

# Alternative Dispute Resolution (ADR)

**DECISION**

2010-08-13

**TICKETNUMBER**

412

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**APPLICANT**

Norsk Kontantservice AS

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Norway

**Counsel:**

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**OPPONENT**

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**Counsel:**

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**MATTER**

Alternative Dispute Resolution regarding the domain name <nokas.se>.

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**DECISION**

The request for transfer of the domain name <nokas.se> to the Applicant is denied.

## BACKGROUND TO THE DISPUTE

After the Applicant had filed an application for an Alternative Dispute Resolution relating to the domain name <nokas.se> that application was communicated to the Opponent who was invited to submit any observations that it might want to make. Such observations were duly submitted and communicated to the Applicant. Thereupon a Panel was constituted consisting of Henry Olsson (Chairman), Jan Rosén and Gunnar Karnell as Adjudicators. The Panel was invited to decide on the case by October 4, 2010.

## CLAIMS

The Applicant has requested that the domain name <nokas.se> shall be transferred to the Applicant.

The Opponent has declared that it refuses the Applicant's request.

## FACTS OF THE CASE / PARTIES' CONTENTIONS

### *The Applicant*

#### *Statements relating to factual circumstances*

The Applicant, "Norsk Kontantservice AS" (NOKAS AS) is a Norwegian limited company that was incorporated on June 21, 2001. The Applicant has been referred to as "Nokas" both internally within the company and externally. According to the Articles of Incorporation the business of the Applicant is cash handling and other business connected to cash handling. It is a full-range supplier of cash handling to both bank and retail customers, including storage, handling, distribution, adjustment, reporting, transport and management of Automatic Teller Machines (ATMs). It is, according to the Applicant, the leading supplier of those business services in Norway with an annual turnover of MNOK 467 in 2009. The company has its headquarters in Oslo and branches in subsidiaries in seven other Norwegian cities.

NOKAS AB is a fully owned subsidiary of the Norwegian company NOKAS AS and holds the right in the company name in Sweden. It was incorporated on October 27, 2008. NOKAS AS is a fully owned subsidiary of the company Vakt Services AS. NOKAS has acquired 60 % of the shares of the Swedish company Skandia Värde AB and, in January 2008, 100 % of the Swedish Company Control Risk Scandinavia AB. The activities of both these companies are complementary to those of NOKAS.

NOKAS also established a Danish subsidiary, NOKAS (Denmark) A/S, that was incorporated on July 7, 2009.

NOKAS AS is in the process of consolidating its presence in Sweden into the Swedish company NOKAS AB.

According to the Applicant, the Opponent, Spin Invest AS is a Norwegian limited company which is wholly owned by a Norwegian citizen, Mr. W, who is also the CEO and Chairman of the

Board of the company. It was incorporated on October 18, 2005, and according to its Articles of Incorporation its business includes buying and selling real estate.

NOKAS is the owner of the trademark “nokas”, which was registered on February 13, 2009. It is a distinct short denomination of the name of the Applicant which has, from the very beginning referred to itself as “NOKAS”. That term is in Norway not in use except as referring to the Applicant and its business. It appears on the front page of the Annual Reports 2001-2005 and also on letterheads and business cards, etc. The trademark rights have been established through use of the mark. The trademark became also widely known in connection with the so-called “NOKAS robbery” in 2004. The Applicant has registered the word mark “nokas” in Norway in some classes under the Nice Classification, and has applied for registration of the words “nokas” and “nokas nemsys” in Norway in some additional classes. Furthermore, NOKAS AS has applied for Community Trademark Registration of the same trademarks. NOKAS AS is the owner of the Norwegian domain name <nokas.no> and has also registered the domain names <nokas.org> <nokas.info>, <nokas.eu> and <nokas.co.uk>.

As regards the activities of the Opponent, the Applicant submits that the disputed domain name was registered on December 17, 2007, and that, around the same time, also <nokas.dk> and <nokas.de> were registered. All the domain names were parked with the registrar “One.com” without any activity under any of the domain names; after some contacts had been initiated between the Applicant and the Opponent, an illustration of a card terminal and the information “Website is under construction” appeared on the websites attached to the domain names. The websites have, however, not been developed since October 2009. After “October 2010” (*Note:* should probably be “October 2009”) no progress has been made in respect of the alleged commercial activities. The domain name <nokas.net> was registered by the Opponent in September 2009 and is still parked with One.com with no activities going on.

After NOKAS filed an application for Alternative Dispute Resolution in September 2009, the Opponent has maintained that it intends to use the domain name at issue in connection with a project relating to Gift Voucher Terminals. To support this, the Opponent has, among other matters, also referred to a brochure with a description of the project where, however, neither the term NOKAS nor Nordisk Kortautomatservice appears.

In an e-mail dated August 24, 2009, the Opponent offered the Applicant the three domain names for a sum of NOK 200 000; there is no sign of any invitation from NOKAS to the Opponent to put forward such an offer. The correspondence also strongly indicates that it is not correct that the Opponent never before had made contact with the Applicant in order to sell a domain name. Subsequently, in a letter of September 1, 2009, from the Applicant’s representative, a request was made that the domain names be transferred to NOKAS provided that the costs of the transfer are covered by that company; the letter stressed that there are no reasons to believe that Mr. W had any rights or legitimate interests in the domain names. The recipient did not reply in writing but rejected the offer in a telephone call to the Applicant’s representative where it was also said that in case no agreement was reached, the domain names would be sold to a third party. Following this call, a new letter was sent to Mr. W, who, in a new telephone call refused to transfer the domain names and said that the domain names had already been sold to someone referred to as “an international corporation”. In a subsequent letter dated September 10, 2009, from Mr. W to the Applicant’s representative, there was no mention of any sale of the domain names but it was instead stated that the domain names were important in the forthcoming business of a subsidiary of the Opponent that was under incorporation; the domain names would be attributed to a product to be distributed in Europe.

In the reply to a further e-mail from the Applicant's representative, Mr. W claimed that he is still the owner of the domain names.

In a Decision of April 16, 2010, regarding the domain name <nokas.dk>, the Danish "Klagenævnet for domænavne" transferred that domain name to the Applicant in this case.

*Requirements for approval of the Applicant's request*

In this respect the Applicant asserts, in particular, that it has, through its fully owned subsidiary NOKAS AB, registered the name of that subsidiary as a trade name/company name and thus has a valid right in Sweden. That trade name is identical with the domain name at issue.

The Applicant has applied for registration of the word "nokas" as a European Community Trademark and has also stated and that it has a legitimate use for the domain name and that the word mark "nokas" is distinctive in character.

Furthermore the Applicant asserts that the Opponent has acted in bad faith both when registering the domain name and subsequently by using it. The Opponent's use of the domain name is, according to the Applicant, so far, two and a half years after the registration, limited to offering it for sale to the Applicant for a large sum of money. The fact that it took one year and eight months before the Opponent offered to sell the domain name is of no significance; this is only a "question of timing and opportunity". Moreover, the offer was initiated by the Opponent and not by the Applicant.

In the view of the Applicant, the Opponent must have been aware of the business of the Applicant/NOKAS when the domain name at issue was registered and it is to be assumed that the Opponent was aware of the possibility that the Applicant would like to expand its business to other Scandinavian countries and seized the domain name before NOKAS could do so. The Applicant suggests that it is of no significance that the domain name was registered before the company was incorporated in Sweden and before the Community Trademark is registered; the deciding point must be that the Opponent was aware of the rights of NOKAS at the time of registration of the domain name in 2007.

In any case, the Opponent has subsequently used the domain name in bad faith after the Applicant established legal rights in Sweden under the name NOKAS, and that use continued after it was brought to the Opponent's attention that its conduct was at the expense of the Applicant's justified interests.

According to the Applicant, the Opponent does not have any legitimate interests in the domain name. It has tried to construct such interests in the letter of September 10, 2009, by claiming that the domain name will be used for a (not specified) product in Europe by a subsidiary under incorporation. Furthermore, the Opponent has argued that it intends to use the domain name in connection with a project named Nordisk Kortautomatservice, but the documents submitted do not mention neither the name of the Opponent nor the term NOKAS or Nordisk Kortautomatservice. The latter term was used for the first time when the illustrations of a terminal with that text was published, *inter alia*, on the website attached to the domain name under dispute. These illustrations were, however, published after NOKAS had contacted Mr. W stating that the Opponent was under an obligation to transfer the domain names.

There has been no visible commercial activity on the website since the first ADR application was made almost nine months ago or the Decision in that case more than four months ago. This

passivity suggests strongly that the Opponent has no legitimate commercial interests, and the lack of progress in the use of the terms “nokas” or “Nordisk Kortautomatservice” also indicates that the domain at issue is not important for the Opponent’s commercial activities. In this context it is also noted that the domain <nokas.net> is still parked with the registrar while one would expect that all the websites would contain the illustration of the terminal.

In summary, according to the Applicant, the attempts to construct legitimate interest is highly unsubstantiated and poorly specified.

In support of its allegations, the Applicant has submitted in total 28 attachments, including copies of various print matters, screen dumps, e-mails and letters, etc.

### *The Opponent*

At the outset, the Opponent rejects the Applicant’s claim

First, the Opponent notes that this matter has already been the subject of an Alternative Dispute Resolution proceeding through a decision on February 1, 2010 (Ticket Number 341) where the claim by Norsk Kontantsservice AS to have the domain name transferred to it was dismissed; consequently the domain name is still held by the Applicant. The Opponent has submitted a copy of this Decision which thus forms part of the background in this case. The Opponent notes that that Decision is mentioned by the Applicant only in passing and is not attached to the Applicant’s documentation. The Opponent finds the omission peculiar and stresses that the present application is an attempt constituting a possibility to evade the earlier Decision; this method is using a “proxy appellate body” in disregard of the ACR Decision and competence.

As regards the factual background the Opponent emphasizes that there are no new facts presented by the Applicant and that the dispute must now be settled on the basis of the facts that the Panel found proven in the previous Decision. The Opponent refers to that Decision for the factual background.

As regards the legal aspects, the Opponent considers that the Applicant’s statement that the requirements for the transfer of the domain name are met is obviously erroneous given the Decision by the ADR Panel just four months ago; there are no new decisions or no material changes in the law that would call for a contrary Decision and a differing interpretation of the requirements.

As regards identity or confusing similarity between the domain name and the trademark etc. in which the Applicant has rights, the Opponent acknowledges and respects the ADR Panel Decision and refers to that Decision for the closer assessment of that element.

As regards the Opponent’s rights or legitimate interest in the domain name, the Opponent notes that the previous Decision emphasizes that the evidence presented by Norsk Kontantsservice AS does not support that the Opponent has no legitimate interest; the domain name is in fact used in marketing the Opponent’s project “Nordisk Kortautomatservice”. In the view of the Opponent there is nothing new in the Applicant’s application that could support a different view at this point in time.

The fact that the project has not been launched does not indicate that the Opponent has no longer any legitimate interest in the domain name. It is clearly incorrect that, as the Applicant seems to invoke, a four month passivity regarding commercial activity on the website indicates an absence

of interest. A lawful registration does not become unlawful as a consequence of possible delays in the business development. The Opponent stresses that the ADR Decision four months ago lead the Opponent to believe that the dispute with Norsk Kontantservice AS was finally settled. In addition, the Opponent emphasizes once more that the registration of a domain name for the purpose of building up a business with no intention to mislead or damage another business is a legitimate interest.

As then regards registration and/or use in bad faith, the Opponent agrees with the interpretation of this element in the previous Decision to the effect that no bad faith had been proved.

The Opponent rejects the Applicant's allegation that the Opponent's only use of the domain name is restricted to offering it to the Applicant for a large sum of money. According to the Opponent there are no facts to support this allegation; on the contrary the Opponent has tried to appear cooperative through its willingness to negotiate a sale even though the domain name is clearly lawfully registered.

The Opponent was aware of Norsk Kontantservice AS' rights in Norway but this can, according to the Opponent, not lead to the assumption that the Opponent registered the domain name in bad faith when this registration took place in another jurisdiction where the Applicant had no legal rights in the domain. The fact that the Opponent was aware of the Applicant's business in Norway is, according to the Opponent, of no relevance as long as the Opponent did not know that the business would be expanded to other Nordic countries.

The Opponent has also referred to and invoked the correspondence and the documents submitted to the Panel in the earlier case. These documents underline and elaborate in some more detail on the Parties' allegations in that previous case but are not further summarized here.

In line with the previous Decision and the argumentation, the Opponent claims that the application of Norsk Kontantservice should be dismissed. In addition, the Opponent will claim their legal costs relating to the application covered.

## **FINDINGS OF THE ADJUDICATORS**

### *Legal and procedural aspects*

According to Item 6.4 c) of the Conditions of Registration Relating to the Top Level Domain .SE with validity as from March 9, 2009, a domain name may be deleted from the files or transferred to the entity that has applied for a Dispute Settlement Proceeding, if

1. the domain name is identical with or confusingly similar to a trade mark, a trade name a family name, etc. which has legal force in Sweden and to which the Applicant can show its right,
2. the domain name holder has no rights or legitimate interests in the domain name, and
3. the domain name has been registered or has been used in bad faith.

Items 6.4 d) and 6.4 e) contain indications of some circumstances that may, when proved, constitute rights/legitimate interests or bad faith, respectively.

The Applicant invokes as one of the arguments why the domain name should be transferred to it that the domain name is identical with the Swedish company name NOKAS AB. This company is



a fully owned subsidiary to the Norsk Kontantsservice AS which entity is therefore the competent Applicant in the case.

On February 1, 2010, an ADR Panel issued a Decision in a dispute relating to the same domain name between Norsk Kontantsservice AS and NOKAS AB, on the one hand, and Spin Invest A/S, on the other hand. The Panel dismissed the request for transfer of the domain name to the Applicant. The Opponent in the present case has invoked that Decision and stated that there are no new facts stated by the Applicant compared to those dealt with in the previous Decision and that the present dispute must be settled on the basis of the facts which the Panel found proven in that previous Decision.

The Rules of Procedure for the ADR proceedings contain no specific provisions that relate to review of, or “appeal” against, the Decisions by a Panel. Such Decisions stand but a party has, of course, the possibility to take the dispute to a Court to be settled there.

This Panel takes the view that it can not and will not enter into any reassessment of the findings of the earlier Panel. As just mentioned, the Decision by that Panel has been invoked by the Opponent in the case now under consideration. That Decision has, however, to be seen as only one piece of evidence among several others that have been submitted in this case. The findings of this Panel will be based exclusively on the material that the Parties have invoked in this dispute, which includes the previous Decision and the material on which the findings there were explicitly based.

#### *Identity or confusing similarity*

The evidence submitted in the case shows that the Applicant has established a trade name right in the company name NOKAS AB in Sweden and consequently is the holder of a right that has legal force in Sweden. The domain name at issue is in principle identical with, or at least confusingly similar to, the trade name.

#### *Rights or legitimate interest*

As regards this element the Applicant has invoked a number of circumstances and asserted, in summary, that the Opponent’s attempts to construct legitimate interests in respect of the domain name are highly “unsubstantiated and poorly specified”. The Opponent, on the other hand, has referred to a number of other elements related to the use of the domain name in marketing activities for the Opponent’s project “Nordisk Kortautomatsservice”. It has stressed that a four month passivity regarding the commercial activity does not indicate an absence of interest. It has underlined that the decision by the ADR Panel four months ago lead the Opponent to believe that the dispute with the Applicant had been finally settled. The Panel notes, in this context, that the ADR Decision of February 1, 2010, found that no circumstances suggested that a legitimate interest was not at hand.

With reference to what has now been stated, the Panel considers that the circumstances referred to and the documentation submitted do not support the Applicant’s claim that the Opponent would not have a legitimate interest in the domain name at issue.

#### *Registration and/or use in bad faith*

The Applicant has submitted some documentation and stressed a number of elements to prove that the Opponent made the registration of the domain name solely in order to sell the domain

name to the right-holder. The Panel does not find this allegation sufficiently proved by the evidence submitted. Furthermore, the Applicant has submitted that the Opponent, when registering the domain name, must have been aware that the Applicant intended to expand its business to Sweden. The Panel can, however, not find this allegation supported by the circumstances, as no publicly available information about these expansion plans existed at that point in time. Also, the Panel can not find any other circumstances that would suggest that the Applicant acted in bad faith neither at the time of registration of the domain name, nor during the subsequent use made of the domain name.

#### *Legal costs*

The Opponent has stated that it will claim the legal costs related to the Application covered. This is, however, a matter that is not within the competence of this Panel.

#### *Summary*

With reference to what has been stated above, the Panel finds

1. that a confusing similarity exists between the domain name at issue and the Applicant's trade name NOKAS AB
2. that it has not been proved that the Opponent has no rights or legitimate interests in the domain name, and
3. that it has not been proved that the domain name was registered or used in bad faith.

Consequently, the Applicant's request for transfer of the domain name shall be denied.

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On behalf of .SE

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Henry Olsson (Chairman)

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Gunnar Karnell

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Jan Rosén