

Nominet UK Dispute Resolution Service

DRS 5306

Morgan Stanley v. Patrick Kerr

Decision of Independent Expert

1. Parties

Complainant: Morgan Stanley
Address: 1585 Broadway
New York
New York
Postcode: 10036
Country: US

Respondent: Patrick Kerr
Address: 23 Cottage Ln
Aliso Viejo
California
Postcode: 92656
Country: US

2. Domain Name

The domain name in dispute is *deanwitter.co.uk* ("the Domain Name").

3. Procedural Background

- 3.1 The Complaint was received in full (including annexes) by Nominet on 10 December 2007. Nominet validated the Complaint and sent a copy to the Respondent on 12 December 2007, informing the Respondent that it had until 8 January 2008 to lodge a Response.
- 3.2 Since no Response was received by the deadline (or at all), the dispute did not proceed to Informal Mediation. On 18 January 2008 the Complainant paid Nominet the required fee to obtain a decision of an Expert pursuant to paragraph 7(a) of the Nominet UK Dispute Resolution Service ("DRS") Policy ("the Policy").
- 3.3 Nominet invited me, Anna Carboni, to provide a decision on this case and, following confirmation to Nominet that I knew of no reason why I could not properly accept the invitation to act in this case and of no matters which ought to be drawn to the attention of the parties which might appear to call into question my independence and/or impartiality, Nominet duly appointed me as Expert on 25 January 2008.

4. Outstanding Formal/Procedural Issues (if any)

- 4.1 Since the Respondent has not submitted a Response, I have checked the Complaint file to determine whether there are any exceptional circumstances which should lead to my

taking any action other than proceeding to a decision, pursuant to paragraph 15(b) of the DRS Procedure ("the Procedure"). In particular, I have looked at the methods used to notify the Respondent of the Complaint.

- 4.2 The details in Nominet's database entry list Patrick Kerr as the Registrant and Administrative Contact for the Domain Name and give the address in California that is set out on the front of this decision. The Registrant's email is given as zippymobile@yahoo.com, and his fax number as 1 11111111.
- 4.3 The Complaint gives the Respondent's e-mail address as pjk344@yahoo.com, and it is apparent from some exhibited e-mail correspondence that this was an active e-mail address used by the Respondent shortly before the Complaint was lodged.
- 4.4 From the Complaint file, it appears that Nominet attempted to notify the Respondent of the Complaint by the following means:
 - i. by e-mail to both zippymobile@yahoo.com and pjk344@yahoo.com as well as to postmaster@deanwitter.co.uk (in accordance with paragraph 2(a)(ii) of the Procedure);
 - ii. by fax to fax number 1 11111111; and
 - iii. by post to the postal address given for the Respondent in Nominet's database entry.
- 4.5 These are almost all of the various appropriate means of communicating the Complaint to the Respondent which are provided for in paragraph 2(a) of the DRS Procedure, and any one of them should have been sufficient.
- 4.6 The file reveals that the e-mail sent to postmaster@deanwitter.co.uk was undeliverable, resulting in a mail delivery system message stating: "unable to reach nameserver on any valid IP". However, no failure notices were received in relation to the other e-mail addresses. And the postal copy of the Complaint has not been returned. While there is no delivery failure message in relation to the fax, I find it hard to believe that this was transmitted, in view of the highly unlikely fax number.
- 4.7 Nominet quite correctly used the details that had been notified to it by the Respondent upon registration of the Domain Name. Pursuant to Nominet's standard form registration contract, the Respondent must have agreed to keep Nominet informed of its correct contact details. In these circumstances, it is appropriate that Nominet should take the contact details at face value. I therefore conclude that the Respondent has been properly notified of the Complaint but has chosen to ignore it. Alternatively, if he has not had notice of this Complaint, that is his own fault.

5. The Facts

- 5.1 The Complainant, incorporated in the State of Delaware, USA, is one of the world's largest diversified financial services companies, acting for individual, institutional and investment banking clients. The Complainant was formed in 1997 as Morgan Stanley Dean Witter & Co. following a merger between Morgan Stanley & Co. (established in New York in 1935) and Dean Witter & Co. (established in San Francisco in 1924). The Complainant changed its name to Morgan Stanley in 2002.
- 5.2 The Complainant has over 600 offices and over 53,000 employees in 30 countries worldwide, including the UK. It is listed on the New York Stock Exchange and the Pacific Exchange. Its reported total revenues for the 2006, 2005 and 2004 financial years were US\$76,551,000,000, US\$52,081,000,000 and US\$39,549,000,000 respectively.
- 5.3 Almost half of the Complainant's institutional business is outside the USA. The UK is one of the Complainant's largest markets globally, in which the Complainant offers a range of consumer

finance products and other services. Although no longer part of the Complainant's corporate name, the Complainant continues to use the name Dean Witter in relation to its financial products and services in the UK and elsewhere.

- 5.4 The Complainant owns numerous registered trade marks in the UK and US comprising or including the words "Dean Witter". These are summarised in the Complaint, with trade mark print-outs in an exhibit, and include UK registered trade mark no. 1433560 for the stylised word mark DEAN WITTER in respect of various financial services in Class 36.
- 5.5 The Complainant is the registrant for the top level domain names *deanwitter.com*, *deanwitter.info*, *deanwitter.net* and *deanwitter.org*. The Complainant's subsidiary, Morgan Stanley & Co. International plc, is the registrant for the domain name *deanwitter.eu*. The Complainant uses the first of these domain names, *deanwitter.com*, to point to its corporate website which is aimed at customers and potential customers around the world including in the UK.
- 5.6 The Respondent is an individual called Patrick Kerr, who has given a contact address in California. There is no information on the file about his trading activities beyond his activities in connection with the Domain Name.
- 5.7 The Respondent registered the Domain Name on 31 August 2006. The Domain Name resolves to a website at *www.deanwitter.co.uk*, entitled 'co.uk'. The homepage appears on its face to contain links to various categories of subjects, including 'Autos' (i.e. automobiles), 'Finances' and 'Lifestyle', but the links do not lead anywhere but leave the user on (or bring them back to) the homepage.

6. The Parties' Contentions

Complainant

- 6.1 The Complainant states that the Domain Name is identical to the name and mark Dean Witter, in which it has Rights and that, in the hands of the Respondent, it is an Abusive Registration.
- 6.2 The Complainant's claim of Rights is based in part on its ownership of the registered trade marks and domain names referred to in the section above. It is also based on the claim that the Complainant and its predecessors in title or interest have continuously traded under and by reference to the Dean Witter name from at least as early as 1924 such that the Dean Witter name and the Complainant's Dean Witter marks have become very well known to the public, including ordinary consumers as well as institutional investors, both on their own and in conjunction with the Complainant's Morgan Stanley names. The Complainant asserts that the Dean Witter names are important assets of the Complainant which enjoy significant and substantial goodwill in the UK and elsewhere.
- 6.3 The Complainant claims that Dean Witter is a highly distinctive brand name associated only with the Complainant and its predecessors and founders. In the course of its history, the Complainant and its predecessors have used and promoted the Dean Witter name extensively throughout North America and the UK. The Dean Witter name and its association with the Complainant are therefore very well known to the public.
- 6.4 In view of the pre-existence of the Rights when the Respondent registered the Domain Name, the Complainant asserts that the Respondent must have been aware of the Complainant's Dean Witter name and Rights when it chose the name.
- 6.5 Turning to the Respondent's use of the Domain Name, the Complainant first claims that the *www.deanwitter.co.uk* webpage is provided by the free Active Audience domain name parking service. Investigation shows that owners of domain names parked with Active Audience do not pay a fee, and receive payments from Active Audience based upon the number of visitors to the parked domain name and/or traffic to the websites linked from the

parked domain name. The natural conclusion is that the more people who visit the Respondent's webpage, the more income the Respondent receives.

6.6 In relation to the purpose and effect of the Domain Name, the Complainant asserts the following:

- (1) the nature of the Domain Name is such that some internet users searching for the Complainant's website and/or business by reference to the Dean Witter name (in particular those searching for the Complainant by reference to its previous company and trading names), are likely to be directed to the Respondent's webpage at www.deanwitter.co.uk.
- (2) It is by no means certain that visitors to the Respondent's webpage will immediately realise that they have not reached the Complainant's website. The categories listed on the website include "Finances" under which are apparently linked categories headed "Debt Consolidation", "Debit Cards" and "Mortgage". Such products and services are confusingly similar to the products and services that the Complainant offers and has previously offered under the Dean Witter name (either on its own or in conjunction with the Complainant's Morgan Stanley name). The fact that the links to these categories are not currently working does not necessarily mean that visitors would assume they were not connected to the Complainant. They may simply believe the links are temporarily broken.
- (3) Visitors to the Respondent's webpage may react in a number of ways if and when they realise it is not connected to the Complainant. If they are existing customers of the Complainant, they may search for the Complainant's website(s) using either the Dean Witter name and/or the Complainant's Morgan Stanley name. Alternatively, visitors may instead visit other financial service providers, particularly if they are potential rather than existing customers of the Complainant and are willing to shop around. Or they may think that the Complainant has a very amateurish website. Whatever happens, given the fiercely competitive nature of the financial services market, this is likely to result in financial or other benefit to the Complainant's competitors (and the Respondent) and financial or other detriment to the Complainant.

6.7 The Complainant then seeks to draw inferences from these matters, which are best dealt with in the discussion that follows in the next section.

6.8 The Complainant does not put forward evidence of any particular instances of confusion, but points out that it is unlikely in the majority of cases that the Complainant would be aware of confusion which occurs.

6.9 Finally, the Complainant submits that the Respondent has acted in bad faith towards the Complainant, as described in the paragraph below:

"The Complainant's US attorneys contacted the Respondent on behalf of the Complainant in January 2007 requesting the transfer of the Domain Name to the Complainant. The Respondent agreed to transfer the Domain Name and signed the transfer forms which were filed with Nominet by the Complainant's UK solicitors in June 2007. The Complainant agreed to pay the Respondent \$100 as a gesture of goodwill. However, the Respondent failed to provide evidence of his address as given to Nominet despite repeated correspondence from the Complainant's US attorneys. Finally the Complainant's US attorneys recently received notification from the Respondent that he now intends to sell the Domain Name to a third party for the sum of \$7,250 (see Exhibit 10). This sum must be substantially in excess of the amount spent by the Respondent in registering and using the Domain Name (particularly since parking the Domain Name with Active Audience is free). The Respondent's decision to sell the Domain Name to a third party instead of fulfilling his commitment to transfer it to the Complainant clearly demonstrates the Respondent's desire to make money at the Complainant's expense, and without any regard for the Complainant's Rights or the potential disruption to the Complainant's business."

6.10 Finally, the Complainant points out that the Respondent has provided no explanation for his use of the Domain Name, which may be taken to infer that the Respondent has no reasonable or honest explanation to offer. Indeed, it is difficult to imagine any innocent explanation or legitimate reason for the Respondent's choice of Domain Name other than to take unfair advantage of, and/or to use it to the detriment of, the Complainant's Rights.

Respondent

The Respondent has not filed a response.

7. Discussion and Findings:

General

7.1 Paragraph 2 of the Policy provides that, to be successful, the Complainant must prove on the balance of probabilities that:

- i. it has Rights in respect of a name or mark which is identical or similar to the Domain Name; and
- ii. the Domain Name, in the hands of the Respondent, is an Abusive Registration (as defined in paragraph 1 of the Policy).

Complainant's Rights

7.2 Under paragraph 1 of the Policy, "**Rights** includes, but is not limited to, rights enforceable under English law". Previous cases have established that this broad definition extends to registered trade mark rights and unregistered rights in names and marks, such as rights in passing off in the UK and similar rights in jurisdictions elsewhere.

7.3 The Complainant has established that it has both registered and unregistered trade mark rights in respect of the name "Dean Witter" in the financial services arena. Although "Dean Witter" has not been as much to the fore of the Complainant's business since that element was dropped from its corporate name in 2002, its long-term use in the corporate name before that and its continued use in relation to the Complainant's products and services are more than enough to establish strong Rights.

7.4 The name "Dean Witter" is identical to the Domain Name, when one ignores the suffix *.co.uk* and the space between the two words, which it is appropriate to do since both would be ignored by internet users. The first limb of the test is therefore satisfied.

Abusive Registration

7.5 Paragraph 1 of the Policy defines an "**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."

7.6 I must take into account all relevant facts and circumstances which point to or away from the Domain Name being an Abusive Registration.

7.7 Paragraph 3 of the Policy sets out a non-exhaustive list of factors which may be evidence that a Domain Name is an Abusive Registration. Those which are expressly brought into play by the Complainant are as follows:

“3(a)(i) Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily:

(A) ...(B)...; or

(C) for the purpose of unfairly disrupting the business of the Complainant;

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

7.8 Taking the issue of confusion first, there is no evidence of actual confusion (as the Complainant openly concedes). And I do not accept the Complainant’s contention that visitors to the Respondent’s webpage will not necessarily immediately realise that they have not reached the Complainant’s website. In my view, any reasonable person who has any background knowledge of the Complainant would realise immediately that the website was not one operated by the Complainant. The look, feel and content of the home page is too far from the sort of website that one would expect from a financial services company for ongoing confusion to occur.

7.9 However, as the Complainant suggests, the reason that an internet user would arrive at the Respondent’s website in the first place is likely to be that he or she was looking for the Complainant’s website or for some information in connection with its Dean Witter branded products and services. Thus they would have succumbed to what is often referred to as “initial interest confusion”. This is a case where the Domain Name is such that people would automatically assume that the Complainant owned or operated it. Accordingly, I find that the circumstances indicate that the type of confusion described in paragraph 3(a)(ii) of the Policy is either occurring or likely to occur.

7.10 The circumstances of this case do not fit the terms of paragraph 3(a)(i)(C) exactly, since it seems unlikely that the Registrant’s primary purpose was to unfairly disrupt the Complainant’s business. In circumstances where the Respondent appears set to gain financially from visitors to its website to which the Domain Name points, it is more likely that money was his primary motive. Active Audience promotes its free domain parking with the following encouragement: “Create A Domain Parking Account. Add & Optimize Your Domains. Pay Nothing, Earn Cash”. In the absence of any denial from the Respondent that he is using the Domain Name in this way, I am satisfied on the balance of probabilities that he has entered into such an arrangement.

7.11 While the Respondent’s registration and use of the Domain Name may not have been deliberately intended to disrupt the Complainant’s business, I accept that some disruption may have resulted or be likely to result in the future. People intending to search for the Complainant’s website who find themselves on the Respondent’s website may decide not to bother looking again for the Complainant. Further, while the “Finances” link on the Respondent’s website is currently inactive, there is nothing to stop the Respondent from activating this and directing internet users to the websites of the Complainant’s competitors. And some people would question the judgment of the Complainant in permitting one of its trade marks and such an important part of its brand heritage to be used by a third party in this way. All of these factors are potentially damaging or disruptive to the Complainant and were foreseeable by the Respondent. Thus, although his primary intention may not have been to disrupt, I view the likelihood of disruption as sufficient to point towards abuse.

7.12 Turning to the allegation of bad faith, while this is not a listed factor in paragraph 3 of the Policy, the factors listed there are not exhaustive. Bad faith, if proved, would also

point towards a finding of abuse. The e-mail correspondence exhibited to the Complaint supports the Complainant's version of events set out at paragraph 6.9 above. Having strung the Complainant's attorneys along for several months, apparently having agreed to transfer the Domain Name for \$100, the Respondent claimed on 6 December 2007 that "I think you guys may be too late, some other law firm offered me \$7,250 and it looks like the deal will be done by Wednesday".

7.13 It is not known whether this claim related to a genuine offer, or whether it was simply intended to elicit a higher offer from the Complainant. But, either way, it is evidence of an intent on the part of the Respondent to make some money out of the Domain Name. The only rational explanation for the fact that he was able to do so is that the Domain Name comprised the Complainant's "Dean Witter" trade mark. This amounts to unfair advantage.

7.14 I have considered whether there are any factors in the Respondent's favour which demonstrate that the Domain Name is not an Abusive Registration, some examples of which are given in paragraph 4 of the Policy. The Respondent has not submitted a Response, so I have no explanation from his side as to any justification for adopting the Domain Name. However, there is nothing in the circumstances of which I am aware which assists the Respondent under paragraph 4 or otherwise.

7.15 In all the circumstances, I cannot think of any justification for the Respondent's registration or use of the Domain Name and I conclude that both the registration and use of the Domain Name took unfair advantage of and were unfairly detrimental to the Complainant's Rights.

8. Decision

I find that the Complainant has Rights in respect of a name which is identical to the Domain Name and that the Domain Name, in the hands of the Respondent, is an Abusive Registration. I therefore direct that the Domain Name *deanwitter.co.uk* should be transferred to the Complainant.

Anna Carboni

8 February 2008