



## DISPUTE RESOLUTION SERVICE

D00010445

Decision of Independent Expert

Uhrenfabrik Junghans GmbH & Co. KG

and

Soul Distribution Ltd

### 1. The Parties:

Complainant: Uhrenfabrik Junghans GmbH & Co. KG  
Geissaldenstrasse 49  
Schramberg  
Schramberg  
D-78713  
Germany

Respondent: Soul Distribution Ltd  
39 The Brook  
Sutton  
Ely  
Cambridgeshire  
CB6 2QQ  
United Kingdom

### 2. The Domain Name:

junghans.co.uk

### **3. Procedural History:**

26 October 2011 17:09 Dispute received  
27 October 2011 14:04 Complaint validated  
27 October 2011 14:25 Notification of complaint sent to parties  
15 November 2011 01:30 Response reminder sent  
17 November 2011 09:42 Response received  
18 November 2011 10:54 Notification of response sent to parties  
23 November 2011 01:30 Reply reminder sent  
25 November 2011 12:42 Reply received  
28 November 2011 14:09 Notification of reply sent to parties  
28 November 2011 14:10 Mediator appointed  
05 December 2011 11:50 Mediation started  
15 March 2012 13:41 Mediation failed  
15 March 2012 13:42 Close of mediation documents sent  
26 March 2012 10:50 Expert decision payment received

### **4. Factual Background**

The Complainant is a watch producer and the owner of significant reputation and goodwill in the JUNGHANS mark for watches and clocks which have been sold in the UK since at least 1955. The Complainant has a UK trade mark registration for JUNGHANS in class 14 for watches and clocks assigned to this Complainant company on 27 January 2009.

The Domain Name was registered by the Respondent in 2010. The Domain Name was owned by the Complainant's predecessor company Junghans Uhren GmbH until at least March 2010. The Respondent, a former authorised dealer in the UK, obtained the Domain Name after the Complainant's predecessor company became insolvent to sell the Respondent's stock of JUNGHANS watches. A director of the Complainant's predecessor is also a director of the Respondent although no detail is given as to how the Respondent came to own the Domain Name.

### **5. Parties' Contentions**

The Complainant's submissions in its Complaint can be summarised as follows:

The Complainant has rights in respect of marks that are identical or similar to the Domain Name.

The Complainant is a famous watch producer and the owner of significant reputation and goodwill in the JUNGHANS mark for watches and clocks. Timepieces have been

sold under the JUNGHANS mark for over a hundred years and in the UK since at least 1955 and are currently sold in over 40 styles across Europe and the rest of the world. The Complainant has a UK trade mark registration for JUNGHANS in class 14 for watches and clocks.

The Domain Name in the hands of the Respondent is an Abusive Registration. The 'who is' extract suggests that the Domain Name was registered on January 26, 2001. This is not the case. The Domain Name was registered by the Respondent in 2010. The Domain Name was owned by the Complainant's predecessor company Junghans Uhren GmbH until at least March 2010. It appears that the Respondent obtained the Domain Name at some point after this time on the Complainant's predecessor company becoming insolvent.

The Director of the Complainant's related UK business, Junghans UK Limited, from 2009 until its liquidation in November 2010 was David Hayden. Mr Hayden has also been a director of the Respondent since 2008. Mr Hayden had once been an authorised dealer of the Complainant's timepieces in the UK. However, since the liquidation of the Complainant's predecessor companies Junghans Uhren GmbH and Junghans UK Limited it would have become clear to Mr Hayden that neither he nor the Respondent would continue to be an authorised dealer. It appears that Mr Hayden decided, as a director of both Junghans UK Limited and the Respondent to deliberately arrange for the transfer of the Domain Name to the Respondent without the Complainant's knowledge or consent. Such deliberate and deceptive conduct of the Respondent clearly indicates the Respondent has acted in bad faith to deprive the Complainant of the Domain Name with a view to continuing to mislead customers into believing that the Domain Name is registered to, operated by or otherwise connected to the Complainant and/or that the Complainant has endorsed the Respondent. Otherwise it has been registered to block the Complainant from registering and making use of the Domain Name in the UK and/or to unfairly disrupt the business of the Complainant.

The Respondent is not a licensee of the Complainant. The Complainant has not consented to the registration or use of the Domain Name by the Respondent.

The Respondent does not have any legitimate interest in the Domain Name given the distinctive nature and goodwill in the JUNGHANS mark. There has been no legitimate non commercial or fair use of the Domain Name.

The content of the web site attached to the Domain Name has changed since the Complainant wrote to the Respondent on July 13, 2011 when the Respondent was providing links from the website to the Complainant's website (by clicking on the tab entitled "Junghans Collection"). The 'About Us' section of the website provided no detail regarding the Respondent. Instead it only provided details regarding the Complainant and its products. Equally the 'Contact Us' section of the website listed both the Respondent and the Complainant's predecessor company. It is clear, therefore, that the continued reference to the Complainant and/or its predecessor

was a calculated choice by the Respondent to deliberately suggest to consumers that it was the site of the Complainant or associated with it. The website at 13 July 2011, and currently, reproduces photographic images of the Complainant's watches taken from the Complainant's website in breach of copyright. The Respondent's decision to amend the web site is a clear admission of the Respondent's guilt in registering and using the Domain Name in bad faith to the detriment of the Complainant.

However, the changes made to the web site do not rectify the position sufficiently. The layout and content continues to deliberately suggest that the web site is registered to or associated with the Complainant due to the continued use of the Complainant's imagery, the continued emphasis of the JUNGHANS mark as opposed to the Respondent's name and details and continuing to use the previous wording regarding the Complainant in the 'About Us' part of the website.

The Respondent was clearly aware of the Complainant at the time of obtaining and registering the Domain Name.

The Respondent intended unfairly to disrupt the business of the Complainant by using a Domain Name belonging to the Complainant's predecessor and so already known to the Complainant's customers, linking to the Complainant's web site, using the Complainant's images from the Complainant's website and suggesting a connection with the Complainant in the web site content, so as to divert traffic away from the Complainant's website to that of the Respondent.

At the time acquisition took place, the registration of the Domain Name took unfair advantage of and was unfairly detrimental to the Complainant's Rights.

The Respondent's submissions can be summarised as follows:

I set up the web site in 2001/2002 while setting up Junghans UK Limited for selling JUNGHANS products in the UK. In 2008 Junghans closed the office in the UK and I became the sole UK distributor. I continued to be the sole distributor in the UK after Junghans Uhren went into insolvency and then became the Complainant. I have invoices from the new company until June 2010 and an e mail sending me logos to use on my web site.

I have a legitimate interest in the Domain Name as I have been selling JUNGHANS products since 2001, setting up Junghans UK then as a sole distributor and since the termination of that agreement as a trade/retail business. I have a stock of JUNGHANS products purchased from Junghans Uhren and the Complainant and am actively selling these products.

The main images on the web site are not copied from the German website, they are high definition images sent from Germany and then the backing images were purchased when the website was updated.

I took the logos off the site as a goodwill gesture. I am able to use the logos as I purchased the products from the company direct.

I am not misleading the public as it states on the website the contact is the Respondent and not Junghans UK. If I get any enquiries not relevant to the product I am selling I give the relevant contact details to the person enquiring.

I have not been able to get in touch with my solicitor this past week, but he should have sent a response to the Complainant weeks ago.

I own the web site. I did not make an abusive registration. I use the web site in my day to day business. Junghans do not reply to my e mails since I have not been the sole distributor in the UK. I have outstanding stock orders with them which they have not supplied. They have threatened me re the logos and images I use when I have the right to use them to sell the goods I purchased from them and to get the web site. I am happy to sell them all the stock including all the trade/retail material and the website.

The submission of the Complainant in its Reply can be summarised as follows:

The Domain Name was registered to Junghans Uhren Gmbh until March 2010. The Respondent knew as of January 01, 2010 that it was no longer authorised to sell the Complainant's products and, therefore, knew that it was no longer authorised to use the Complainant's mark or imagery. With this knowledge the Respondent registered the Domain Name to mislead customers into believing the web site was authorised by the Complainant and/or unfairly disrupting the business of the Complainant or its distributors.

Any purchases of stock by the Respondent or authorisation to use marks or images took place when the Respondent was an authorised dealer. The Respondent was not in any way authorised to use the Complainant's marks or images after the termination of their relationship in January 2010. The Respondent is entitled to inform the Complainant that its actions are now copyright infringement.

The Respondent's offer to sell the Domain Name to the Complainant indicates the Respondent registered the Domain Name in bad faith with a view to exploiting the Complainant's marks until it objected at which point it intended to sell the Domain Name to the Complainant for consideration exceeding its out of pocket costs in relation to the Domain Name. In itself this can constitute abusive registration under Section 3(a) (i) (A) of the Policy.

## **6. Discussions and Findings**

General

To succeed in this Complaint the Complainant has to prove to the Expert pursuant to paragraph 2 of the Policy on the balance of probabilities, first, that it has Rights (as defined in paragraph 1 of the Policy) in respect of a name or mark identical or similar to the Domain Name and, secondly, that the Domain Name, in the hands of the Respondent, is an Abusive Registration (as defined in paragraph 1 of the Policy).

### Complainant's Rights

The Complainant is the proprietor of a UK registered trade mark for JUNGHANS and has trading goodwill in a number of countries around the world including the UK. The Domain Name consists of the Complainant's trade mark JUNGHANS and the generic country code indication .co.uk which is disregarded for the purposes of the Policy when assessing similarity to a trade mark. Accordingly the Expert finds that the Complainant has Rights in respect of a name or mark, which is similar to the Domain Name.

### Abusive Registration

This leaves the second limb. Is the Domain Name, in the hands of the Respondent, an Abusive Registration? Paragraph 1 of the Policy defines "Abusive Registration" as:-  
"a Domain Name which either:

- i. was registered or otherwise acquired in a manner, which at the time when the registration or acquisition took place, took unfair advantage of or was unfairly detrimental to the Complainant's Rights; OR
- ii. has been used in a manner, which took unfair advantage of or was unfairly detrimental to the Complainant's Rights."

A non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration is set out in paragraph 3a of the Policy. There being no suggestion that the Respondent has given false contact details or has been involved in a pattern of registrations or that the Complainant paid for the latest registration of the Domain Name, the potentially relevant 'factors' in paragraph 3 are to be found in subparagraph i and ii which read as follows:

- i "Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily:
  - A. for the purposes of selling, renting or otherwise transferring the Domain Name to the Complainant or to a competitor of the Complainant for valuable consideration in excess of the Respondent's documented out-of-pocket costs directly associated with acquiring or using the Domain Name;
  - B. as a blocking registration against a name or mark in which the Complainant has Rights; or
  - C. for the purpose of unfairly disrupting the business of the Complainant;"

ii “Circumstances indicating that the Respondent is using or threatening to use the Domain Name in a way which has confused or is likely to confuse people or businesses into believing that the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant”

The Expert is of the opinion that the Respondent’s conduct and use of the Domain Names is indicative of relevant abusive conduct. The Domain Name is similar to the Complainant’s registered trade mark JUNGHANS and indeed was used by the Complainant’s predecessor before it became insolvent. The Respondent is entitled to use the JUNGHANS word mark descriptively to sell his stock of watches. However, in the opinion of the Expert the use made of the Domain Name was deceptive. The Domain Name was registered when the Respondent was no longer an authorised distributor. The content of the website at the time the Complainant first wrote to the Respondent looked like an official JUNGHANS site using the official logo at the top, official images and details relating to the Complainant or its predecessor in the ‘about us’ and contact details sections of the site. As such the Expert finds that the Domain Name has been used in a way likely to confuse people into believing the Domain Name was registered to or connected to the Complainant contrary to Paragraph 3 (ii) of the Policy. As such, in the view of the Expert, in its registration and use of the Domain Name, the Respondent took unfair advantage of and caused detriment to the Complainant’s rights.

The Expert notes the Respondent offered to sell the Domain Name in its Response, but this was with stock and no price was named. In any event in view of the findings under Section 3(ii) of the Policy the Expert does not need to make any finding as to selling for consideration in excess of out of pocket costs, blocking or disruption under Paragraph 3(i) of the Policy.

Accordingly, the Expert finds that the Domain Name is an Abusive Registration within the definition of that term in paragraph 1 of the Policy.

## **7. Decision**

In light of the foregoing findings, namely that the Complainant has Rights in respect of a name which is similar to the Domain Name and that the Domain Name, in the hands of the Respondent, is an Abusive Registration, the Expert directs that the Domain Name junghans.co.uk be transferred to the Complainant.

**Signed:** Dawn Osborne

**Dated:** 18 April 2012