

DISPUTE RESOLUTION SERVICE

D00021185

Decision of Independent Expert

Stelrad Limited

and

Mr Mark Hughes

1. The Parties:

Complainant: Stelrad Limited
69-75 Side
Newcastle Upon Tyne
Tyne and Wear
NE1 3JE
United Kingdom

Respondent: Mr Mark Hughes
26 Poulton Road
Spital
Wirral
Cheshire
CH63 9LH
United Kingdom

2. The Domain Name:

<stelrad.uk>

3. Procedural History:

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.

06 March 2019	Dispute received
06 March 2019	Complaint validated
06 March 2019	Notification of complaint sent to parties
25 March 2019	Response reminder sent
25 March 2019	Response received
25 March 2019	Notification of response sent to parties
28 March 2019	Reply reminder sent
02 April 2019	No reply received
05 April 2019	Mediator appointed
08 April 2019	Mediation started
17 April 2019	Mediation failed
17 April 2019	Close of mediation documents sent
23 April 2019	Expert decision payment received

4. Factual Background

The Complainant is a company registered at Companies House since 31 May 1988 and is part of the Stelrad Radiator Group, a group of radiator companies based throughout Europe.

It operates a website at www.stelrad.com and was recently the successful Complainant in an earlier domain name complaint administered under Nominet's Dispute Resolution Service (the DRS) involving the same Respondent and concerning the domain name <stelrad.co.uk> (DRS29884).

The Complainant owns an EU trade mark for STELRAD (registration No. 000209601) with a filing date of 1 April 1996 and a registration date of 4 December 1998.

<stelrad.uk> was registered on 5 January 2016.

As for the Respondent, whilst no evidence has been provided in the course of this DRS proceeding, the Expert has no reason to doubt his assertions that he once sold the Complainant's radiators through his general plumbing and heating website and registered <stelrad.uk> (and <stelrad.co.uk>) in that connection.

5. Parties' Contentions

The following is a brief summary of the parties' contentions.

The Complainant

Following the decision in DRS 29884 (<stelrad.co.uk>) the Complainant discovered that the Respondent also owns the <stelrad.uk>.

Disregarding the generic “.uk” suffix, the domain name <stelrad.uk> is identical to the name and mark in which the Complainant has rights.

The domain name <stelrad.uk> is an Abusive Registration because it 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.

Other factors that could potentially constitute an Abusive Registration include:

- the Respondent has the potential to use <stelrad.uk> in a manner that could be unfairly detrimental to the Complainant’s rights or unfairly disrupt its business;
- the Respondent has the potential to use or threaten to use <stelrad.uk> in a way which could confuse people or businesses into believing that it is registered to, operated or authorised by, or otherwise connected with the Complainant.

The Respondent having previously redirected <stelrad.co.uk> to a competitor, namely Myson, the Complainant wishes to restrict the potential for this to happen with the <stelrad.uk>

The Respondent

The Respondent, in answer to the Complaint, says that the Complainant, through Nominet’s DRS system, is attempting to acquire purchased assets without payment, using Nominet’s flawed legal process to do so. Obtaining a purchased asset, including a registered domain name, without payment, is an abuse of standard and accepted legal process.

The Complainant has a limited EU Trade Mark in one classification and the use of <stelrad.uk> (or <stelrad.co.uk>) in any other classification is not likely to infringe the mark as several examples demonstrate. Whilst domain names such as “stelradlimited” or “stelradradiators” may infringe, this cannot be said for “Stelrad” alone.

The Respondent purchased <stelrad.uk> and <stelrad.co.uk> for a considerable sum at a time he was direct selling Stelrad radiators with the intention of creating a website to sell *only* Stelrad radiators. At the time of purchase, the Respondent was in communication with the Complainant concerning the online sale of Stelrad radiators through his general plumbing and heating site.

Had the Respondent not purchased <stelrad.uk> and <stelrad.co.uk>, the Complainant would have had to acquire them and it is inconceivable that in UK Law, a purchased asset can be compulsorily transferred without due recompense.

The Complainant has only recently become interested in the <stelrad.uk> and <stelrad.co.uk> domain names because previously it only sold radiators through third party websites such as that of the Respondent, but the Complainant is now direct selling through <stelrad.com>/ <stelrad.co.uk>.

The assertion of the Complainant that <stelrad.uk> has the *potential* to be an Abusive Registration, accepts that it is not currently an Abusive Registration and as such, does not satisfy the requirements of the DRS system.

The Respondent has no intention to direct <stelrad.uk> to any site which might make the domain name an Abusive Registration.

As for the Complainant's assertion that the Respondent redirected <stelrad.co.uk> to a competitor, namely Myson, it is said that the Complainant provided no evidence of this in DRS 20884 (<stelrad.co.uk>) and has provided no evidence of Abusive Registration in this Complaint.

In summary, <stelrad.uk> and <stelrad.co.uk> were purchased in good faith while the Respondent was a direct seller of the Complainant's radiators with the intention of selling them through a dedicated site. This was clearly not taking advantage of or being unfairly detrimental to the Complainant at the time of acquisition and the domain names cannot constitute Abusive Registrations. Moreover, <stelrad.uk> is clearly not being used in a manner which falls within the definition of Abusive Registration.

The Respondent concludes by asserting that the Complainant has provided no evidence to prove an Abusive Registration (as was also the case for DRS 20884 concerning <stelrad.co.uk>), whilst noting that within UK Law, unsubstantiated claims cannot meet the bar set in any situation, even the low-level set within the DRS system. Finally, the Respondent asks:

that the Complaint be rejected for lack of evidence;

that the Expert recommends that the earlier decision in DRS 20884 be reviewed on the grounds of "inadequate legal review" by the Expert in that Complaint "who clearly failed to acknowledge no evidence was supplied to the Abusive Registration in that case";

that the Expert "reviews the DRS process with respect to the Complainant's ability to have 'two bites of the cherry' which is clearly out with any comparable legal system in the UK and recommend it be reviewed for Breach of Legal Process"; and that

“...it be noted by the Independent Expert that it is our assertion that a system which provides a 90 – 95% judgement in favour of the complainant is at best not fit for purpose or at worst entrenched in bias which is likely illegal in conception and verdict”.

6. Discussions and Findings

In view of the Respondent’s comments concerning DRS system, it is appropriate to briefly say something about its purpose. The DRS offers an efficient and transparent method of resolving disputes in the .uk Top Level Domain. Disputes under the DRS are decided by reference to a set of binding rules called the DRS Policy (the Policy). The Policy is designed to be a fast and efficient way to resolve .uk domain name disputes. It is binding on any registrant (i.e. a person registering a domain name) of a .uk domain.

Paragraph 2 of the Policy provides:

“A Respondent must submit to proceedings under the DRS if a Complainant asserts to us, according to the Policy, that:

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

2.1.2 The Domain Name, in the hands of the Respondent, is an Abusive Registration

2.2 The Complainant is required to prove to the Expert that both elements are present on the balance of probabilities”

An Expert appointed under the DRS must ensure that his decision is in accordance with the Policy. It is not open to an Expert to review or suggest a review of another Expert’s decision. There is however an Appeals process for parties who have lost and wish their case to be re-examined yet the Respondent has not taken advantage of that process in relation to the Decision in DRS 20884 (Stelrad.co.uk) about which he complains in this Complaint.

As to wider issues concerning the DRS Policy, those too are beyond the scope of any Expert’s jurisdiction. So too are matters concerning any prior mediation process.

All that an Expert is permitted to do, is to decide a Complaint in accordance with the Policy.

Under the provisions of the Policy, for a Complaint to succeed, a Complainant is required to prove, on a balance of probabilities, those matters set out in paragraphs 2.1.1 and 2.1.2 set out above, namely, that it has Rights in respect of a name or mark which is identical or similar to the domain name in issue and that the domain name in the hands of the Respondent is an Abusive Registration. Both elements are required.

Complainant’s Rights

The meaning of ‘Rights’ is defined in the Policy as follows: *‘Rights means rights enforceable by the Complainant, whether under English law or otherwise, and may include rights in*

descriptive terms which have acquired a secondary meaning’.

By virtue of the Complainant’s registered trade mark STELRAD, it clearly has rights in that mark and has had for some considerable time. It matters not that the trade mark registration is only for a particular class of goods or services. It would be quite wrong for the owner of a trade mark, who clearly demonstrates Abusive Registration, to lose a DRS proceeding simply because use of the domain name in question was in relation to goods or services in a class not covered by the complainant’s trade mark registration. All that is required is that a complainant shows that it has rights “in respect of a name or mark” which are enforceable. The Complainant has done so here.

Similarity

A complainant must also show that the name or mark in which it has Rights is identical or similar to the domain name in issue. The domain name <stelrad.uk> (the Domain Name) encapsulates the Complainant’s STELRAD trade mark in its entirety. Apart from the suffix “.uk”, which may be disregarded for comparison purposes, it is its only element. Accordingly, the Expert is satisfied that the Complainant has Rights in a mark which is identical to the Domain Name for the purposes of the Policy.

The Expert must now therefore consider whether the Domain Name is an Abusive Registration in the hands of the Respondent.

Abusive Registration

Paragraph 1 of the Policy defines Abusive Registration as a domain name which was either *‘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 which *‘is being or has been used in a manner which has taken unfair advantage of or was unfairly detrimental to the Complainant’s Rights;’*.

A non-exhaustive list of factors which may indicate that a domain name is an Abusive Registration is set out in paragraph 5 of the Policy. Such factors include circumstances indicating that the Respondent has registered or otherwise acquired the domain name *primarily* as a blocking registration against a name or mark in which the Complainant has rights (paragraph 5.1.1.2), or for the purpose of unfairly disrupting the business of the Complainant (paragraph 5.1.1.3).

Other such factors suggesting an Abusive Registration include the Respondent 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 (paragraph 5.1.2).

If the domain name is an exact match for the name or mark in which the complainant has

Rights, the complainant's mark has a reputation and the respondent has no reasonable justification for the registration, that too may evidence an Abusive Registration (paragraph 5.1.6).

A non-exhaustive list of countervailing factors is set out in paragraph 8 of the Policy i.e. factors which may indicate that the domain name is not an Abusive Registration. Included are circumstances suggesting that before being aware of the complainant's cause for complaint, the respondent has used or made demonstrable preparations to use the domain name in connection with a genuine offering of goods or services (paragraph 8.1.1.1). A respondent being commonly known by a name or legitimately connected with a mark which is identical or similar to the domain name (paragraph 8.1.1.2), or having made legitimate non-commercial or fair use of the domain name (paragraph 8.1.1.3), will also be indicative of a registration that is not abusive. If the domain name is generic or descriptive and the respondent is making fair use of it, that too may indicate that it is not an Abusive Registration (paragraph 8.1.2).

Discussion on Abusive Registration

The factors listed in paragraphs 5 and 8 of the Policy are but examples of what might or might not indicate an Abusive Registration. At the heart of the Policy, is the requirement to prove unfairness: for a registration to be considered 'abusive' there should be something unfair in the object or effect of the respondent's behaviour and an Expert is able to take into account factors that appear relevant in this regard, whether falling within or out with the examples in paragraphs 5 and 8.

There can be little doubt that a domain name which incorporates a trade mark in its entirety, even if combined with generic or descriptive terms, may cause confusion as to the identity of the entity behind the domain name. However, it does not follow, whatever analysis might be propounded in terms of intellectual property law (or for that matter any other), that in these circumstances, a finding of Abusive Registration must always be made. There are several examples of trade mark owners failing to secure transfers of domain names incorporating their marks. Conversely, there are many examples of respondents losing their domain names in circumstances where trade mark infringement would not be proved.

The Complainant must satisfy the requirements of the Policy and it is the Complainant that bears the burden of proof on the balance of probabilities standard in this regard.

The Complainant was incorporated in 1988 and is part of the Stelrad Radiator Group with a presence throughout Europe. It has an online presence at www.stelrad.com and has owned the EU trade mark for STELRAD for over 20 years. Taking the Respondent's assertions at face value, the original registration of the Domain Name may not have constituted an Abusive Registration. However, it is perfectly possible for a registration of a domain name to become an Abusive Registration by virtue of its use (or even non-use), subsequent to registration.

The Respondent is not at present actively using the Domain Name and relies on the Complainant's references to the mere "potential" to use the Domain Name in ways that might constitute an Abusive Registration. The Respondent also says that he has no intention of using the Domain Name in a manner that would be abusive.

Be that as it may, given that the Domain Name is identical to the Complainant's trade mark which cannot sensibly refer to anyone other than the Complainant or its goods or services, there is real risk that an Internet user guessing the URL for the Complainant's web site, would arrive at the Domain Name. It might be the case that an Internet user carrying out an online search for the Complainant using STELRAD, would see results that include any website to which the Domain Name points. The DRS Experts' Overview (Version 3) is a document designed to assist all participants in disputes under the Policy by explaining commonly raised issues and how Experts have dealt with those issues. Paragraph 3.3 of the Overview deals with Paragraph 5.1.2 of the Policy and the question, "What is meant by confusing use?" and covers this very point in the following way:

"In such cases, the speculative visitor to the registrant's web site will be visiting it in the hope and expectation that the web site is a web site "operated or authorised by, or otherwise connected with the Complainant." This is what is known as 'initial interest confusion' and the overwhelming majority of Experts view it as a possible basis for a finding of Abusive Registration, the vice being that even if it is immediately apparent to the visitor to the web site that the site is not in any way connected with the Complainant, the visitor has been deceived. Having drawn the visitor to the site, the visitor may well be faced with an unauthorised tribute or criticism site (usually the latter) devoted to the Complainant; or a commercial web site, which may or may not advertise goods or services similar to those produced by the Complainant. Either way, the visitor will have been sucked in/deceived by the domain name".

Here, the Domain Name points to a "123Reg" site, a domain registrar and web hosting company, rather than any competing or tribute/criticism site. However, an Internet user may still feel misled and/or frustrated that it had not found the Complainant's site after using its exact name and trade mark to do so. The Internet user may assume the Complainant is no longer trading. In any event, they may look for another supplier of radiators. Whatever happens, it is likely to reflect poorly on the Complainant and be detrimental to its rights, and unfair.

Moreover, some Experts in the past have found that non-use of a domain name may constitute a threatened abuse hanging over the head of a complainant where, for instance, the name in question is a known brand and the respondent has no obvious justification for having adopted it (paragraph 1.3 of the Overview). Here, whether or not there was any justification for originally registering the Domain Name (on which no finding is made), nothing in the evidence suggests there is any continuing justification for maintaining the

registration. The Respondent's *non-use* of the Domain Name (which is clearly referable to the Complainant) would seem to underscore the point.

The Complainant refers to the earlier DRS Decision concerning <stelrad.co.uk> and asserts that the Respondent previously redirected that domain name to a competitor. The Expert in that case accepted that <stelrad.co.uk> was so redirected. The Respondent appears not to deny the assertion, but seems to say there was no evidence to support it. The Expert is entitled to take findings in that earlier Decision into account as further supporting the Complainant's case. However, they are not determinative. Other factors, as explained earlier, support the Complainant's position and are sufficient in themselves to support a finding in its favour in this DRS proceeding.

The Complainant has made out a case of Abusive Registration (leaving aside the earlier findings in DRS 29884) and the Respondent has provided no persuasive answer to it. The Respondent's assertion that it has no intention to use the Domain Name in an abusive manner does not prevent a finding of Abusive Registration – a mere "passive" holding can be enough, as it is here. The Respondent's assertions in relation "UK Law" have no relevance to a determination by an Expert under the DRS.

In all the circumstances, the Expert concludes that the Domain Name is an Abusive Registration.

7. Decision

The Expert finds that the Complainant has Rights in a name or mark that is similar to the Domain Name and that the Domain Name in the hands of the Respondent is an Abusive Registration. Accordingly, the Expert directs that the Domain Name, <stelrad.uk> be transferred to the Complainant.

Signed:

Jon Lang

Dated: 13 May 2019