ARBITRATION
AND
MEDIATION CENTER

WIPO
WORLD
INTELLECTUAL PROPERTY
ORGANIZATION

ADMINISTRATIVE PANEL DECISION

Direct Chemist Outlet Pty Ltd v. Canda Computer Warehouse Pty Ltd
Case No. DAU2025-0055

1. The Parties

The Complainant is Direct Chemist Outlet Pty Ltd, Australia, represented by Actuate IP, Australia.

The Respondent is Canda Computer Warehouse Pty Ltd, Australia, represented internally.

2. The Domain Name and Registrar

The disputed domain name <dco.com.au> is registered with Melbourne IT Ltd.

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on December 8, 2025. On December 8, 2025, the Center transmitted by email to Melbourne IT Ltd a request for registrar verification in connection with the disputed domain name. On December 9, 2025, Melbourne IT Ltd transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details. In response to a notification by the Center that the Complaint was administratively deficient, the Complainant filed an amendment to the Complaint on December 17, 2025.

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 December 17, 2025. In accordance with the Rules, paragraph 5(a), the due date for Response was January 11, 2026. The Response was filed with the Center on January 11, 2026.

The Center appointed John Swinson as the sole panelist in this matter on January 21, 2026. 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.

The Panel issued Procedural Order No. 1 on February 9, 2026, which is discussed in further detail below. The Complainant responded to Procedural Order No. 1 on February 17, 2026, by filing Supplemental Submissions. The Respondent responded to Procedural Order No. 1 on February 24, 2026, by filing Supplemental Submissions.

4. Factual Background

This dispute involves several entities and people, most of whom are not named parties. The factual background is complex, and the Complainant's and the Respondent's version of events are not entirely consistent.

The Complainant is Direct Chemist Outlet Pty Ltd. The Complainant was incorporated on February 7, 2007, and operates pharmacists' retail stores.

Mr. Tauman is the Chief Executive Officer and Founder of the Complainant's business. Mr. Tauman is sole director, secretary and shareholder of the Complainant.

The Complainant's sales in 2025 exceeded AUD 900 million.

The Complainant is registrant of <dcostores.com.au> which at the present time does not resolve to an active website.

Mr. Tauman is also sole director, secretary and shareholder of Direct Chemist Outlet Online Pty Ltd and Direct Chemist Outlet IP Holdings Pty Ltd. The Complainant refers to the Complainant and these two companies as the DCO Group. The Complainant is the main trading entity in the DCO Group.

Direct Chemist Outlet IP Holdings Pty Ltd was registered on February 24, 2020, for the purpose of holding and licensing the DCO Group's intellectual property assets, including registered trademarks.

Direct Chemist Outlet IP Holdings Pty Ltd as trustee for the Direct Chemist Outlet IP Holdings Trust is the registered owner of Australian registered and pending trademark numbers 1572997 and 2596248.

Australian Trademark Registration No. 1572997 was filed on August 6, 2013, and is for a red half sun logo that includes the term "DCO" and the words "Direct Chemist Outlet". This application was originally filed by Mr. Tauman and the registration was assigned to Direct Chemist Outlet IP Holdings Pty Ltd in around May 2020. The registration was then assigned to Direct Chemist Outlet IP Holdings Pty Ltd as trustee for the Direct Chemist Outlet IP Holdings Trust in June 2020.

Australian Trademark Application No. 2596248 was filed on October 20, 2025, and is for a red half sun logo that includes the term "DCO". This application has been accepted but has not yet been published for opposition.

Direct Chemist Outlet IP Holdings Pty Ltd as trustee for the Direct Chemist Outlet IP Holdings Trust licenses the DCO logo trademark to the Complainant, by a license from 2020.

Direct Chemist Outlet Online Pty Ltd was incorporated on January 23, 2019, for the purpose of setting up and managing certain online and e-commerce activities for the DCO Group.

Direct Chemist Outlet Online Pty Ltd is the trustee of Direct Chemist Outlet Online Unit Trust (ABN 44 978 303 378). The unit holders of this trust are: (a) Chemist Shed Pty Ltd as trustee for the Ian Tauman Family Trust (80 Units) 66.66%; and Adison Lu (40 Units) – 33.33%. As discussed below, Adison Lu is associated with the Respondent.

The domain name <directchemistoutlet.com.au> is registered to Direct Chemist Outlet Online Pty Ltd. This domain name resolves to a website that includes a DCO logo (similar to, but not identical to the trademark in Registration No. 1572997 discussed above). The Complainant asserts that this domain name "is owned by the Complainant" and "in practice, … is in the control of and used by the Complainant to operate the Complainant's Website". The website at <directchemistoutlet.com.au> includes text that states the website is "owned and operated in Australia under [the Complainant]".

Since December 31, 2018, Mr. Tauman has been the registrant of the Australian Business Name "DIRECT CHEMIST OUTLET ONLINE".

The Respondent provided computer and technical support to the Complainant from 2014 to June 2025. This appears to be an ad hoc arrangement. There is no written agreement setting out the details of such support. The Complainant asserts that the services included "IT auditing services, cybersecurity services, helpdesk support and domain name registration services".

On November 18, 2021, Mr. Tauman emailed Mr. Adison Lu as follows: "Adison – can you register domain name – dco.co.nz." Mr. Adison Lu responded within an hour: "Dco.co.nz is not available but I registered directchemistoutlet.co.nz. When Dco.co.nz or Dco.com.au becomes available I will register them too." Mr. Adison Lu provided services to the Complainant on behalf of the Respondent. Mr. Adison Lu's email address for this exchange of emails was at <directchemistoutlet.com.au> and included a signature block for Direct Chemist Outlet and the Complainant's address.

On August 16, 2022, Mr. Adison Lu emailed the Respondent stating "I have registered Directcheistoutlet.au. Also trying to gain access to dco.com.au and dco.au".

In May 2025, Mr. Tauman, some employees of the Complainant and Mr. Adison Lu met at the Complainant's offices. The sworn affidavit evidence provided by the Complainant's representatives at that meeting was to the effect that there were discussions that <directchemistoutlet.com.au> was too long and that the disputed domain name would be much better for the Complainant's website and staff email addresses. Mr. Lu informed the Complainant at that meeting that he had made inquiries about the disputed domain name and that he could purchase it from a third party. Mr. Tauman then instructed Mr. Lu to register the disputed domain name for the Complainant's business and Mr. Lu confirmed that he would do so.

The Respondent states, in relation to that May 2025 meeting: "The Respondent did not receive any binding instruction or enter into any agreement requiring acquisition of the domain name on behalf of the Complainant. No written confirmation, purchase authority, reimbursement arrangement, or follow-up documentation exists despite the alleged commercial significance of such an instruction. No further mandate was provided prior to the Respondent's independent acquisition following termination."

The Complainant terminated its arrangements with the Respondent in June 2025. The Respondent provided certain IT credentials to the Complainant's new provider at that time.

"Direct Chemist Outlet" and "CANDA" entered into a signed written agreement in June 2025 that is titled "IT Service Temporary Transition Agreement". This agreement was signed by Mr. Tauman for "Direct Chemist Outlet" on June 5, 2025 and by Adison Lu for "CANDA" later in June. (This agreement has no ACN or ABN details, so it is not entirely clear who are the parties to this agreement.). The agreement provides for a "temporary cessation" of CANDA's services for 6 weeks commencing on June 26, 2025. The agreement provides for a transition of services from CANDA to a new third party provider, and re-transition of services back to CANDA.

Both the Complainant and the Respondent agree that the services arrangement between them terminated in June 2025, with the Complainant stating that the termination was by email to the Respondent on June 5, 2025, and the Respondent stating that the commercial relationship was formally terminated on June 26, 2025. The termination does not appear to be a temporary arrangement and does not appear to reflect the "IT Service Temporary Transition Agreement".

The disputed domain name was created on June 11, 2010, and was acquired by the Respondent on July 14, 2025. The Respondent purchased the disputed domain name from a third party. (The Panel notes that the Respondent also owns the registration for <dco.au> but that domain name is not the subject of the Complaint and is not discussed by either party in their submissions.)

The Respondent commenced developing a website at the disputed domain name, for a computer services business, in July 2025.

The Respondent registered an Australian business name for "Dynamic Computer Operations" on September 5, 2025.

At some time in September 2025, the Respondent launched a website at the disputed domain name with the title "Dynamic Computer Operations" and text including "Dynamic Computer Operations is your trusted managed service provider. We deliver seamless solutions tailored to your business needs" and "Dynamic Computer Operations specializes in managed services and offers expertise in network management, cloud services, cybersecurity, data backup, disaster recovery, and helpdesk support. Our commitment to client care ensures responsive support and tailored solutions to meet evolving business challenges".

On about July 23, 2025, the Complainant discovered that the Respondent was the registrant of the disputed domain name.

The Complainant states that Mr. Tauman spoke with Mr. Adison Lu around July 23 or July 24, 2025 requesting transfer of the disputed domain name to the Complainant, and that Mr. Lu informed Mr. Tauman on this call that he would do so in exchange for the payment of AUD 5,000 (which the Complainant believed was the amount paid by the Respondent to the prior registrant.). The Respondent disputes that characterization of the call. On July 24, 2025, Mr. Tauman sent an email to Fang Shen (the Complainant's Financial Controller), stating that Mr. Lu had purchased the disputed domain name and instructing Ms Shen pay Mr. Lu to transfer the disputed domain name into the Complainant's name.

The Respondent states that it was in late September 2025 that the Complainant requested that the Respondent transfer the disputed domain name to the Complainant.

In an email in September 2025, the Complainant emailed Mr. Adison Lu stating: "Looking for the same thing for dco.com.au." The Respondent did not respond to this email.

In September 2025, Mr. Adison Lu sent Mr. Tauman a draft Partner Salary Agreement.

On September 30, 2025, Mr. Adison Lu sent Mr. Tauman an email that stated: "DCO Online is a partnership between you and me. you have raised many technical matters as if they were connected to the business relationship between DCO Online and Canda. These are two separate relationships, and it is important that they remain clearly distinguished. I cannot accept them being treated as one and the same. As there is no formal business contract between Canda and DCO, any technical work involved in the transfer or termination of services must be handled through the normal course of business. As for DCO Online, if you can provide me with a financial summary outlining the expenses and any outstanding creditor obligations, I will be able to properly review the position. You have mentioned your generosity to me on several occasions, and I trust that you will extend the same by providing a reasonable and fair offer for my stake in DCO Online. …"

On October 7, 2025, Mr. Tauman responded: "… I can appreciate that there is potential for Direct Chemist Outlet to have a website that could be self-sustaining and generate a profit however, that is not the current reality and may take many years to develop and achieve. Your deliberate action in procuring the dco.com.au domain under your own business profile of CANDA Pty Ltd, after which I asked you to do it on behalf of Direct Chemist Outlet Pty Ltd, was deceitful and has led to a complete breakdown in trust. …"

In that email, Mr. Tauman offered Mr. Adison Lu a buy-out deal which included buying a list of assets, one asset being the disputed domain name. The email concluded: "You will also have the benefit of being able to claim losses in your personal name via the DCO Online Unit Trust, something that would not have been possible as a shareholder in Direct Chemist Outlet Pty Ltd even though you never contributed any funds directly. I hope you see this is a fair and reasonable offer made in good faith and largely in recognition of our longstanding partnership over so many years."

On October 10, 2025, Mr. Lu rejected this offer, stating that "I believe your valuation significantly underestimates the achievements and strategic value of Direct Chemist Outlet Online and I'm unwilling to accept this offer".

5. Parties' Contentions

A. Complainant

In summary, the Complainant makes the following submissions:

The Complainant has provided goods and services under the DCO mark, in various design forms, since 2006. The Complainant has substantial sales. The Complainant's website, which has been active since 2009, features the DCO mark. The DCO mark is also used on the Complainant's social media pages.

The Complainant's DCO mark and trademark rights (both registered and unregistered) are identical, or at least confusingly similar, to the disputed domain name.

There is no bona fide offering of goods or services by the Respondent at the disputed domain name. The website at the disputed domain name includes incomplete template webpages. There is no record of the Respondent providing goods or services under DCO or Dynamic Computer Operations. The website at the disputed domain name is not genuine.

The Complainant instructed the Respondent, as its IT services provider, to register the disputed domain name. After the Respondent's services were terminated, the Respondent established the website at the disputed domain name. The Respondent was well aware of the Complainant's trademarks.

There is a clear inference available that the Respondent created the website at the disputed domain name solely for the purpose of making it appear like the disputed domain name is in use (presumably in order to try and stymie a domain name complaint and further disrupt / extort the Complainant).

The Respondent knew that the Complainant wanted the disputed domain name and acquired it to resell to the Complainant at a profit.

B. Respondent

In summary, the Respondent makes the following submissions:

Mr. Adison Lu is not a director of the Respondent and had no authority to enter into legal or contractual commitments on behalf of the Respondent.

The Respondent was not appointed by the Complainant as its agent for domain name acquisition or management.

The Respondent's website is a genuine website under development. An incomplete website is not evidence of bad faith.

The Respondent does not concede that the Complainant has rights in DCO.

The Respondent's services are not in competition with the Complainant's business.

The Respondent acquired the disputed domain name after its arrangement with the Complainant had ended, and so it could not have been acquired on behalf of the Complainant.

The Respondent has no intention to sell the disputed domain name.

The Respondent requests a finding of Reverse Domain Name Hijacking.

6. Discussion and Findings

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.

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.

Procedural Order

After studying the Complainant and the Response, the Panel had many factual questions. When reviewing the Case File as a whole, there were material gaps and inconsistencies. The dispute could, on one view, be characterized as a partnership dispute and not suitable for decision under the Policy. The Panel issued a detailed Procedural Order and both parties responded with careful and helpful Supplemental Submissions. This has allowed the Panel to reach a decision on the merits for this dispute.

A. Identical or Confusingly Similar

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

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

The first element functions primarily as a standing requirement.

The Complainant relies (in part) on a pending Australian trademark application. An application for trademark registration in Australia (even an accepted application, where it has not proceeded to grant) does not, of itself, satisfy the requirement of the complainant having rights for the purposes of paragraph 4(a)(i) of the auDRP. See *Overview of Panel Views on Selected auDRP Questions, Second Edition* ("auDRP Overview 2.0"), paragraph 1.1.5.

A related entity of the Complainant owns a registered trademark (Registration No. 1572997) for a logo that include the term "DCO" and the words "Direct Chemist Outlet" inside a half sun logo. The Complainant is licensee of this trademark.

In most circumstances, an entity that is a licensee of the trademark owner is considered to have rights in a trademark for the purposes of paragraph 4(a)(i) of the Policy. auDRP Overview 2.0, paragraph 1.4.2.

The Panel finds the mark as registered in Registration No. 1572997 is recognizable within the disputed domain name. Accordingly, the disputed domain name is confusingly similar to the mark for the purposes of the Policy.

Although the addition of other terms in Registration No. 1572997 (here, "Direct Chemist Outlet") 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 and the mark for the purposes of the Policy.

As figurative, stylized or design elements in a trademark are generally incapable of representation in a domain name, such elements are typically disregarded for the purpose of assessing the identity or confusing similarity of a domain name with a trademark. Accordingly, the assessment is generally made between the alpha-numeric components of the domain name and the dominant textual components of the relevant trademark. auDRP Overview 2.0, paragraph 1.10.1.

The evidence presented by the Complainant also tends to demonstrate that the Complainant has unregistered rights in respect of DCO for pharmaceutical retail services.

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

B. Rights or Legitimate Interests

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

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

(i) before any notice to you of the subject matter of the dispute, your bona fide use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with an offering of goods or services (not being the offering of domain names that you have acquired for the purpose of selling, renting or otherwise transferring); or

(ii) you (as an individual, business, or other organization) have been commonly known by the domain name, even if you have acquired no trademark or service mark rights; or

(iii) you are making a legitimate non-commercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

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

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

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 name.

To demonstrate rights or legitimate interests in the disputed domain name, the Respondent submits that the Respondent has used and is using the disputed domain name for its new business "Dynamic Computer Operations". The Respondent established this business and registered a corresponding business name shortly after the Respondent's relationship with the Complainant ended, and knowing that the Complainant wished to acquire the disputed domain name.

The website at the disputed domain name operated by the Respondent does not use the term "DCO", and includes unusual items, such as a privacy policy that includes clauses directed at European and Californian residents. It does not include the ABN or ACN of the Respondent. At one time, the website included text such as "Contact Details 1-234-567890 example@email.com 121 Address Road". The Complainant asserts that there is no bona fide offering of goods or services at this website and that the website is not geninue, and set out details to support these allegations in the Complainant. The Respondent appears to have changed its website after the Complaint was filed, potentially in response to these points made by the Complainant.

The Complainant submits that there is a clear inference available that the Respondent has created the website at the disputed domain name solely for the purpose of making it appear like the disputed domain name is in use. The Panel agrees with the Complainant's submission.

In the Procedural Order, the Panel gave the Respondent the additional opportunity to provide further written evidence as to the Respondent's alleged business "Dynamic Computer Operations", including (for example) quotes, sales contracts, advertising and revenue, prior to the filing of the Complaint. In combination, considering both the Response and the Supplemental Submission, the Respondent provided documents about the establishment of the website and a part of one quote from November 2025, but nothing more.

The website created by the Respondent at the disputed domain name was, in the Panel's view, established to provide a veneer of legitimacy to the Respondent's use of the disputed domain name. Such a use cannot be a basis for rights or legitimate interests under the Policy. *ESET, spol. s.r.o. v. Antivirus Australia PTY Ltd., Rodney Fewster, ESET Pty Ltd.*, WIPO Case No. DAU2015-0014.

The Respondent has a registered business name for "Dynamic Computer Operations". While a business name registration provides a basis on which a respondent can satisfy the eligibility and allocation requirements for registration of a .au domain name, a business name registration does not, of itself, establish that the respondent has rights or legitimate interests in a domain name corresponding to the business name. The registration of a business name is a legislative requirement that needs to be satisfied where an entity trades under a name that is not its own personal name or company name. Satisfying a legislative requirement with respect to name does not, of itself, give rise to rights or legitimate interests in the name. auDRP Overview 2.0, paragraph 2.12.3.

In all the circumstances, the Respondent has not rebutted the Complainant's prima facie showing and has not come forward with sufficient relevant evidence demonstrating rights or legitimate interests in the disputed domain name 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

Unlike the UDRP, the requirements that the disputed domain name be registered or used in bad faith are disjunctive in the auDRP. That is, it is sufficient for the Complainant to show either that the disputed domain name was registered in bad faith or has been used in 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.

It is clear that at the time of registration of the disputed domain name in 2025, the Respondent was aware of the Complainant. The Panel concludes that the reason that the disputed domain name was selected was because of the Complainant and its trademark. The Respondent was aware that the Complainant wanted to acquire and use the disputed domain name. The Respondent's services with the Complainant ended, and soon after, the Respondent registered the disputed domain name. This is strong evidence of bad faith registration.

On one view, the ownership dispute regarding the disputed domain name is one part of a larger "partnership" dispute between the parties. (The Panel has no view on the merits of that dispute.) Panels have held that the use of a domain name to gain leverage in a broader dispute can constitute bad faith. Compare *Maybank Associates Limited v. Reshu Verma*, WIPO Case No. D2025-3535, and auDRP Overview 2.0, paragraph 3.1.6.

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

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 name <dco.com.au> be transferred to the Complainant.

/John Swinson/
John Swinson
Sole Panelist
Date: March 2, 2026