 2024) had not passed.

On February 23, 2024, the Respondent filed a second application with IP Australia under section 92(4)(a) of the Trade Marks Act 1995 (Cth) for removal of the Registered Trade Mark for non-use (the "Removal Action").

The disputed domain name <agentdesk.au> was registered on March 25, 2022.

The disputed domain name <agentdesk.com.au> was registered on November 28, 2014.

The disputed domain name <agentdesk360.com.au> was registered on September 20, 2019.

At the time of filing of the Complaint, none of the disputed domain names resolved to an active website.

#### 5. Parties' Contentions

#### A. Complainant

The Complainant contends that the disputed domain names are identical or confusingly similar to the Trade Mark; the Respondent has no rights or legitimate interests in respect of the disputed domain names; and the disputed domain names have been subsequently used in bad faith.

Notably, the Complainant relies upon the finding in the Opposition Decision that the Complainant is the owner of the Registered Trade Mark, and the Respondent's failure to file an appeal against the Opposition Decision within the statutory time period.

## **B.** Respondent

The Respondent does not dispute that the disputed domain names are identical or confusingly similar to the Registered Trade Mark; but does contend that the Complainant does not currently have unchallenged rights to the Trade Mark; further contends that it has rights or legitimate interests in the disputed domain names; and that the disputed domain names have not been registered or subsequently used in bad faith.

Notably, the Respondent contends that it disagrees with the Opposition Decision although, "for forensic reasons", it has chosen not to appeal the Opposition Decision; it holds unregistered rights in the Trade Mark which were in existence prior to the incorporation of and licence to Agent Desk Pty Ltd; as the disputed domain name <agentdesk.com.au> was registered four years before the Respondent licensed Agent Desk Pty Ltd to use the Trade Mark, and the Respondent does not require a licence from the Complainant; the Respondent disputes ownership of the Registered Trade Mark and this dispute is ongoing through the Removal Action; and the Respondent may utilise the disputed domain names in accordance with applicable laws without the Complainant's licence or authorisation notwithstanding the Registered Trade Mark.

The Respondent also relies on its letters sent to the Australian Securities & Investments Commission ("ASIC") on April 2, 2024, requesting cancellation of the Complainant's business name registrations "Agent Desk" and "agentdesk360".

The Respondent requests the Panel to make a finding of reverse domain name hijacking ("RDNH") on the following grounds:

- (1) the Complaint should never have been filed and was brought about to harass the Respondent into incurring additional legal costs while the Removal Action is pending, and is therefore an abuse of an administrative proceeding;
- (2) the Complainant is well aware of the Respondent's legitimate interests in the disputed domain names, not only through the evidence filed during the Opposition, but because the Respondent licensed Agent Desk Pty Ltd to use the Trade Mark as part of Agent Desk Pty Ltd. This was not a name coined by Agent Desk Pty Ltd or the Complainant;
- (3) the Complainant knew the Removal Action had been commenced against the Registered Trade Mark yet it filed the Complaint anyway. Further, the Complainant notified the Respondent that it did not intent to wait for a response from the Respondent;
- (4) the Complainant has made a number of provocative statements and submissions in the Complaint, including citing cases that do not support the Complainant's related contended position, which are incorrect and therefore detrimental to the Respondent;
- (5) the filing of this Complaint is in response to the Complainant not acquiring the disputed domain name <agentdesk.com.au> as part of the acquisition of the assets of Agent Desk Pty Ltd. However, the Complainant always knew that <agentdesk.com.au> was never owned by Agent Desk Pty Ltd;
- (6) the general conduct of the Complainant is evident from the circumstances surrounding the registration of the Agent Desk and agentdesk360 Australian Business names in breach of director duties and after registration of the disputed domain names;
- (7) Following the liquidation of Agent Desk Pty Ltd, the Respondent felt the need to file a defamation action in the County Court of Victoria, Australia, which has ultimately resulted in a confidential settlement between the Parties.

## 6. Discussion and Findings

### A. Identical or Confusingly Similar

It is well accepted that the first element functions primarily as a standing requirement. The standing (or threshold) test for confusing similarity involves a reasoned but relatively straightforward comparison between the Complainant's trade mark and the disputed domain name.

The Complainant, as the owner of the Registered Trade Mark, has shown rights in respect of a trade mark or service mark for the purposes of the Policy.

The Respondent expressly in the Response does not contest the similarity of the disputed domain names to the Trade Mark.

While the Complainant's ownership of the Trade Mark is currently being challenged by the Respondent through the Removal Action, the Panel notes the Registered Trade Mark remains valid at the time of this Decision.

Disregarding the relevant country code Top-Level Domain and Second-Level Domain, the disputed domain names <agentdesk.au> and <agentdesk.com.au> are identical to the Registered Trade Mark (save for the dot in the Registered Trade Mark).

The disputed domain name <agentdesk360.com.au> contains the Registered Trade Mark in its entirety. Although the addition of other terms (here, "360") may bear on assessment of the second and third elements, the Panel finds the addition of such term does not prevent a finding of confusing similarity between the disputed domain name <agentdesk360.com.au> and the Registered Trade Mark for the purposes of the Policy.

The Panel finds the first element of the Policy has been established.

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

Paragraph 4(c) of the Policy provides a list of circumstances in which a respondent may demonstrate rights or legitimate interests in a disputed domain name.

Although the overall burden of proof in proceedings under the Policy is on the complainant, panels have recognised that proving a respondent lacks rights or legitimate interests in a domain name may result in the difficult task of "proving a negative", requiring information that is often primarily within the knowledge or control of the respondent. As such, where a complainant makes out a prima facie case that the respondent lacks rights or legitimate interests, the burden of production on this element shifts to the respondent to come forward with relevant evidence demonstrating rights or legitimate interests in the domain name (although the burden of proof always remains on the complainant). If the respondent fails to come forward with such relevant evidence, the complainant is deemed to have satisfied the second element.

Panels tend to assess claimed respondent rights or legitimate interests in the present, ie, with a view to the circumstances prevailing at the time of the filing of the complaint. Without prejudice to a complainant's duty to establish that a domain name has been registered and used in bad faith, a respondent claiming a right or legitimate interest in a domain name for example based on a prior agreement or relationship between the parties or based on past good faith use (thus demonstrating merely a past right or legitimate interest) would not necessarily have rights or legitimate interests in the domain name, at the time a decision is rendered.

Having reviewed the available record, the Panel finds the Complainant has established a prima facie case that the Respondent lacks rights or legitimate interests in the disputed domain names.

The Respondent does not contest that its registrations for the disputed domain name are passively held. Rather, the Respondent argues that, notwithstanding its failure to file an appeal against the Opposition Decision, it continues to contest the ownership of the Registered Trade Mark. The Respondent relies in this regard on its recently filed the Removal Action; and on its applications to challenge the Complainant's business name registrations (filed with ASIC on the same date as the filing of the Response herein).

Although the Respondent does not adduce evidence of its intended use of the disputed domain names, the Respondent contends that, after Agent Desk Pty Ltd went into liquidation, the Respondent resolved to "reignite" its original plans to provide goods and services under the Trade Mark utilising the disputed domain names, however, "a significant factor preventing significant investment and public launch of any plans utilising the Trade Mark in respect of a good faith offering of goods or services was the Opposition and subsequent registration of the Trade Mark".

The Respondent seeks to rely on unregistered rights in the Trade Mark, which were in existence four years prior to the incorporation of Agent Desk Pty Ltd. Such arguments are without merit in light of (1) the subsequent use by Agent Desk Pty Ltd of the Trade Mark; (2) the application for registration of the Trade Mark filed by Agent Desk Pty Ltd; (3) the Assignment; and (4) the finding of the Delegate of the Registrar of Trade Marks that the Complainant (and not the Respondent) is the owner of the Trade Mark.

The Respondent also contends that, despite the Opposition, the Respondent also sought to protect its rights in the Trade Mark by filing its own trade mark applications in 2021 and 2022, which are currently pending.

The Panel notes that pending trade mark applications do not, of themselves, typically give rise to any actionable trade marks rights; and, further, in light of the Opposition Decision and the Complainant's consequent prior rights in the Registered Trade Mark, it would appear unlikely the pending applications will proceed to registration.

The Respondent's application to challenge the Complainant's business name registrations, and its recently filed the non-use Removal Action, are not relevant to the second element.

The Respondent has not otherwise rebutted the Complainant's prima facie showing and has not come forward with any relevant evidence demonstrating rights or legitimate interests in the disputed domain names such as those enumerated in the Policy or otherwise.

The Panel finds the second element of the Policy has been established.

## C. Registered or Subsequently Used in Bad Faith

The Panel notes that, for the purposes of paragraph 4(a)(iii) of the Policy, paragraph 4(b) of the Policy establishes circumstances, in particular, but without limitation, that, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith.

The Complainant contends that, prior to the filing of the Complaint (and subsequent to the Assignment), the Respondent has used the disputed domain name <agentdesk.com.au> in bad faith, by redirecting it to a website of a business of the Respondent at "www.ipinnacle.com.au".

The Respondent contends that, in doing so, it did not trade off the reputation of the Complainant or pass itself off as the Complainant. The Respondent contends further that (1) the redirection occurred while the Respondent opposed the Trade Mark Registration and while the Respondent held the genuine and good faith belief that it owns the Trade Mark; (2) the Respondent still holds the genuine belief it has rights in the Trade Mark and is continuing to pursue those rights before IP Australia by way of the Removal Action; and (3) it ceased the redirection following receipt of the Opposition Decision and prior to the filing of the Complaint by the Complainant herein.

In respect of the Removal Action, the relevant grounds under section 92(4)(a) of the Trade Marks Act 1995 (Cth) are as follows:

- "(4) An application under subsection (1) or (3) (**non-use application**) may be made on either or both of the following grounds, and on no other grounds:
- (a) that, on the day on which the application for the registration of the trade mark was filed, the applicant for registration had no intention in good faith:
  - (i) to use the trade mark in Australia; or
  - (ii) to authorise the use of the trade mark in Australia; or
- (iii) to assign the trade mark to a body corporate for use by the body corporate in Australia; in relation to the goods and/or services to which the non-use application relates and that the registered owner:
  - (iv) has not used the trade mark in Australia; or
  - (v) has not used the trade mark in good faith in Australia;

in relation to those goods and/or services at any time before the period of one month ending on the day on which the non-use application is filed."

The evidence relied upon by the Complainant in the Opposition included its use of the Trade Mark since at least August 2021 on its website at <www.agentdesk.net.au>. The requirement under section 92(4)(a)(iv) is that the Complainant has not used the Trade Mark in Australia at any time before the period of one month ending on the day on which the non-use application was filed. In any case, the Panel notes that the Trade Mark remains valid at the time of issuing this Decision.

The Respondent contends that it ceased redirecting the disputed domain name <agentdesk.com.au> to its website "when it formed the view not to appeal the Opposition Decision" and, therefore, as the appropriate time to assess the Respondent's conduct is "no later the date the Complaint is filed", the Complainant has provided no evidence that the prior redirection amounted to bad faith.

The Panel finds, in all the circumstances, that the Respondent's redirection of the disputed domain name <agentdesk.com.au> after the date of the Assignment amounts to subsequent use in bad faith under paragraph 4(b)(iv) of the Policy.

The Panel finds, in all the circumstances, that the disputed domain name <agentdesk.au> - which was registered after the date of the Assignment – was registered or subsequently used in bad faith.

The Panel finds further that, in light of the Opposition Decision and the entry of the Trade Mark Registration on the Register on February 1, 2024, and the Respondent's decision not to file any appeal therefrom within the statutory appeal period, and the Panel's finding that the Respondent has no rights or legitimate interests in the disputed domain names, the Panel finds that the Respondent's continuous holding of the disputed domain name <a href="mailto:agentialegoldentary">agentialegoldentary</a> also amounts to bad faith.

The Panel finds that the Respondent has registered or subsequently used the disputed domain names in bad faith and, accordingly, the Complainant has established the third element of the Policy.

### D. Request for Suspension

The Respondent contends that its pending trade mark applications and the Removal Action are directly relevant to the Complaint and ought to be taken into account by the Panel because (1) ownership of the Registered Trade Mark is contested by the Respondent; (2) if the Removal Action is successful, it would provide another example of legitimate interests of the Respondent; and (3) having the disputed domain names transferred before ownership of the Registered Trade Mark and the pending marks can be tested before IP Australia would be prejudicial and therefore unjust, as the Respondent has demonstrated its legitimate interests.

If the Panel determines that the Respondent has not established its legitimate interests in the domain name registrations, the Respondent requests that the Complaint be suspended so that it can "pursue its trade mark rights" before IP Australia in order to be able to safely implement the demonstrable plans and thus further demonstrate its legitimate interests.

Paragraph 18(a) of the Rules provides as follows:

"In the event of any legal proceedings initiated prior to or during an administrative proceeding in respect of a domain name dispute that is the subject of the complaint, the Panel shall have the discretion to decide whether to suspend or terminate the administrative proceeding, or to proceed to a decision."

Appointed panels are usually reluctant to suspend proceedings under the Policy due to concurrent court proceedings, most notably because of the potential for indeterminate delay.

Paragraph 4(k) of the Policy provides relevantly as follows:

**"k. Availability of Court Proceedings.** The mandatory administrative proceeding requirements set forth in Paragraph 4 shall not prevent either you or the complainant from submitting the dispute to a court of competent jurisdiction for independent resolution before such mandatory administrative proceeding is commenced or after such proceeding is concluded…"

See also Jacuzzi, Inc. v. Wangra Pty Ltd, WIPO Case No. <u>DAU2005-0001</u>:

"Moreover, the auDRP Policy operates expressly without prejudice to a party's rights to bring proceedings, even after the administrative proceeding has been decided: auDRP Policy, paragraph 4(k)."

In all the circumstances, the Panel refuses the Respondent's request, in the alternative, for suspension of the proceeding.

## E. Reverse Domain Name Hijacking

Paragraph 15(e) of the Rules provides that, "If after considering the submissions the Panel finds that the complaint was brought in bad faith, for example in an attempt at Reverse Domain Name Hijacking or was brought primarily to harass the domain name holder, the Panel shall declare in its decision that the complaint was brought in bad faith and constitutes an abuse of the administrative proceeding."

RDNH is furthermore defined under the Rules as "using the Policy in bad faith to attempt to deprive a registered domain name holder of a domain name".

The Complainant has succeeded in obtaining the transfer of the disputed domain names in this proceeding.

The Respondent's request for a finding of RDNH herein is without merit and is accordingly refused.

#### 7. Decision

For all the foregoing reasons, in accordance with Paragraphs 4(i) of the Policy and 15 of the Rules, the Panel orders that the disputed domain names, <agentdesk.au>, <agentdesk.com.au>, and <agentdesk360.com.au>, be transferred to the Complainant.

/Sebastian M.W. Hughes/ Sebastian M.W. Hughes Sole Panelist Date: May 24, 2024