

ADMINISTRATIVE PANEL DECISION

Homebuilder.com.au IP Pty Ltd v. Luxury Home Developments Pty Ltd
Case No. DAU2022-0043

1. The Parties

The Complainant is Homebuilder.com.au IP Pty Ltd, Australia, represented by LegalVision ILP Pty Ltd, Australia.

The Respondent is Luxury Home Developments Pty Ltd, Australia, represented by Cooper Mills Lawyers, Australia.

2. The Domain Name and Registrar

The disputed domain name <homebuilder.net.au> is registered with Drop.com.au Pty Ltd (“the Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on December 19, 2022. On the same day, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On December 21, 2022, 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 “auDRP” or 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 December 22, 2022. In accordance with the Rules, paragraph 5(a), the due date for Response was January 11, 2023. The Response was filed with the Center on January 10, 2023.

The Center appointed Matthew Kennedy as the sole panelist in this matter on January 16, 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.

On January 23, 2023, the Complainant made an unsolicited supplemental filing.

4. Factual Background

The Complainant is a property technology company that provides an online platform to connect home owners to local home builders, architects and designers. The Complainant is the owner of various trademark registrations in Australia and New Zealand, including the following:

- Australian trademark registration number 1738394 for a figurative mark that features the textual element HOMEBUILDER.COM.AU (with HOMEBUILDER in bold text) and, beneath it in smaller font, the words BUILDING TOGETHER, MADE SIMPLE, entered on the register on September 9, 2016, with a priority date of December 1, 2015, specifying services in classes 35, 37, and 42; and
- Australian trademark registration number 2032238 for a figurative mark that features the textual element HOMEBUILDER.AU (with HOMEBUILDER in bold text) and, beneath it in smaller font, the words BUILDING TOGETHER, MADE SIMPLE, entered on the register on April 29, 2020, with a priority date of August 22, 2019, specifying services in classes 35, 37, and 42.

The above trademark registrations remain current. The Complainant operates social media accounts named "Homebuilder.com.au" that prominently display the figurative element in its trademarks. The Complainant uses the domain name <homebuilder.com.au> in connection with a website that now offers a search engine to find a home builder, architect, or home (building) designer throughout Australia by State, suburb or postcode. The Complainant has filed applications for other trademarks in Australia and New Zealand, including Australian trademark application number 2312536 for HOMEBUILDER.COM.AU, filed on November 8, 2022. That application is currently under examination.

The Respondent is an Australian company registered on July 5, 2013, that acts as trustee of the Luxury Home Developments Trust. It is a licensed builder in the register of building practitioners maintained by the Victorian Building Authority. It operates its business in Victoria under the name "Luxury Homes". It operates a website in connection with the domain name <luxuryhomes.com.au> where it provides information about itself and its business.

The disputed domain name was registered by the Respondent on May 4, 2017. Nothing on the record indicates that it has ever resolved to any active website; rather, it is passively held.

According to the Complainant, both Parties filed priority status applications for the domain name <homebuilder.au> in 2022. The Complainant sent emails to the Respondent on September 22, 2022, and October 15, 2022, seeking a commercial arrangement whereby the Respondent would either sell the Complainant the disputed domain name or remove its priority status for the <homebuilder.au> domain name. The Complainant drew attention to its trademark rights and advised that its solicitors were preparing to initiate a proceeding to obtain its transfer through auDA. The Complainant also attempted to speak to the Respondent by telephone on October 18, and 20, 2022, without success.

5. Parties' Contentions

A. Complainant

The Complainant secured its primary domain name <homebuilder.com.au> on November 4, 2013 (the "first use date"). The Complainant adopted "homebuilder" as part of its business name in or about August 2014. Since the first use date, the Complainant has contributed significant financial resources to the marketing and growth of its business name, trademark and domain name (all of which contain the phrase "homebuilder") in the marketplace. The Complainant has maintained a consistent online and social media presence since 2016. Its webpages and social media accounts make prominent use of its marks. On August 18, 2021, the

Complainant obtained funding under the Queensland Government's Business Basics Grants Program. The Complainant has amassed substantial reputation and significant goodwill through the use of its marks and primary domain name. This reputation and goodwill have been well established in the marketplace from a time prior to the Respondent applying to register the disputed domain name. The Complainant's mark has a strong reputation and is widely known as evidenced by its substantial use over the past six years in Australia. The disputed domain name is identical to the Complainant's marks, with the exception of ".net".

The Respondent has no rights or legitimate interests in respect of the disputed domain name. The domain name <luxuryhomes.com.au> is the primary domain name being used for commercial purposes by the Respondent. Despite this, there is no reference on the associated website to the disputed domain name. The Respondent has never put the disputed domain name to use in any commercial or noncommercial capacity. There is no evidence of the Respondent's use of, or demonstrable preparations to use, the disputed domain name in connection with an offering of goods or services nor to make any legitimate noncommercial or fair use of the disputed domain name in the future.

The disputed domain name was registered and subsequently used in bad faith. The Respondent's failure to respond to emails and telephone calls and its non-use of the disputed domain name has prevented the Complainant from reflecting its trademark in a corresponding domain name. The Complainant's reputation and goodwill through the use of its primary domain name and its trademarks have been well-established since prior to the registration of the disputed domain name. The Respondent registered the disputed domain name with knowledge of the reputation of the Complainant's business and primary domain name and therefore registered the disputed domain name in bad faith. In the event that the Respondent did not secure the disputed domain name with knowledge of the Complainant's business, it ought to have known of it as a reasonable person would have made genuine enquiries to avoid any potential conflicts in the marketplace.

The Complainant requests a transfer of the disputed domain name but its unsolicited supplemental filing adds that, in the event that the Panel does not find in its favor and does not order a transfer, the Complainant requests that the disputed domain name be cancelled in the alternative. The Complainant submits that pursuant to section 6.1(a) of the auDRP, a complainant may seek cancellation, in which case the disputed domain name will become available for registration in the normal way.

B. Respondent

The Complainant appears to assert that it has trademark rights in "home builder" *per se*. It has provided no evidence of its use of "home builder" as a trademark or its reputation in respect of "home builder". This is a common term used to describe a business that builds homes. Further, the Complainant has provided no evidence that Australian consumers associate the words "home builder" with the Complainant outside its logos. As the phrase "home builder" is a descriptive phrase, in order to rely on common law or unregistered rights, clear evidence is required to show that the phrase has become associated with the Complainant and its services. There is no such evidence in this case. The disputed domain name is not identical or confusingly similar to the Complainant's registered marks. These are composite marks that include a fancy logo and the words "Building together, made simple" and ".com" that are not included in the disputed domain name. The words "home" and "builder" appear as part of the fancy logo with these other words.

The term "home builder" is highly descriptive. Where the disputed domain name consists of dictionary words or descriptive terms with the intent to host a website that is genuinely related to the dictionary meaning of the words and not to trade of the Complainant's trademark, as is the case here, the Respondent's rights or legitimate interests can arise. This is especially so where the domain name has been registered for a long period of time, in this case it has been registered for approximately 5 years. Accordingly, the Respondent has rights and legitimate interests in registering the disputed domain name for the Respondent's home building business. There is no requirement that the Respondent use the disputed domain name to have a legitimate interest in registering the disputed domain name. It is also legitimate for the Respondent to use the disputed domain name to direct Internet traffic to the Respondent's home building website, as the Respondent intends to do in the future.

The Complainant has not shown that there was some intent on the part of the Respondent to take advantage of the Complainant's trademark. The Complainant only launched its website on December 16, 2022, and it did not own the domain name <homebuilder.com.au> at the time that the Respondent registered the disputed domain name in 2017. Neither of the Complainant's Australian registered trademarks appears to have been used until at least December 16, 2022, and the priority date for the second trademark (Australian trademark registration number 2032238) is about two years after the date of registration of the disputed domain name. The Complainant did not have any reputation at the time when the Respondent registered the disputed domain name. The words "home" and "builder" are generic English descriptors meaning someone who builds homes, which is precisely what the Respondent and its predecessors have done for the past 30 years. It is not bad faith for a home builder to register a domain name solely comprising "homebuilder". The Respondent was unaware of the Complainant's alleged trademark rights when it registered the disputed domain name. The Respondent did not register the disputed domain name to take advantage or trade off any trademark rights that the Complainant may have had in 2017. The Respondent registered the disputed domain name because of its intrinsic value as a generic descriptive domain name and to use for its home building business. There are tens of thousands of organizations and businesses that use (or could use) Home Builder, demonstrating that it is not unique or distinctive and does not strongly point to the Complainant in respect of source or origin. No website resolves from the disputed domain name so there can be no bad faith use. The Respondent registered the disputed domain name to develop a lead generation website for its home builder services, or to redirect to its principal domain name <luxuryhomes.com.au>. Due to numerous intervening factors including the pandemic and a flood of home building work, its plans have been delayed. The Complainant is not well known and is not a home builder, hence there cannot be any confusion. The Respondent never approached the Complainant and never reached out to sell the disputed domain name to the Complainant. The Respondent did not respond to the Complainant's enquiries because it registered the disputed domain name for use in its business as a home builder. The disputed domain name is not for sale. The Respondent's conduct is not evidence of use in bad faith. There are no surrounding circumstances that suggest any bad faith conduct. The Respondent has never been the subject of any prior auDRP or UDRP complaint.

This is a classic case where the Complainant reached out to acquire a domain name legitimately owned by the Respondent and filed this Complaint as a "second bite" when that approach failed. There is a clear abuse of process as the Complainant admits that it is aware of the Respondent's home builder business and knew that the Respondent had registered the disputed domain name in accordance with the auDA Licensing Policy. The Complaint could never succeed. Furthermore, the Complainant is represented by a reputable law firm who would have advised it of the futility of this Complaint, or at the very least, ought to have been aware that the auDRP is for simple cases of cybersquatting which is not the case here.

6. Discussion and Findings

6.1 Complainant's Unsolicited Supplemental Filing

The Complainant made an unsolicited supplemental filing on January 23, 2023, one week after the appointment of the Panel. The Complainant requests that its supplementary filing be considered pursuant to paragraph 12 of the Rules. The Panel notes that the supplemental filing contains no new evidence and only briefly addresses one issue, namely, the remedy requested. Accordingly, the Panel can address the supplemental filing expeditiously without delaying the proceeding or causing any unfairness to either Party. Therefore, the Panel decides to accept the Complainant's supplemental filing and will address it to the extent relevant.

6.2 Substantive Issues

Paragraph 4(a) of the auDRP provides that a complainant must prove each of the following elements:

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

The burden of proof of each element is borne by the Complainant.

A. Identical or Confusingly Similar

The Complainant appears to claim unregistered or common law rights in the term “Homebuilder”. The Panel considers that a claim based on an unregistered mark requires the Complainant to produce evidence that, prior to the filing of the Complaint, it provided goods or services under that mark and thereby acquired a reputation such that members of the public would associate those goods or services with the Complainant and not with others not authorized by the Complainant to use the mark. See *Avid Life Media, Inc. v. Melody Carstairs*, WIPO Case No. [DAU2011-0001](#).

In the present case, the Complainant does not allege that it has made any independent use of “Homebuilder” as an indication of source. Rather, it alleges that that term is part of its domain name <homebuilder.com.au> and its business name, which may be a reference to its company name, Homebuilder.com.au IP Pty Ltd. Indeed, the evidence of the Complainant’s social media accounts and website show that it uses “home builder” (in the singular and plural) independently to refer to third parties in the generic sense of a person who builds a house rather than to refer to itself as a provider of any services. Moreover, the words “home builder” are clearly related to the nature of the Complainant’s services, which are locating home builders, architects and home (building) designers. Based on this record, the Panel cannot find any common law or unregistered rights.

The Complainant also claims registered trademark rights. Based on the evidence of trademark registrations presented, the Panel finds that the Complainant has rights in the HOMEBUILDER.COM.AU BUILDING TOGETHER, MADE SIMPLE figurative mark and the HOMEBUILDER.AU BUILDING TOGETHER, MADE SIMPLE figurative mark. Given that the figurative elements in these marks cannot be reflected in a domain name for technical reasons, the Panel will not take them into consideration in the comparison with the disputed domain name for the purposes of the first element of paragraph 4(a) of the auDRP. See *Cambridge Nutritional Foods Limited and Cambridge Manufacturing Company Limited v. Cambridge Diet Pty Ltd*, WIPO Case No. [DAU2010-0021](#).

The disputed domain name incorporates the dominant element of the Complainant’s registered marks, *i.e.*, HOMEBUILDER. Although the disputed domain name omits the four words BUILDING TOGETHER, MADE SIMPLE, which are shown in the marks in small font, and although the disputed domain name contains the Second-Level Domain (“2LD”) extension “.net.au” instead of “.com.au” or “.au” as in the marks, the Panel does not consider that these differences avoid a finding of confusing similarity because HOMEBUILDER is the dominant element of the marks.

The Complainant notes that it has filed an Australian trademark application for HOMEBUILDER.COM.AU with no figurative elements. Given that the application is still under examination it does not, on its own, demonstrate any rights in a mark for the purposes of the first element of paragraph 4(a) of the auDRP. See *TrueLocal Inc., Geosign Technologies Inc. and True Local Limited v. News Interactive Pty Limited*, WIPO Case No. [DAU2006-0003](#).

Therefore, the Panel finds that the disputed domain name is confusingly similar to a trademark in which the Complainant has rights. The Complainant has satisfied the first element in paragraph 4(a) of the auDRP.

B. Rights or Legitimate Interests

Paragraph 4(c) of the auDRP sets out circumstances which, without limitation, if found by the Panel to be proven based on its evaluation of all evidence presented, shall demonstrate that the Respondent has rights to, or legitimate interests in, a disputed domain name, for the purposes of paragraph 4(a)(ii) of the auDRP:

(i) before any notice to [the respondent] of the subject matter of the dispute, [the respondent's] *bona fide* use of, or demonstrable preparations to use, the [disputed] domain name or a name corresponding to the [disputed] domain name in connection with an offering of goods or services (not being the offering of domain names that [the respondent has] acquired for the purpose of selling, renting or otherwise transferring); or

(ii) [the respondent] (as an individual, business, or other organization) [has] been commonly known by the [disputed] domain name, even if [the respondent has] acquired no trademark or service mark rights; or

(iii) [the respondent is] making a legitimate noncommercial or fair use of the [disputed] domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

It is clear from the Complaint that the Complainant has not licensed the Respondent to use a disputed domain name confusingly similar to its trademarks. The evidence provided by the Complainant shows that the disputed domain name is passively held only and not currently used in connection with an offering of goods or services nor in connection with a legitimate noncommercial or fair use of the disputed domain name for the purposes of the Policy. The Respondent's name is "Luxury Home Developments Pty Ltd" and it operates under the name "Luxury Homes", not the disputed domain name. Based on the above, the Panel considers that the Complainant has made a *prima facie* case that the Respondent has no rights or legitimate interests in respect of the disputed domain name.

Turning to the Respondent's submission, it alleges that it registered the disputed domain name to develop a lead generation website for its home builder services, or to redirect to its principal domain name <luxuryhomes.com.au> but that, due to numerous intervening factors including the pandemic and a flood of home building work, its plans have been delayed. Given that the Respondent is a home builder, this explanation may be plausible, despite the delay of more than five years since it registered the disputed domain name. However, the Respondent does not substantiate its allegation. There is no evidence that the Respondent has made any demonstrable preparations to use the disputed domain name in connection with an offering of goods or services. Accordingly, the Panel finds that the Respondent has not rebutted the Complainant's *prima facie* case.

Therefore, the Panel finds that the Complainant has satisfied the second element in paragraph 4(a) of the auDRP.

C. Registered or Subsequently Used in Bad Faith

Paragraph 4(a)(iii) of the auDRP uses the conjunction "or", which indicates that the Complainant may satisfy this element by showing either that the disputed domain name has been registered in bad faith, or that it has been subsequently used in bad faith, without necessarily demonstrating both.

Paragraph 4(b) of the auDRP provides that certain circumstances, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith, although they do not constitute an exhaustive list. The second of these circumstances is as follows:

(ii) [the respondent has] registered the domain name in order to prevent the owner of a name, trademark or service mark from reflecting that name or mark in a corresponding domain name;

As regards registration, the disputed domain name was registered by the Respondent on May 4, 2017, after the registration of the Complainant's HOMEBUILDER.COM.AU BUILDING TOGETHER, MADE SIMPLE figurative mark in Australia, the country where the Respondent conducts its business. However, nothing on the record indicates that the Complainant used that mark prior to that date. The Complainant does not substantiate its allegations that it secured the domain name <homebuilder.com.au> in 2013 or that it adopted "homebuilder" in its business name in about August 2014, nor that it even existed at those times. Even if the Panel assumes that the Complainant or a related company held these registrations, that does not imply that they operated a website, used a mark or even traded prior to 2022. Based on the record, the Panel is

unable to find that the Complainant had any reputation at the time when the disputed domain name was registered. Accordingly, there is no reason to believe that the Respondent knew, or should have known, of the Complainant or its mark at that time. The Respondent, for its part, submits that it was unaware of the Complainant's alleged trademark rights when it registered the disputed domain name, and that it registered the words "home builder" in the disputed domain name because they describe its business as a home builder. In view of all the circumstances, the Panel finds that to be the more plausible explanation as to why the disputed domain name incorporates the dominant element of the Complainant's prior registered mark. Accordingly, the Panel does not find that the disputed domain name was registered in bad faith.

As regards subsequent use, the disputed domain name has been passively held since its registration but that does not preclude a finding of use in bad faith. See *Produits Berger v. Lay Tee Ong*, WIPO Case No. [DAU2004-0008](#), citing *Telstra Corporation Limited v. Nuclear Marshmallows*, WIPO Case No. [D2000-0003](#). In the present case, the Complainant asserts that its mark has a strong reputation and is widely known as evidenced by its substantial use over the past six years in Australia. However, there is no evidence that the Complainant has used its trademark for six years. According to a screenshot provided by the Respondent, the Complainant's website announced that it (or its search platform) was launched in Australia on December 16, 2022, *i.e.*, merely three days before the Complaint was filed. The Complainant's LinkedIn account still displays an announcement that "Homebuilder.com.au" is "Coming soon", as evidenced in the Complaint. The Complainant's evidence shows that its social media accounts, which publicize its platform, have less than 175 followers each and the posts on those accounts may not predate the launch of its website by long either. Based on the record, the Panel is unable to find that the Complainant has had a strong reputation or has been widely known at any time. Even though the Respondent operates in the same industry as the Complainant (*i.e.*, the construction industry), the evidence of the Complainant's use of its mark is too recent for the Panel to infer that even a home builder such as the Respondent should have been aware of the Complainant or its mark prior to the Complainant contacting the Respondent, or at least prior to both Parties filing priority status applications for the same domain name.

In any case, the disputed domain name only contains two words that describe the Respondent's business, *i.e.*, "home builder", plus a 2LD extension. The mere fact of holding a domain name that describes one's own business is not an indicator of bad faith. The disputed domain name does not include the space between the words "home" and "builder" because spaces cannot be incorporated in domain names for technical reasons; this omission does not imply any intention to target the HOMEBUILDER element in the Complainant's marks. The disputed domain name does not include any other element of the Complainant's marks (except ".au").

The Complainant alleges that the Respondent's non-use of the disputed domain name has prevented the Complainant from reflecting its trademarks in a corresponding domain name. However, the disputed domain name is comprised of "homebuilder", in which the Complainant has not demonstrated any rights, and the 2LD extension ".net.au". The Panel takes note that one of the Complainant's trademarks (registered later than the disputed domain name) incorporates the domain name <homebuilder.au> and that the Complainant alleged in pre-Complaint correspondence that it was unable to register that domain name due to the Respondent's priority status application. However, the Panel notes that the disputed domain name is not held in the ".au" direct domain in which the Complainant seeks registration. Further, the Complainant has not been able to demonstrate that the Respondent's motivation in passively holding the disputed domain name, consisting of two words that describe its business, was to prevent the Complainant from reflecting its name or mark anywhere.

The Complainant alleges that the Respondent's failure to reply to its correspondence is an indication of bad faith. However, the Respondent has no obligation to enter into correspondence with the Complainant. Nothing in the Respondent's conduct indicates any bad faith.

Accordingly, based on the record of this proceeding, the Panel does not find that the disputed domain name has been registered or subsequently used in bad faith. Therefore, the Complainant has failed to satisfy the third element in paragraph 4(a) of the auDRP.

D. Reverse Domain Name Hijacking

The Respondent requests that the Panel make a finding of reverse domain name hijacking.

Paragraph 15(e) of the auDRP Rules provides that, if 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.” Paragraph 1 of the auDRP Rules defines “Reverse Domain Name Hijacking” to be “using the Policy in bad faith to attempt to deprive a registered domain name holder of a domain name”.

The Panel notes that the Complainant has legal representation in this proceeding. The Complainant made little attempt to substantiate its assertion of a strong reputation while the evidence on record shows that its platform was operating for a period of mere days prior to the filing of the Complaint. The Complainant knew that “home builder” is a pair of dictionary words because it uses them in their generic sense on its website. It also knew that the Respondent is a home builder. While the Respondent did not disclose its plans for the disputed domain name prior to this proceeding, there were no reasonable grounds to believe that it had engaged in any bad faith conduct. The record shows that the Complainant previously sought a commercial arrangement whereby the Respondent would either sell the disputed domain name or remove its priority status for the <homebuilder.au> domain name. In the Panel’s view, the Complainant resorted to the auDRP as a “Plan B” to harass the Respondent or use the proceeding as leverage in procuring the “.au” direct domain name. The Complainant’s supplementary filing does not alter that view; if anything, the fact that it expressly addresses the possibility that the Complaint may be denied confirms that view.

Therefore, the Panel finds that the Complaint was brought in bad faith and that it constitutes an abuse of the administrative proceeding.

E. Request for Alternative Remedy

Given that the Panel has not found in favor of the Complainant and thus will not order a transfer, the Complainant requests, in the alternative, that the disputed domain name be cancelled.

The Panel considers the Complainant’s alternative request to be misconceived. Paragraph 4(i) of the auDRP sets out two alternative remedies available to a complainant, namely, cancellation or transfer, but an entitlement to either remedy only arises under the auDRP where a complainant satisfies the three elements in paragraph 4(a). Given that the Complainant has not satisfied the third of those elements, the Panel finds that the Complainant is not entitled to any remedy under the auDRP in this dispute.

7. Decision

For all the foregoing reasons, the Complaint is denied.

/Matthew Kennedy/

Matthew Kennedy

Sole Panelist

Date: January 26, 2023