

ADMINISTRATIVE PANEL DECISION

Fritz Egger GmbH & Co. OG and Egger Australasia Pty Ltd v. Domain Admin,
Proform Products Pty Ltd
Case No. DAU2022-0006

1. The Parties

The Complainants are Fritz Egger GmbH & Co. OG, Austria (the “First Complainant”) and Egger Australasia Pty Ltd, Australia (the “Second Complainant”), both represented by HWL Ebsworth Lawyers, Australia.

The Respondent is Domain Admin, Proform Products Pty Ltd, Australia, represented by Quest Legal, Australia.

2. The Domain Name and Registrar

The disputed domain name <egger.com.au> is registered with Synergy Wholesale Pty Ltd (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on April 8, 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 April 11, 2022, the Registrar transmitted by email to the Center its verification response confirming that the Respondent is listed as registrant and providing the contact details.

The Center verified that the Complaint satisfied the formal requirements of the .au Dispute Resolution Policy (the “Policy” or “.auDRP”), 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 April 21, 2022. In accordance with the Rules, paragraph 5(a), the original due date for Response was May 11, 2022 but, in accordance with the Rules, paragraph 5(b), the due date for Response was extended to May 15, 2022 at the request of the Respondent. The Respondent filed the Response on May 14, 2022.

The Center appointed Matthew Kennedy, Andrew F. Christie, and Nicholas Smith as panelists in this matter on June 17, 2022. The Panel finds that it was properly constituted. Each Panelist 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 First Complainant is an Austrian company that produces furniture, flooring, and building products. It holds the following Australian trademark registrations:

- Number 893110 for EGGER, entered on the register on May 20, 2002, with effect from September 26, 2001, and specifying goods in classes 19, 20, and 27; and
- Number 908954 for a figurative mark featuring the textual elements E EGGER, entered on the register on August 26, 2002, with effect from February 28, 2002, and specifying goods in classes 17, 19, 20, and 27.

The above trademark registrations remain current. The Second Complainant is an Australian company incorporated in 2011 that has operated the First Complainant's sales office in Australasia since that same year. The First Complainant has also registered the domain name <egger.com> (created on June 4, 1996) that the Complainants use in connection with a website where they provide information about themselves, their products, their international sales offices and their network of authorized distribution partners.

The Respondent is an Australian company incorporated in 2004 that manufactures cabinetry. It operates a website at "www.proform.com.au", divided into a customer site and a trade site, where it offers for sale its own products and products of other brands, including the Complainants' EGGER brand. According to evidence provided by the Respondent, it appears to be a reseller of the Complainants' products and a former authorized distribution partner of the Complainants. It first registered the domain name <egger.com.au> on November 12, 2014 for two years but that registration lapsed.

The Registrar confirmed that the creation date of the disputed domain name was April 23, 2018. This is the date from which the current registration of the disputed domain name runs. The disputed domain name redirects to the Respondent's website. According to evidence provided by the Complainant, the website offers for download brochures regarding different product ranges. The cover of the brochure for the "Egger Australian collection" prominently displays the Complainant's E EGGER figurative mark at the top while at the bottom it displays the Respondent's own trademark and the address of the Complainants' website "www.egger.com". On the back page, it lists the name and contact details of a company named Nikpol Pty Ltd ("Nikpol") and, under the heading "Your distributor", it displays the Respondent's trademark, name, contact details and website address. The evidence further shows that the Respondent's website formerly identified at least two product ranges by a combination of both Parties' marks, for example, "Proform 2013 Egger Australian collection".

The Parties agree that the Complainants contacted the Respondent prior to this dispute to request a transfer of the disputed domain name and that, during a subsequent conversation, the Respondent gave its valuation of the disputed domain name. That valuation was either AUD 250,000 (according to the Respondent) or AUD 500,000 (according to the Complainants).

5. Parties' Contentions

A. Complainant

The disputed domain name is an exact match for the wordmark EGGER, with the addition of the namespace identifier ".com.au".

The disputed domain name does not reflect the Respondent's name or trademark. The disputed domain name falsely represents that it serves as the official online presence of the Complainants in Australia. The Complainants have not given permission for the Respondent to register or use the disputed domain name. On the contrary, the Complainants have previously written to the Respondent demanding that it stop using the disputed domain name and relinquish control over it to the Complainants. The Respondent refused and instead demanded payment of AUD 500,000 apparently as a reflection of the amount of business that the Respondent had derived from exploiting the disputed domain name. In addition, the Respondent does not meet the eligibility criteria for registration of the disputed domain name in paragraph 2.4.4(2) of the auDA Domain Administration Rules: Licensing ("auDA Rules").

By using the disputed domain name to drive traffic to the Respondent's website and using the Complainants' marks on that website, the Respondent has attempted to attract Internet traffic for commercial gain by falsely representing itself as the official representative of the Complainants in Australia. The disputed domain name redirects to the Respondent's website, which incorporates the Complainant's marks together with the Respondent's own mark, as does the Respondent's brochure, which is accessible on its website. The Respondent's website includes several pages listing products with the EGGER name with links that have been deactivated and destination pages that have been blanked out to remove content, which is an acknowledgement that the Respondent acted in bad faith. The Respondent has acted in bad faith by demanding an exorbitant amount of money from the Complainants in exchange for the disputed domain name.

B. Respondent

The Respondent has sufficiently distinguished itself from the Complainants for the following reasons: (a) the Respondent is a seller of the Complainants' goods, which it buys from Nikpol; (b) due to its relationship with Nikpol, the Respondent is duly authorized to sell the Complainants' goods. The Complainants are likely aware of this fact as containers of their goods are delivered directly to the Respondent's premises; (c) as recently as 2016, the Respondent was listed as an authorized distributor on the Complainants' website; (d) the Respondent features its own branding on its website and has never traded on the Complainants' name or brand but has only acted as a point of sale of the Complainants' goods. There is a clear distinction between the Complainants' goods and other goods available through the disputed domain name; and (e) the Respondent has only ever used the Complainants' mark in reference to the sale of the Complainants' own products.

The Respondent possesses and retains the rights to, and legitimate interests in, the disputed domain name. The disputed domain name reflects goods that the Respondent sells. The Respondent uses the disputed domain name to sell the Complainants' very own EGGER products. The Respondent has not falsely presented itself as the official online presence of the Complainants in Australia. Its website has at all times featured its own branding, distinguishing it from the Complainants. As an authorized point of sale for EGGER products, the Respondent is entitled to register the disputed domain name per paragraph 2.4.4(2)(f)(ii) of the auDA Rules. The Respondent has continuously sold the Complainants' products from 2012 to the present. It originally registered the disputed domain name in 2014. The Respondent does not require the Complainants' permission to register or use the disputed domain name. The Respondent denies that it demanded AUD 500,000 to cease using the disputed domain name; the Respondent did not intend to sell the disputed domain name but later added that, were it for sale, it would be valued at AUD 250,000 as a reflection of the Respondent's investment to date in the EGGER brand and the disputed domain name in Australia. This includes the significant marketing and promotional activities that the Respondent has undertaken throughout Australia, which have generated significant goodwill in the disputed domain name at

its own expense. The Respondent was well within its rights to request compensation as the current legitimate owner of the disputed domain name. Prior to receiving notice of the dispute, the Respondent was making a *bona fide* use of the disputed domain name in connection with an offering of goods or services as per paragraph 4(c)(i) of the Policy. The Respondent has been using the disputed domain name for approximately ten years and has become commonly known by the disputed domain name as per paragraph 4(c)(ii) of the Policy.

The Respondent first registered the disputed domain name in 2014 and inadvertently allowed the registration to lapse between approximately 2016 and 2018, despite continuously selling EGGER products during that period. It renewed the registration in April 2018. At no time did the Complainants seek registration of the disputed domain name while it was available. Despite the Respondent's long-standing use of the disputed domain name, the Complainants did not raise any issue with the Respondent until approximately April 2021. By that time, the Respondent had invested significant resources and expense in promoting and using the disputed domain name. Now that the Complainants seek to expand their market reach in Australia, they are effectively seeking to obtain the disputed domain name without properly compensating the Respondent. The circumstances do not satisfy paragraph 4(b)(iv) of the Policy for the following reasons: (a) the Respondent took positive steps to prevent any confusion. The Respondent has acted responsibly and in good faith by accrediting the Complainants whenever needed; (b) the disputed domain name redirects to the Respondent's website but the Respondent is a distributor and reseller of the Complainants' EGGER products ; it never represented itself as the official representative of the Complainants; (c) the Respondent's deactivation of links and removal of content is in no way an acknowledgement of bad faith; the Respondent has done so purely to avoid further issues arising whilst the dispute resolution process is in place and has acted in good faith; (d) the Respondent has invested approximately AUD 250,000 towards the disputed domain name and, as such, its valuation is reasonable in consideration of these costs and the goodwill associated with the disputed domain name. Once the Complainants raised the issue of the disputed domain name, the Respondent confirmed that it would be prepared to sell it but needed to be reimbursed for the significant investments that it had made over the ten-odd years that it had owned the disputed domain name. AUD 250,000 is not an exorbitant amount but an accurate reflection of the Respondent's investment and the value of goodwill that it has developed over the years. The circumstances do not satisfy paragraph 4(b)(i) of the Policy. The Respondent has maintained legitimate use of the disputed domain name, which was not acquired primarily for the purpose of selling it in bad faith. Nor has the Respondent prevented the Complainants from reflecting their mark in a corresponding domain name as per paragraph 4(b)(ii) of the Policy. The Complainants did not seek to register the disputed domain name whilst it was available. Further, the Respondent has not engaged in any such pattern of conduct. Nor has the Respondent registered the disputed domain name for the primary purpose of disrupting the business of a competitor as per paragraph 4(b)(iii) of the Policy. The Respondent's actions have resulted not in loss but, rather, benefit to the Complainants through promotion of their brand and products in the Australian market. A portion of any and all profits that the Respondent made in connection with the disputed domain name was shared with the Complainants as the Respondent indirectly purchased products from them.

6. Discussion and Findings

6.1 Procedural Issue: Multiple Complainants

The Complaint was filed by two complainants against a single respondent. The Second Complainant operates the First Complainant's sales office in Australasia. The First Complainant holds the Australian trademark registrations listed in Section 4 above and it is not disputed that the Second Complainant is an authorized user of those trademarks in Australia. Moreover, the Panel notes that the Second Complainant's company name is registered with the relevant Australian government authority within the terms of note 1 of the auDRP and also gives rise to a right on which to base the Complaint.

In view of these circumstances, the Panel finds that the Complainants have a common grievance against the Respondent and that it is efficient to permit the consolidation of their complaints. Therefore, the Complainants are referred to below collectively as "the Complainant" except as otherwise indicated.

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;
- (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

Based on the evidence submitted, the Panel finds that the Complainant has rights in the EGGER trademark.

The disputed domain name wholly incorporates the EGGER mark. The only additional element in the disputed domain name is the open Second-Level Domain (“2LD”) extension “.com.au”. This element is generally disregarded in an assessment of confusing similarity between a domain name and a trademark for the purposes of the auDRP. See, for example, *BT Financial Group Pty Limited v. Basketball Times Pty Ltd*, WIPO Case No. [DAU2004-0001](#).

Therefore, the Panel finds that the disputed domain name is identical 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.

As regards the first circumstance set out above, the Respondent is using the disputed domain name to redirect to a website that offers goods for sale. The disputed domain name is identical to the Complainant's EGGER trademark but the Complainant submits that it has not given permission for the Respondent to register or use the disputed domain name. Even though the EGGER products offered for sale on the Respondent's website are apparently genuine, the website also offers for sale competing products. Further, the website does not accurately and prominently disclose the Respondent's lack of relationship with the Complainant as the trademark holder as a reseller that is not an authorized distribution partner. On the contrary, the website offers brochures for download that provide overviews of the Complainant's products with dual branding, giving the false impression that the Respondent is a distributor endorsed by, or affiliated with, the Complainant. Accordingly, this evidence indicates that the Respondent is not making a *bona fide*

use of the disputed domain name in connection with an offering of goods within the terms of paragraph 4(c)(i) of the auDRP. See, for example, *Aastra Telecom Inc. v. Spring Mountain Enterprises Pty Ltd.*, WIPO Case No. [DAU2008-0003](#); citing *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. [D2001-0903](#).

As regards the second circumstance set out above, the Respondent's name is "Proform Products Pty Ltd" and its mark features the name "Proform", not the disputed domain name. Nothing in the evidence indicates that the Respondent has been commonly known by the disputed domain name within the terms of paragraph 4(c)(ii) of the auDRP.

As regards the third circumstance set out above, the Respondent is using the disputed domain name in connection with an offering of goods for sale. The Respondent is not making a legitimate noncommercial or fair use of the disputed domain name within the terms of paragraph 4(c)(iii) of the auDRP.

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 arguments, it submits that it is making a *bona fide* use of the disputed domain name in connection with an offering of goods or services because the disputed domain name reflects goods that it sells, *i.e.*, the Complainant's EGGER products. However, the Panel notes that the Respondent uses the EGGER mark in the disputed domain name to attract Internet users to its website where it offers customers not only the Complainant's products but also competing products. That is not a *bona fide* use of the disputed domain name for the reasons set out above.

The Respondent submits that it has not falsely presented itself as the official online presence of the Complainant in Australia and correctly notes that it displays its own branding on its website. However, the Panel notes that the disputed domain name is identical to the Complainant's EGGER trademark, and the website to which it redirects offers for download brochures providing overviews of the Complainant's products, at least one of which displays the Complainant's mark and website address on the cover. Certain other product descriptions on the website combined the Parties' respective marks. In this context, the use of the Respondent's own branding gives the impression that the Respondent is a distributor endorsed by, or affiliated with, the Complainant, which is false.

The Respondent claims that it has continuously sold the Complainant's products from 2012 to the present. The Panel notes that the evidence shows that the Respondent registered the domain name <egger.com.au> in 2014 but it does not show that that prior domain name ever resolved or redirected to an active website. Any active use of the prior domain name would have been relatively brief and discontinuous with the use of the disputed domain name. Moreover, if the Respondent used the prior domain name to redirect to its own website and offer competing products in the same way that it uses the disputed domain name now, such use would not have been *bona fide*. The prior domain name was identical to the EGGER mark, which the Complainant had already registered and been using in Australia prior to 2014. Even if the Respondent was an authorized distribution partner of the Complainant at a certain point in time, it is not alleged that the Complainant authorized it to register a domain name. The Respondent's purchasing of genuine products from an apparently authorized distributor (Nikpol) does not constitute a consent by the Complainant to the registration and use of the disputed domain name either. Even if the Complainant had been aware that the Respondent was selling the Complainant's goods, due to the delivery address for consignments, that would not demonstrate that the Complainant was aware of the existence of the disputed domain name or its redirection to the Respondent's website. Nothing in the evidence on record could reasonably have led the Respondent to believe that the Complainant consented to its use of the disputed domain name.

The Respondent claims that it has become commonly known by the disputed domain name. The Panel sees no evidence that any third parties know the Respondent as "Egger" or the disputed domain name. Rather, the Respondent's own branding indicates that it is known as "Proform".

The Respondent also submits that it is entitled to register the disputed domain name according to auDA Rules. The Panel recalls that note 2 of the auDRP provides that rights or legitimate interests in respect of a domain name are not established merely by the Registrar's determination that the Respondent satisfies the relevant eligibility criteria for the domain name at the time of registration.

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(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 it is not an exhaustive list of such circumstances. The fourth circumstance is as follows:

(iv) by using the domain name, [the respondent has] intentionally attempted to attract, for commercial gain, Internet users to a website or other online location, by creating a likelihood of confusion with the complainant's name or mark as to the source, sponsorship, affiliation, or endorsement of that website or location or of a product or service on that website or location.

The Respondent registered the disputed domain name on April 23, 2018. This was not a renewal as the Respondent's prior registration had lapsed over a year earlier (as discussed in Section 6.2B above). Accordingly, bad faith as regards registration must be evaluated as of the date of registration in 2018. That date was years after the Complainant's trademarks were registered in Australia. The disputed domain name contains only the EGGER mark and a 2LD extension. It is not disputed that the Respondent was already selling the Complainant's goods when it registered the disputed domain name in 2018. Accordingly, it is clear that the Respondent was aware of the Complainant and its EGGER mark and had them in mind when it registered the disputed domain name.

The disputed domain name is used to redirect Internet users searching for the Complainant and its products to the Respondent's own website where it offers for sale not only the Complainant's products but also competing products. Given the Panel's findings in Section 6.2B above, the Panel considers that, by using the disputed domain name, the Respondent has intentionally attempted to attract, for commercial gain, Internet users to its website by creating a likelihood of confusion with the Complainant's name or mark as to the source, sponsorship, affiliation, or endorsement of that website or of a product or service on that website within the terms of paragraph 4(b)(iv) of the auDRP.

The Respondent submits that the Complainant did not raise any issue with the Respondent regarding the disputed domain name until approximately April 2021. However, nothing indicates that the Complainant was aware of the disputed domain name at an earlier date. In any case, the Panel does not consider that any delay in taking action after the registration of the disputed domain name, by itself, would have prevented the Complainant from filing the Complaint or from prevailing on the merits. The mere fact that the Complainant did not register the disputed domain name while it was available does not constitute a consent to its registration and use by another party nor a waiver of the Complainant's rights.

Therefore, the Panel finds that the disputed domain name has been registered and subsequently used in bad faith. The Complainant has satisfied the third element in paragraph 4(a) of the auDRP.

7. Decision

For all the foregoing reasons, in accordance with Paragraphs 4(i) of the auDRP and 15 of the Rules, the Panel orders that the domain name <egger.com.au> be transferred to the Second Complainant, Egger Australasia Pty Ltd.

/Matthew Kennedy/

Matthew Kennedy
Presiding Panelist

/Andrew F. Christie/

Andrew F. Christie
Panelist

/Nicholas Smith/

Nicholas Smith
Panelist

Date: July 1, 2022