

DISPUTE RESOLUTION SERVICE

D00013726/D00013727

Decision of Independent Expert

John Lewis PLC

and

(1) Mr Max Masters

(2) Mr Steven Masters

1. The Parties:

Lead Complainant: John Lewis PLC
171 Victoria Street
London
SW1E 5NN
United Kingdom

Respondents: Mr Max Masters
9 Denleigh Gardens
Thames Ditton
Surrey
KT7 0YL
United Kingdom

Mr Steven Masters
9 Denleigh Gardens
Thames Ditton
Surrey
KT7 0YL
United Kingdom

2. **The Domain Name(s):** johnlewisauctions.co.uk & johnlewisdeals.co.uk

3. **Procedural History:**

Expert Declaration

I can confirm that I am independent of each of the parties. To the best of my knowledge and belief, there are no facts or circumstances, past or present, or that could arise in the foreseeable future, that need be disclosed as they might be of such a nature as to call in to question my independence in the eyes of one or both of the parties.

13 January 2014 10:00 Dispute received
13 January 2014 12:14 Complaint validated
13 January 2014 12:25 Notification of complaint sent to parties
30 January 2014 01:30 Response reminder sent
30 January 2014 09:22 Response received
30 January 2014 09:22 Notification of response sent to parties
04 February 2014 01:30 Reply reminder sent
07 February 2014 09:20 No reply received
07 February 2014 09:21 Mediator appointed
12 February 2014 15:32 Mediation started
13 March 2014 15:07 Mediation failed
18 March 2014 16:50 Close of mediation documents sent
25 March 2014 12:32 Expert decision payment received

4. **Factual Background**

This decision is in respect of two complaints: DRS 1326 relating to <johnlewisauctions.co.uk> and DRS13727 relating to <johnlewisdeals.co.uk>. Although these were filed as two separate complaints they have been “merged” by Nominet and submitted to me as the appointed Expert for joint consideration. They also each contain text which is identical, other than identifying the defined term of “Domain Name” as <johnlewisauctions.co.uk> in DRS 1326 and <johnlewisdeals.co.uk> in DRS 1327. This has produced two documents which in places read rather oddly and are difficult to follow. For example the following wording appears in both Complaints,

"The Domain Name incorporates the Trade Marks in their entirety and insert [sic] the generic words "deals" and "auctions". According to the Nominet decision DRS 06973 veluxblind.co.uk the addition of "deals" does not suffice to distinguish the Domain Name from the JOHN LEWIS mark".

I assume the Complainant may have originally prepared a single Complaint for both of the domain names and then split it into two separate documents without making as many consequential changes as would have been desirable. I surmise that it effected this split

because of a concern that it could not deal with both Domain Names in a single complaint, given the provision in the Nominet DRS Procedure at paragraph 3(d) which allows complaints in respect of multiple domain names *providing* the Respondent is the same person in each case (emphasis added). In the present case the Respondent in relation to each Domain Name is, according to the relevant registrant information, a different person, albeit with the same surname. However in fact it transpires that in both cases the Respondent appears to be the same individual (see below) and that the same set of facts applies to both disputes. Paragraph 12(c) of the Nominet DRS Procedure refers to Nominet deciding a request by a Party to consolidate separate cases. In the present cases no party had requested Nominet to do so, but since neither party has objected to Nominet's decision and it is clearly convenient that the two cases be dealt with simultaneously, I will proceed on the basis that the two cases are consolidated. This Decision will therefore appear in the listing of Nominet cases for both domain name disputes.

<johnlewisauctions.co.uk> was registered in the name of Max Masters on 3 September, 2013

<johnlewisdeals.co.uk> was registered in the name of Steven Masters on 24 November, 2013

Based upon this registration information, the Respondent in the matter of DRS 13726 is Max Masters and the Respondent in the matter of DRS 13727 is Steven Masters. In both cases, correspondence from the registrant is signed by Steven Masters, using letterhead referring to "Max Masters Group" or email addresses incorporating the name Max Masters. The Response filed in relation to each of these complaints (see below) has been filed by Steven Masters and at no point does he suggest that anyone other than him is the registrant of each of the domain names. In these circumstances it would appear that the Respondent formally identified in respect of each complaint is one and the same person, namely Steven Masters, and this decision proceeds on that basis.

The Complainant is John Lewis PLC, the well-known department store retailer.

Neither Domain Name currently resolves to an operational website.

5. Parties' Contentions

Expert's Introduction.

The case submitted by the Complainant is summarised below. I have found it difficult to summarise this submission insofar as it relates to DRS13276 <johnlewisauctions.co.uk> as the body of the Complaint makes no mention of it. It is clear from the context that the Complainant intends "the Domain Name" to refer to <johnlewisdeals.co.uk> (the subject matter of DRS 13727). For the purposes of this summary however, and to avoid an unjust outcome, I infer that these submissions are intended to conflate the Complainant's arguments in respect of both <johnlewisauctions.co.uk> and <johnlewisdeals.co.uk>.

Complaint

In the remainder of this section I set out a summary of the Complainant's contentions.

a) Background:

The Complainant is John Lewis PLC, a company founded in 1864 which has developed a strong reputation for high quality fashion, furnishings and household goods. It is the largest department store retailer in the UK, with 39 shops stocking more than 350,000 separate lines. The Complainant also offers more than 200,000 fashion, beauty, home, giftware and electrical items at the domain name www.johnlewis.com.

b) Rights:

The Domain Name contains words which are identical to the name JOHN LEWIS in which the Complainant has common law rights and registered trade marks. The Complainant owns a number of UK and Community registered trade marks for the name JOHN LEWIS in a range of classes including furniture and other home ware. These marks have been used continuously since they were registered. Advertising for products bearing the trademark has been used online through its websites and off-line in a variety of publications. As a result of the Complainant's activities it has built up substantial goodwill and a valuable reputation in the marks in relation to the products for which they are registered.

The Complainant is the registrant of a portfolio of domain names including <johnlewis.com> which was registered on 31 December 1997. The Complainant uses this domain name to promote and offer its goods and services.

The Domain Names incorporate the JOHN LEWIS mark in its entirety along with the descriptive add-ons "auctions" and "deals".

c) Abusive Registration

The Complainant has had previous dealings with the Respondent in relation to its abusive registration of <johnlewisdeals.com>. The Complainant wrote to the Respondent on 3 September 2013 to advise that its registration and use of the domain name <johnlewisdeals.com> infringed the Complainant's registered trademarks in the name JOHN LEWIS. The letter included a request for an undertaking that the Domain Names and all domain names that were registered or controlled by the Respondent that contained the trademark JOHN LEWIS be transferred to the Complainant.

On 16 September 2013 the Respondent replied but failed to address the points raised in the Complainant's letter and instead demanded £50,000 - £80,000 for the domain name. The Complainant replied on 25 September 2013 requiring a response to the outstanding legal points, transfer of <johnlewisdeals.com> to the Complainant and provision of the requested undertakings. The Respondent sent a letter dated 2

October 2013 that gave additional background on his business operations but failed to address the substantive legal points. The <johnlewisdeals.com> domain name and the Domain Names were not transferred to the Complainant as a result of this correspondence.

On 18 October 2013 the Complainant submitted a complaint to the WIPO under its Uniform Dispute Resolution Policy. The Respondent did not reply. On 12 December 2013 the WIPO Panel ordered that <johnlewisdeals.com> be transferred to the Complainant. The transfer was made on 7 January 2014, unchallenged by the Respondent. On 10 January 2014 the Complainant received an email from the Respondent acknowledging the WIPO panel decision, confirming that <johnlewisdeals.com> had been transferred to the Complainant and notifying the Complainant, knowing that the Complainant's dispute with the Respondent concerned all domain names containing the John Lewis trademark, that he had also registered the Domain Names and intended to sell them to a third party.

In his email of 10 January the Respondent stated that the Domain Names are not live or trading, and that he was no longer interested in selling furniture online (the website at <johnlewisdeals.com> purported to offer furniture for sale). The Respondent stated that he intended to transfer the Domain Names to a third party furniture trader for £4,000 if a matching offer from the Complainant was not received by 13 January 2014. The Complainant does not know the identity of the third party or what the Domain Names would be used for.

The Complainant alleges that there are Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily 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.

In the previous correspondence between the Parties regarding <johnlewisdeals.com> the Respondent stated that it would be prepared to transfer this domain name to the Complainant and to cease using the website as part of its "sales process" in return for payment in the region of £50,000 - £80,000. In the latest email from the Respondent dated 10 January 2014 the Respondent offered to sell the Domain Names for £4,000 and provides a one business day deadline to respond. In the event that a response is not received the Respondent stated that the Domain Names would be transferred to a third party trader for this sum.

The Complainant observes that The Respondent states that the Domain Names are not live or trading and that they are therefore not currently generating any revenue. £4,000 is therefore a gross miscalculation of the value of the Domain Names taking into account the minimal out-of-pocket costs that would have been directly associated with acquiring them.

In the WIPO decision of 12 December 2013 the panel noted that the Respondent's offer to sell <johnlewisdeals.com> to the Complainant for between GBP 50,000 and GBP 80,000 suggested that the Domain Name was registered with a view to selling it to the Complainant for a sum significantly in excess of its out of pocket expenses.

The Respondent's threat to sell the Domain Names to a third party suggests that the true intention behind the registration of the Domain Names is to extract money from the Complainant. The offer and valuation placed upon the Domain Names is highly suggestive that the Domain Names were obtained in bad faith and for the purpose of cybersquatting with the intention to sell them to the Complainant for a higher price.

The Complainant alleges that there are 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 Respondent's use of <johnlewisdeals.com> and registration of the Domain Names was intended to capture internet traffic intended for the Complainant. Given the use and reputation of the JOHN LEWIS trademarks, the Respondent must have known that in registering the Domain Names it was misappropriating the Complainant's intellectual property in spite of having been placed on notice of its trademark rights in its letter dated 3 September 2013, yet the Respondent failed to address the Complainant's concerns.

Given the reputation of the name JOHN LEWIS, no trader would choose the Domain Names unless it intended to represent to internet users that it is connected or associated with the Complainant or misleadingly to divert the public from the Complainant to the Respondent.

The Complainant has spent significant time and resources building up a strong reputation as a provider of premium goods, where the customer experience is one of prestige. Transfer of the Domain Names to an unknown third party may cause visitors to the Domain Names to believe that they are associated with the Complainant.

There is a further risk that the website that previously existed under <johnlewisdeals.com> could be transferred to the Domain Names. If this were to occur or if a competitor furniture website were to operate at the Domain Names then there is a strong likelihood that a speculative visitor to the websites would visit them in the expectation that the website is "operated or authorised by, or otherwise connected with the Complainant." This would constitute 'initial interest confusion' in that a visitor would be confused into believing that the Domain Name and therefore the websites belonged to the Complainant. This is the case even if the initial interest

confusion is corrected at the time of purchase.

The Complainant states that it can demonstrate that the Respondent is engaged in a pattern of registrations where the Respondent is the registrant of domain names (under .uk or otherwise) which correspond to well known names or trade marks in which the Respondent has no apparent rights, and the Domain Name is part of that pattern;

The Respondent has registered domain names that incorporate the Complainant's marks as evidenced by the registration of <johnlewisdeals.com> and the Domain Names. The Respondent has not asked for, and has not been given permission by the Complainant to register or use any domain name incorporating the Trade Marks.

In an email dated 10 January 2014 the Respondent indicates that he will only agree to refrain from registering domain names containing the Complainant's trademarks if it agrees to pay £4,000 for the Domain Names. This further suggests that the Respondent is engaging in a pattern of conduct whereby it registers domain names that contain the Trade Marks in an attempt to sell them to the Complainant for disproportionate sums.

Response

Expert's Introduction

The Respondent has not provided a point by point rebuttal of the Complainant's allegations. His Response is relatively brief and does not explicitly reference the relevant provisions of the DRS Policy. Under these circumstances I have decided to set out the Response in full. For the sake of consistency, where the Domain Names are used in full I have rendered them as "the Domain Names". Where the Complainant is named, I have retained the expression "the Complainant".

Response

The Respondent writes as follows:

Just over one year ago I purchased two domain names, <johnlewisdeals.com> and <johnlewisdeals.co.uk> as part of a portfolio of domain names I own for a wide-ranging set of online marketing activities. I also secured a deal to buy ex-display furniture from the Complainant's approved trade outlet and then started selling that furniture via the .com version of the website.

This was initially quite successful but I later realised that the cost of distribution storage and delivery of the furniture made it an unviable long term business. I was offered money for the business by another trader. However I contacted the Complainant direct first suggesting that because the site was so highly ranked (this is my main business- purchasing domains developing their online exposure and selling for a profit) that perhaps we could arrange

some joint deal on using the site. They instead rejected that and my offer to sell it to them and opted for dispute.

In that case I decided not to bother disputing as I had no real use for the site and that trader then also decided that under the circumstances was not interested in the business anymore.

Since then I have been offered a reasonable sum for the Domain Names which I could have accepted. However out of courtesy I decided to offer these two additional domains to the Complainant direct. They again have now chosen to dispute my registration and use of these domains. These domains are not active currently but remain part of my wide ranging portfolio of domains consisting of more than 100. Due to the dispute I cannot now sell these domains and this is affecting my core business.

They were never registered for any other reason than to use for myself or a client to sell furniture on bought from the Complainant's approved trade outlet. Therefore in my opinion I have not acted abusively in anyway. In fact I have been very open honest and reasonable and communicated clearly about my business with the Complainant at all times.

I ask you to consider rejecting the complaint in my favour so that I may continue on with my business.

6. Discussions and Findings

Introduction

The Complaint refers to a WIPO complaint in respect of <johnlewisdeals.com> and to the UDRP Panel's decision in that matter. I am required to reach a decision based solely upon the submissions of the Parties in respect of the Domain Names and upon the application of the DRS Policy and Procedure to these submissions. Accordingly, while I mention the Complainant's reference to the WIPO case below, I make no reference to the panel decision in that case and place no reliance upon it in reaching my decision.

As it happens, references to the WIPO case have not been helpful. The Complainant has taken its WIPO complaint in respect of <johnlewisdeals.com> and more or less re-submitted it to Nominet on the apparent assumption that what was said in the WIPO submission applies without alteration to the Domain Names in dispute here. Thus the Complainant submits correspondence between its solicitors and the Respondent discussing <johnlewisdeals.com> without any clarification as to how this correspondence throws light upon the registration or use of the Domain Names. The Complainant's position appears to be that the catch-all request, in an annex to its letter to the Respondent of 3 September 2013, that the Respondent transfer "any and all" domain names incorporating the Complainant's registered trademark, is sufficient to render this correspondence relevant to the present dispute.

As indicated above the wording of the two Complaints in question is in places confusing and

difficult to follow. I assume that this is a result of the Complainant's solicitors making a single complaint text serve for both Domain Names without making sufficient consequential changes. This gives rise to confusion over the registration dates of the Domain Names and on more than one occasion the Complaint talks of the Complainant when reference to the Respondent is clearly intended. Despite these problems I have been able to understand the substance of the complaint that is being made in each case. I also believe the Respondent has understood the complaints and has set out his case in relation to both of them. I therefore believe I can fairly deal with each case in the manner I set out below.

DRS Policy

To succeed with its Complaint, Paragraph 2 of the DRS Policy requires that the Complainant must show that:

2.a.i. The Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name; and

2.a.ii. The Domain Name, in the hands of the Respondent, is an Abusive Registration.

Under Paragraph 2.b of the Policy, the Complainant is required to prove to the Expert that both elements are present on the balance of probabilities.

Paragraph 1 of the DRS Policy defines Rights as:

"..rights enforceable by the Complainant, whether under English law or otherwise, and may include rights in descriptive terms which have acquired a secondary meaning;"

Elsewhere in Paragraph 1 of the Policy, "Abusive Registration" is defined 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 has taken unfair advantage of or has been unfairly detrimental to the Complainant's Rights;

Paragraph 3 of the Policy sets out a non-exhaustive list of circumstances which the Complainant may cite as evidence of an Abusive Registration and Paragraph 4 of the Policy provides a non-exhaustive list of circumstances which a Respondent may point to as evidence that a registration is not Abusive. The application of these paragraphs to the submissions of the Complainant and Respondent respectively are discussed below.

Rights

The Complainant has submitted evidence of registered and unregistered rights in the name

JOHN LEWIS which have not been disputed by the Respondent. The words “auctions” and “deals” appended to the Complainant’s trading name in the Domain Names are descriptive add-ons, that do not serve to differentiate the Domain Names from the Complainant’s registered trademark which forms the dominant portion of each Domain Name.

The Respondent does not explicitly challenge the Complainant’s rights, but his case is based upon an apparent belief that these rights do not extend to the appearance of protected names or marks in domain names. As I explain below, I do not accept this line of reasoning from the Respondent.

I have no difficulty in finding that the Complainant has Rights in a name which is similar to the Domain Names.

Abusive Registration

As noted above, too much attention is paid in the Complaint to the Respondent’s registration of <johnlewisdeals.com> and to the resulting outcome of the WIPO case. When these matters are stripped away from this Complaint, there remains a relatively straightforward question to answer: do the Respondent’s registrations of the Domain Names or his subsequent use of them, constitute Abusive Registrations under the DRS Policy. From the list of factors in Paragraph 3 of the DRS Policy, which might evidence an abusive registration, the Complainant invokes the words of paragraph 3.a.i.A, alleging that there are

“circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily 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”.

The Respondent’s defence to this allegation is to suggest that at the time of registration this was not so. He says he bought the Domain Names and claims that he negotiated what appears to be a bona fide trading operation based upon them and other domain names incorporating the Complainant’s name. Thus although subsequently the Respondent has sought to sell the Domain Names to the Complainant for a sum in excess of his out of pocket costs, it might be argued that this was not the Respondent’s primary purpose in acquiring the Domain Names. Unfortunately for the Respondent I have no way of assessing the strength of this argument as no evidence whatsoever is submitted to support it. The material available to parties on Nominet’s web site makes quite clear that it is necessary to file adequate supporting evidence to substantiate a case a party wishes to make. The Respondent’s failure to file any corroborating evidence at all as to his claimed plans means that I am unable to accept his account.

The Complainant also alleges that paragraph 3.a.ii of the Policy applies, claiming that there are:

“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 Respondent argues that it was clear from the content of the website that no connection to or authorization from the Complainant was claimed or implied. A number of earlier DRS Decisions have addressed this defense and there might well be circumstances where it could succeed even where a complainant’s name forms part of the domain name in question, depending upon the particular facts. However, in this case I believe it is consistent with DRS Policy to conclude that the use of the Complainant’s name, unadorned save for the additional descriptive words “auctions” and “deals”, would be likely to give rise to confusion. There is a significant risk that users would have arrived at the Respondent’s website because the Complainant’s protected mark formed the principal element of each Domain Name. Where there is no attempt in a domain name to differentiate the website operator from the proprietor of the mark which is the domain name’s principal element, prejudice arises to the rightholder at that point. Website content which aims to clarify this confusion will not cure this prejudice to the Complainant.

Finally, the Complainant relies upon Paragraph 3.a.iii of the DRS Policy, claiming that it can demonstrate that

“the Respondent is engaged in a pattern of registrations where the Respondent is the registrant of domain names (under .uk or otherwise) which correspond to well known names or trade marks in which the Respondent has no apparent rights, and the Domain Name is part of that pattern;”

The Complainant presumably intends to suggest that the Respondent’s registration of <jonhlewisdeals.com> and the two Domain Names which are the subject matter of this dispute represent such a “pattern”. Beyond those covered by this Complaint it is clear that the Respondent has indeed registered at least one other domain name corresponding to (or at least containing as its principal element) the mark JOHN LEWIS in which he has no rights. The existence of a pattern of abusive registrations may be a matter of degree and there may be some room for debate in this case. However, as there are other clearer grounds for reaching a decision in this dispute, it is not necessary to come to a definitive judgement on this issue.

In his letter to the Complainant dated 16 September, 2013 the Respondent defends himself from the accusation of trademark infringement with the words “it is quite clear that domain names are excluded from trademark law as they are international property”. While the Respondent’s words might be open to interpretation, it is clear that he is under a misapprehension as to the rights of domain name proprietors whose domain names incorporate the protected trademarks of third parties. He is not free to ignore the registered or unregistered rights (such as those which derive from goodwill built up by the rightholder over time) of third parties.

Paragraph 4 of the DRS Policy sets out a non-exhaustive list of factors which may be evidence that the Domain Name is not an Abusive Registration:

The only factor which might have assisted the Respondent is set out in paragraph 4 A of the Policy, which considers a situation where the Respondent takes certain steps before being aware of the Complainant's cause for complaint.

i. Before being aware of the Complainant's cause for complaint (not necessarily the 'complaint' under the DRS), the Respondent has:

A. used or made demonstrable preparations to use the Domain Name or a domain name which is similar to the Domain Name in connection with a genuine offering of goods or services;

B. been commonly known by the name or legitimately connected with a mark which is identical or similar to the Domain Name;

C. made legitimate non-commercial or fair use of the Domain Name;

In this case, while the Respondent claims to have made preparations to use the Domain Names for a bona fide offering of goods or services, that claim is unsupported by any corroborating evidence and I therefore do not accept it on a balance of probabilities. In any event, even were that case it is not plausible that the Respondent was unaware of the Complainant's cause for complaint when doing so – the Domain Names were clearly chosen precisely because they each incorporated the Complainant's name and it would have been apparent to the Respondent that this was something likely to give the Complainant cause for complaint. Accordingly paragraph 4A of the Policy does not apply.

7. Decision

For the reasons set out above I find that the Complainant has Rights in a name or mark which is identical or similar to the Domain Names and that the Domain Names in the hands of the Respondent are Abusive Registrations. Accordingly, I direct that The Domain Names be transferred to the Complainant.

Signed Peter Davies

Dated 19 April, 2013