COMPLAINANT
Kasuku (UK) Limited
12 Hazel Gardens
Edgware, Middlesex HA8 8PE
Tel: +44(0)-7989431025
Fax: +44(0)-870-1306720
E-mail: info@kasuku.co.uk

File Number: CPR0504
Date of Commencement: March 9, 2005
Domain Names: www.kasuku.org,
www.kasuku.net,
www.kasuku.biz,
www.kasuku.info,
www.kasukukikoy.com
Registrar: DomainPeople Inc.

vs.

RESPONDENT
The Kikoy Co.
PO Box 41979-00100 GPO
Nairobi, Kenya
Tel: +254-2-605333
Fax: +254-2-609869
E-mail: kim@kikoy.com

Arbitrator: Louise E. Dembeck, Esq.

PROCEDURAL HISTORY

The Complaint was brought pursuant to the Uniform Domain Name Dispute Resolution Policy ("UDRP"), which was adopted by the Internet Corporation for Assigned Names and Numbers (ICANN) on August 26, 1999 and approved on October 24, 1999 and in accordance with the ICANN Rules for Uniform Domain Name Dispute Resolution Policy ("the Rules") as approved on October 24, 1999 and under the CPR Institute for Dispute Resolution Supplemental Rules for Uniform Domain Name Dispute Resolution Policy then in effect ("the Supplemental Rules").

The Complaint was filed with CPR on March 9, 2005 and, after review for administrative compliance, on March 9, 2005, CPR sent written notice to Respondent of the commencement of this proceeding together with a copy of the Complaint in accordance with Paragraph 2(a) of the Rules.

The Respondent filed a timely Response on or before March 29, 2005. I was appointed Arbitrator on April 21, 2005 pursuant to the Uniform Domain Name Dispute Resolution Policy ("UDRP") and Rules promulgated by the Internet Corporation for Domain Names and Numbers (ICANN). Upon the written submitted record including the Complaint and all attachments and the Response and all attachments, I find as follows:

FINDINGS

Respondent registered the contested domain names, <www.kasuku.org>, <www.kasuku.net>, <www.kasuku.biz>, <www.kasuku.info>, and <www.kasukukikoy.com>, in December 2003 and, through its registration agreement, agreed to submit to this forum in order to resolve any dispute concerning the domain name pursuant to UDRP.
UDRP provides, at Paragraph 4(a), that each of three findings must be made in order for a Complainant to prevail:

i. Respondent’s domain name is identical or confusingly similar to a trademark or service mark in which complainant has rights; and

ii. Respondent has no rights or legitimate interests in respect of the domain name; and

iii. Respondent’s domain name has been registered and is being used in bad faith.

**IDENTICALITY/CONFUSING SIMILARITY:**

The Complainant alleges that the contested domain names, <www.kasuku.org>, <www.kasuku.net>, <www.kasuku.biz>, <www.kasuku.info>, and <www.kasukukikoy.com>, are identical or confusingly similar to Complainant’s domain name and registered website, (www.kasuku.co.uk), which it uses for bona fide advertising and sale of its products, and to Complainant's trademark, “KASUKU,” which Complainant registered in the United Kingdom Patents Registry in 1996 in respect of various articles of clothing in International Class 25.

Moreover, Complainant states that it operates under, and for the last 10 years has been known by the name, “Kasuku,” which is identical to the principal name under which the contested domain names have been registered by the Respondent.

Respondent concedes that the Complainant has registered the word mark “KASUKU” as a trademark in the United Kingdom but claims that it has not done so in Kenya, directly or through its Kenyan sister company, because it cannot. The reason, Respondent asserts, is because the word ‘Kasuku’ is the Kiswahili word meaning ‘parrot’ in everyday use across much of Africa. Nevertheless, Respondent’s statement that Complainant embarked upon an enterprise to copy Respondent by “copying the Respondents products and releasing them to the Kenya market in early 2003 under the brand name ‘Kasuku’ and in turn exporting the products to the United Kingdom based sister company already trading as Kasuku, (the Complainant) in early 2004”, confirms that, fairly or unfairly, Complainant actually does conduct business under the trading name ‘Kasuku’ in the United Kingdom and, since 2003, in Kenya, as well.

Inasmuch as it has been established that the Complainant does business under the trading name ‘Kasuku’, owns a registered trademark for the work mark “KASUKU” in the United Kingdom and owns the domain name and registered website, (www.kasuku.co.uk), I must conclude that the Complainant has rights in the mark “KASUKU.”

verbatim, I must further conclude that the contested domain names are essentially identical or confusingly similar to Complainant’s mark. ¹

Therefore, the Complainant has shown sufficient similarity between that mark and the contested domain names to satisfy the requirements under paragraph 4(a)(i) of UDRP.

RIGHTS AND LEGITIMATE INTERESTS:

The Complainant alleges that the Respondent has no rights or legitimate interests with respect to the domain names at issue. Specifically, in support of this allegation, Complainant contends that the Respondent has never been known by or associated with the word ‘KASUKU’ as an individual, business or other organization.

Contesting the Complainant’s allegation that it is “the only entity that can positively assert to be known or associated with” the contested domain names, Respondent points to an unrelated, and unidentified, third party top level domain name (.com) registration for the KASUKU mark, www.kasuku.com, and has submitted a list (appendix C) which purports to demonstrate use of the word KASUKU as part of the respective business names of a number of unrelated third parties in Kenya. Nevertheless, Respondent itself does not claim that it has any trademark or trade name rights in the word KASUKU and, in fact, concedes that it “has never intentionally been known as Kasuku.” Moreover, Respondent does not claim to have adopted the domain names in connection with a bona fide offering of its own goods or services.

Paragraph 4(c) of UDRP provides that the Respondent’s rights or legitimate interests in a domain name may be demonstrated, without limitation, by showing that: (i) before notice to the Respondent of the dispute, the Respondent has used, or made demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a bona fide offering of goods or services; or (ii) the Respondent has been commonly known by the domain name; or (iii) the Respondent is making legitimate noncommercial 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.

It appears from the record that the Complainant and the Respondent are business and market competitors. The Complainant alleges that when the Respondent registered the contested domain names, the weblinks initially resolved to the Respondent’s website (through which the Respondent offers its own products for sale), www.kikoy.com, and in this way Respondent was “making commercial and unfair use and gain” of the contested domain names and “misleading and/or diverting consumers from the Complainant to the Respondent.” Further, the Complainant alleges that it is extremely likely that consumers would be misled into believing that the Respondent and the Complainant are related entities.

Respondent, too, claims to be primarily concerned that consumers are misled “into thinking that the Respondents and the Complainant business are one and the same.” Respondent, however, blames the Complainant’s unfair business practices for creating this condition. Respondent states that it started its

¹A different top level domain (“.org”, “.net”, “.biz” or “.info”) is immaterial and the combining of Complainant’s mark with Respondent’s name, “kikoy,” in the domain name <www.kasukukikoy.com> merely exacerbates the likelihood of confusion. Justice for Children v. R neetso v. Robert W. O'Steen, WIPO Case No. D2004-0175 (June 4, 2004)
business (from scratch) in 2000, in Kenya, with its key/core product being the African loincloth known as ‘kikoi’ which Respondent called ‘Kikoy’ (an intentional misspelling of ‘kikoi’). Respondent took its new word ‘Kikoy’ to form its business name and adopted ‘Kikoy’ as its trademark and marketing tool. Respondent alleges that the Complainant, three (3) years later, in 2003, added the African loincloth items to its product line and called them ‘Kikoys’ using Respondent’s adopted misspelling of the word and, in a myriad of other ways, began copying and attempting to ‘pass off’ its products as those of the Respondent. Thus, Respondent claims, it was specifically to reduce consumer confusion that it registered the contested domain names which, although Respondent concedes at first resolved to the Respondent’s own business website and then briefly to the unrelated third party ‘www.kasuku.com’ site (until the web developers could build the sites), now serve the purpose of explaining the similarities and the differences between the Claimant’s business and the Respondent’s business.

All of the contested domain names now resolve to the website, www.kasuku.info, which states that:

“The aim of this web site is to inform you, the customer, the independent buyer or individual of certain facts and similarities that exist between two companies, The Kikoy Co. and Kasuku. Both sell extremely similar products, using extremely similar designs, packaging and marketing material, so much so that it is felt possible that you, the customer may be confused as to which company produces the product you intend to buy, look at or admire. For this reason we would like to inform you of some of the similarities which may lead to your confusion between the companies and list some of the facts associated with the companies.”

Although there are links to both companies’ websites on the home page and equal space is given to the depiction of each company’s products and marketing materials, it becomes apparent upon examining the content that the website was created by the Respondent, the implication is that the Complainant is causing the confusion and even the disclaimer, which appears at the bottom, contributes to the impression that this is Respondent’s website:

“Disclaimer: Use of any Kasuku Trade Marks or Images within this site is done so for clarity and informative purposes only and it is not intended to infringe on any copyrights but to offer the customer clear and correct information.”

While the parties may have serious business and intellectual property disputes, this is not the appropriate forum in which to decide those issues. Focusing solely on the general purpose of the Policy, to prevent cybersquatting, and on the safe harbor provisions of paragraph 4(c)(iii), I find that the overall effect of Respondent using each of the contested domain names is to attract into any website to which the domain names resolve persons who believe and expect they will be accessing material from the Complainant.

Although one must concede that a website to provide information and education per se is not a commercial use and that such a site may well be entirely legitimate, decisions under the Policy address a respondent's use of another's mark in a domain name to attract Internet users to respondent's site. This has sometimes been referred to as ‘initial interest confusion’2 which distinguishes between confusion of authorship upon reading the content of a website and confusion of an Internet user who is seeking the mark owner's website but is attracted to the respondent’s website by its similarity (in this case, identity) with a recognized mark. MicroFinancial, Inc. v. Glenn Harisson, WIPO Case No. D2003-0396 (July 14, 2003) (The Respondent is free to set up a web site that criticizes the Complainant’s business practices. But in using a domain name confusingly similar to the Complainant’s service mark, the Respondent

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2 The term in the Internet context comes from Brookfield Communications, Inc. v. West Coast Entertainment Corp., 174 F. 3d 1036 (9th Cir. 1999)
must signal his protest intent in the domain name itself rather than initially deceiving the public into believing that the web site is endorsed by the Complainant.) That confusion may arise when a user seeks the mark owner's site by entering the mark followed by a common top-level domain, by the respondent’s use of metadata that include the mark (of which no evidence has been presented here) or because a search engine identifies the respondent’s website by performing a similar search electronically. In this case, any clothing customer could easily find himself or herself at Respondent's site by any of these routes. Indeed, it is Respondent’s intention that they do. Banque Cantonale de Geneve v. Primatex Group S.A., WIPO Case No. D2001-0477 (June 21, 2001) (Internet users following the link or finding the link through search engines will not be aware that they end up on a protest site. They will only find out once they have studied the sites’ content.)

Moreover, a disclaimer does not overcome initial interest confusion in which an Internet web user is attracted to a website identified by a domain name which the consumer associates with the Complainant. Sharman License Holdings Limited v. KazaaPlatinum.com, WIPO Case No. D2004-0401 (July 20, 2004.) The content of a respondent's site in this category of cases - cases in which respondents almost uniformly lose - is irrelevant to the harm to the mark owner and to the unwary consumer. That harm results from the confusion caused by the initial attraction to the site by means of borrowing the complainant's mark. And that is exactly the harm the Policy was adopted to address.

Finally, the situation is exacerbated in this case since the Respondent is a competitor of the Complainant and, by diverting Internet users to Respondent’s site, by accident or by persuasion, Respondent has the potential to derive some commercial gain.

I find, therefore, that Respondent has no rights or legitimate interest in the contested domain names within paragraph 4(a)(ii) of UDRP and Respondent has failed to invoke any circumstances that could demonstrate a right or legitimate interest in terms of Paragraph 4(c).

BAD FAITH:

The Complainant contends that the Respondent's actions amount to bad faith registration and use under UDRP.

Paragraph 4(b) of UDRP provides various examples of a respondent's conduct that signify bad faith including, without limitation: (i) registration for the purposes of selling, renting or transferring the domain name to the complainant for value in excess of the respondent’s cost; (ii) a pattern of registration in order to prevent the complainant from reflecting the mark in a corresponding domain name; (iii) registration for the primary purpose of disrupting the business of a competitor; or (iv) an intentional attempt to attract, for commercial gain, Internet users to the respondent’s web site by creating a likelihood of confusion with the complainant’s mark as to the source, sponsorship, affiliation or endorsement of the respondent’s web site or location, or of a product or service on the respondent’s web site or location.

The Complainant states that the Respondent registered the contested domain names in order to prevent the Complainant from expanding its market by adopting corresponding domain names; for the purpose of disrupting the business of Complainant and damaging the Complainant’s reputation and good standing; to create confusion between the Complainant and the Respondent in order to mislead consumers into believing there was an affiliation between them or that Complainant was endorsing the website or location or products or services of the Respondent; and, for commercial gain, to divert business away from the Complainant to itself.
Respondent claims that it “was not to attract for ‘commercial gain’ but rather to inform and educate the consumer” that it registered the contested domain names and created the website. The Respondent points to the content of the website to which the contested domain names resolve as evidence that its purpose was to reduce or eliminate confusion between the Respondent’s business and that of the Complainants.

In addition, the Respondent states that “due to the complexity and indeed laxity in the Kenyan legal system. . . a legal challenge [to what Respondent believes are unfair competitive practices and “passing off” by Complainant] has not yet been sought in Kenya, and the domain names were registered by the Respondent as a mode of bringing awareness and education to the consumer. . . .” and to “educate and inform consumers in several countries to the continued passing off (as alleged by the Respondent) of the Respondents business by that of the Complaints.”

Accordingly, Respondent admits that, unable to find redress for its passing off claims against the Complainant through legal channels, it resorted to adopting the contested domain names in order to get the attention of the public and, if nothing else, perhaps develop a dialogue with consumers that might provide evidence of confusion so that, one day, “Respondent may better make its claim against Kasuku (Kenya).”

While Respondent might like to believe that it was seeking to eliminate confusion and had only informational and educational goals in creating the website to which the contested domain names resolve, I am convinced that the wholesale registration of so many domain names incorporating the Complainant’s mark “KASUKU” was motivated, at least in part, by malice and the use of the contested domain names, including the content of the website to which they resolve, was done with the primary purpose of disrupting the business of the Complainant, Respondent’s competitor, in an intentional attempt to attract, for commercial gain, Internet users to the Respondent’s website.

Based upon the evidence, I find that the Respondent's actions constitute bad faith registration and use of the contested domain names under paragraph 4(a)(iii) of UDRP.

CONCLUSION

In light of my findings above that: (a) the contested domain names are identical or confusingly similar to the Complainant’s protected mark; (b) the Respondent does not have any rights or legitimate interests in the contested domain names; and (c) the Respondent registered and used the contested domain names in bad faith, as that term is defined in the ICANN Policy, I conclude that Complainant has established all three elements required by the ICANN Rule 4(a).

REMEDY

The Complainant requested transfer of the contested domain names to itself or, in the alternative, cancellation. In light of the fact that Complainant has prevailed on all three elements required by the ICANN Rule 4(a), transfer might seem appropriate. In the circumstances of this case, however, the domain name <www.kasukukikoy.com> contains a combination of both the Complainant’s mark “KASUKU” and the Respondent’s tradename “KIKOY.” As such, it would seem as inappropriate for Complainant to own it as it has just been determined inappropriate for Respondent to own it.
With respect to the other contested domain names, specifically <www.kasuku.org>, <www.kasuku.net>, <www.kasuku.biz>, and <www.kasuku.info>, I am not persuaded that Complainant had an intention, or even any interest, to adopt another domain name given that the generic top level domain “.com” appears to be owned by an unidentified third party unrelated to either the Complainant or the Respondent in this proceeding. A decision here under the Uniform Policy to transfer one or more of the disputed domain names to the Complainant would not mean that the Complainant would obtain invulnerable domain name registrations. It remains open to any party to bring an action against a former Complainant’s holding of a domain name. Similarly, cancellation of a domain name under the Uniform Policy does not amount to an exclusion of the domain name. Once the registrations are cancelled, if the Complainant is interested, it can seek to register one or more of the contested domain names for its own account. The fundamental issue is whether a transfer of domain names is in fact the appropriate remedy in the circumstances of this case and I believe it is not.


Louise E. Dembeck, Esq.  May 5, 2005