

DISPUTE RESOLUTION SERVICE

DRS 06995

Decision of Appeal Panel

Dated 12 November, 2009

Normalu S.A.

and

Stretch Ceilings (U.K.) Limited

1. The Parties:

Complainant: Normalu S.A.
Route de Sipes
68680 KEMBS
France

Respondent/Appellant: Stretch Ceilings (U.K.) Limited
Doman Road
Yorktown Industrial Estate
Camberley
Surrey
GU15 3DF
United Kingdom

2. The Domain Names:

The disputed domain name is < barrisol.co.uk > ("the Domain Name").

3. Procedural Background

This is an appeal from a decision of James Bridgeman, the Expert appointed by Nominet to decide this dispute.

The process is governed by the *Procedure for the Conduct of Proceedings under the Dispute Resolution Service* ("the Procedure") and the decision is made in accordance with the *Dispute Resolution Service Policy* ("the Policy"). Both of these documents are available for inspection on the Nominet website (<http://www.nominet.org.uk/disputes/drs>).

The decision (in favour of the Complainant) was issued on 30 July 2009. The procedural background leading up to the decision is set out in the decision, which is published on the Nominet website.

On 14 August 2009 Notice of Intent to Appeal was lodged by the Respondent, together with payment of a deposit. The full Appeal was received on 8 September. The balance of fees due was received and the Appeal was forwarded to the Complainant on 10 September. On 24 September the Appeal Response was received.

On 7 October the Appeal Panel was appointed comprising Tony Willoughby, Ian Lowe and Claire Milne, each of them having confirmed to Nominet 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 a such a nature as to call in to question my independence in the eyes of one or both of the parties."

4. Procedural Issues

As is normal practice for appeals under the Procedure, the Panel has examined all the evidence provided and admitted, and reconsidered both parties' contentions made both at first instance and at appeal against the criteria contained in the Policy. The evidence comprises the following.

Documents submitted by the Complainant:

Annex 1: Print-out dated 28 January 2009 from the UK Intellectual Property Office showing full details of the BARRISOL Trade Mark.

Annex 2: Print-out dated 13 March 2009 of Network Solutions WHOIS details for barrisol.com, showing that it was registered to Normalu-Barrisol on 26 June 1997.

Annex 3: Print-out dated 13 March 2009 from the Complainant's website at www.barrisol.com, listing international awards received.

Annex 4: Copy of an undated catalogue of BPP Limited, the Complainant's earlier UK approved installer, containing colour photographs and details of Barrisol products.

Annex 5: Copy of the Concession Agreement between the Complainant and the predecessor company to the Respondent, Tricorn Design Ltd ("TDL"), dated 11 April 1991, appointing TDL as exclusive distributor of the Complainant's BARRISOL products in the UK.

Annex 6: Print-outs of Nominet WHOIS details dated 28 November 2008 and 13 March 2009, showing that the Respondent registered the Domain Name on 26 February 1999, and has renewed it until 26 February 2011.

Annex 7: Copies of letters between the parties (and their respective English solicitors on their behalf) concerning the termination of the Concession Agreement in 2008. This correspondence covers a wide range of issues, most of them irrelevant to this proceeding. The only references to the Domain Name are:

- In a letter from the Complainant to the Respondent on 25 August 2008, the transfer of the Domain Name at no charge is requested as part of the terms of any continuing agreement.
- This request is repeated in a letter of 28 October 2008, as part of the termination of the agreement.
- The Respondent replies on 14 November 2008 "SCUK is also looking into the feasibility of turning off the www.barrisol.co.uk website. SCUK is not obliged to transfer the website to Normalu free of charge."
- The Complainant's solicitors write to the Respondent's solicitors on 14 November 2008 noting the comments about the Domain Name, and saying "Whilst the issue of our client's right to demand a transfer of the domain name may be in dispute, the fact that your client no longer has the right to use the Barrisol name is not in dispute. By virtue of the website, your client is still holding itself out as the exclusive distributor of Barrisol products in the UK and benefiting from the Barrisol name. Your client should be able to contact its web host immediately and require that the current content is removed and replaced with one page giving our client's contact details. Please confirm by return that your client will do so, and also that it

will refer any enquiries received prior to the decommissioning of the website to our client.”

- On 20 November a further letter from the Complainant’s solicitors to the Respondent’s solicitors says “We note that, despite our letter of 14 November, the website at www.barrisol.co.uk still states that your client is the exclusive distributor of Barrisol products in the UK. Your client is therefore clearly still benefiting from the Barrisol name and our client will look to be compensated for any profits made as a result of that use. Please explain the basis upon which your client considers that it is legally entitled to continue to use this website.”
- On 3 December 2008 a letter from the Respondent’s solicitors to the Complainant’s solicitors says “We have advised SCUK to discontinue use of the www.barrisol.co.uk website and believe that they have done so.”

Annex 8: A printout from the Respondent’s website at www.stretchceilings.co.uk on 28 November 2008, including the wording: “Stretch Ceilings (UK) Ltd, formally the concession for the product Barrisol now offers an independent extensive range of stretch ceilings, lighting and panel solutions with a new technically advanced product backed by our 20 years experience and award winning expertise”.

Annex 9: Print-out dated 28 November 2008 of part of a page at www.barrisol.co.uk, showing only the wording “For sales enquiries concerning this web site domain, please contact Stretch C..” (cut off).

Annex 10: Print-out dated 2 March 2009 of a page at www.barrisol.co.uk, showing only the wording: “We’ve Moved [new line] If you are a previous customer and require any aftercare service on one of our Stretch Ceilings (UK) Ltd’s installations you can, if you so wish, contact us on 01276 681000”.

Annex 11: Coloured screenshot, undated, of the page printed out in Annex 10.

Annex A: Copy of Expert’s decision in Roset (UK) Limited v Worthy Consultants (DRS 00310).

Annex B: Copy of a letter dated 3 April 2009 from the Respondent’s solicitors to the Complainant’s solicitors, about a proceeding at the Company Names Tribunal, not mentioning the Domain Name.

Annex C: Printout from a Yahoo! search page for “Barrisol” on 15 April 2009, showing a sponsored link to www.barrisol.co.uk with text “Barrisol is the original Stretch Ceiling System. Stretch Ceilings (UK...)”

Documents submitted by the Respondent:

Exhibit 1: Copies of brochures produced by the Respondent featuring the Complainant’s products.

Exhibit 2: Copy of email dated 15 October 2008 from the Respondent’s solicitors to the Complainant’s solicitors, not mentioning the Domain Name.

Exhibit 3: Copies of photographs of Barrisol products taken from the Complainant’s website on 2 April 2009.

Exhibit 4: English version of document relating to the French legal proceedings about the termination of the distributorship, not referring to the Domain Name.

Exhibit 5: Print-outs dated 24 February 2009 of two pages from the website at www.barrisol.co.il, and of a single page from a Croatian business directory including the name “Barrisol Tunisie”.

Exhibit 6: Print-outs dated 20 January 2009 from the Complainant’s website, showing

details of new UK distributors.

Exhibit 7: Czech, Dutch, Finnish and and Polish WHOIS print-outs dated 31 March 2009, for the domain name barrisol in their respective country top level domains (barrisol.cz, barrisol.nl, barrisol.fi, barrisol.pl). The registrations have various dates and various registrants, none of which is evidently Normalu or a Normalu associate.

Exhibit 8: Print-out dated 24 February 2009 from whois.net for barrisoluk.com, showing its registration to a new UK distributor of Barrisol products.

Following the filing of the Reply at first instance, the Respondent sought to put before the Expert a further submission purporting to deal with new evidence introduced for the first time in the Reply. The submission was in the papers put before the Panel and the Panel has read it. The only matter of any significance in that submission was the Respondent's answer to the allegation in the Reply dealing with a Yahoo! search result (see section 6 below). The Panel has ignored the Yahoo! issue for the purposes of this appeal.

5. Factual Background:

The main facts in this case are summarised in the original Decision. Briefly, the dispute is between a French producer of stretch ceilings (Normalu S.A., which registered the UK trade mark BARRISOL in relevant classes as of 22 December 1987) and the British company Stretch Ceilings (U.K.) Limited, which from 1991 (as a predecessor company) until late 2008 was the sole distributor and installer of the Complainant's Barrisol products in the UK.

The Domain Name was registered on 26 February 1999 with the agreement of the Complainant. The Concession Agreement between the Complainant and the Respondent was terminated by the Complainant with effect from 28 October 2008. The parties have very different views of the reason for and manner of this termination, which are the subject of continuing legal proceedings in France. Nonetheless, the parties agree that the agreement is terminated and has been so at least since 14 November 2008.

On 28 November 2008 the website at www.barrisol.co.uk carried a message directing sales enquiries to Stretch Ceilings, while on 2 March 2009 it said "We've moved" and directed enquirers to Stretch Ceilings.

The Domain Name was renewed by the Respondent on 26 February 2009.

Currently, the Domain Name does not connect to an active website.

6. The Parties' Contentions:

The parties' original contentions are set out in detail in the Expert's decision at first instance. The main and most relevant points are summarised below.

Complainant's contentions

The Complainant has clear Rights in the name BARRISOL, among other things by virtue of its UK registered trade mark (which was registered as of 22 December 1987).

The Respondent's use of the Domain Name since the termination of the Concession Agreement has been abusive because:

the messages on the website have been likely to mislead and confuse people by suggesting a connection between Barrisol and the Respondent which no longer exists;

the Respondent is now in direct competition with the Complainant, and is unfairly

using the Domain Name to attract business;

the Respondent renewed the Domain Name after the Concession Agreement had terminated, in order to block the Complainant from registering it, and to continue to profit by the Barrisol name although it had no right to do so; the Yahoo! search provided showed a link sponsored by the Respondent to www.barrisol.co.uk, which is further evidence of the Respondent profiting unfairly from the Domain Name.

Respondent's contentions

The Respondent's main original contentions were:

The Respondent built up a substantial business for the Complainant in the UK over many years, largely at its own expense, and has been shabbily treated by the unilateral termination of the Concession Agreement. The Respondent's actions have been necessary because of the Complainant's wrongdoing in the termination.

The renewal of the Domain Name following termination of the agreement is not evidence of abuse on the part of the Respondent. Renewal is an automatic process and in any event, the Respondent, having built up the goodwill in respect of Barrisol in the UK, has a continuing right to use the name.

The Complainant has been using photographs of Barrisol products which are the property of the Respondent.

The Respondent may be called upon by previous customers for post-sales service of Barrisol ceilings it has installed, so it is necessary for it to continue to advertise its ability to provide such service.

The Complainant has many other domain names and its business can hardly be affected by being unable to use barrisol.co.uk.

The Complaint has been made in bad faith, as part of the Complainant's larger attempt to profit unfairly from the Respondent.

In the Appeal Notice, the Respondent further contends that:

The Expert ignored important additional information contained in a Further Submission that the Respondent put forward but the Expert declined to admit.

The Expert was wrong to prejudge that the French legal proceeding gave the Respondent no rights in the name. This remains to be seen.

The renewal of the Domain Name took place automatically and should not be interpreted as a deliberate act on the part of the Respondent.

The Respondent was using the Domain Name to offer aftercare *services*, not products. As the Complainant provides only products, this use cannot be seen as being in direct competition with the Complainant.

The website at the Domain Name did not direct visitors to any other website and would not have confused people.

Complainant's response to the appeal

The Complainant provides the following responses to the new points made in the appeal:

The Expert was correct in saying that the French proceedings did not refer to the Domain Name.

Renewal of the Domain Name must have involved payment and cannot therefore have taken place without the Respondent being aware of it.

The Complainant would in fact itself provide aftercare services if requested to do so, although this happens so rarely that it does not advertise the fact.

The Respondent's use of the website was likely to confuse people into thinking that the Complainant had moved.

7. Discussion and Findings:

General

The parties are in dispute following the termination by the Complainant of its distributorship agreement with the Respondent. The Respondent has commenced proceedings in France against the Complainant seeking compensation and other relief in respect of the Complainant's behaviour towards the Respondent and what the Respondent regards as having been a wrongful termination of the distributorship agreement. This is dealt with in detail in the Expert's decision. The Panel agrees with the Expert's conclusion that the French proceedings can have no bearing upon the issues for the Panel in this administrative proceeding.

For the purposes of this decision, the Panel is prepared to assume (without making any findings in this regard) in favour of the Respondent that its complaints about the Complainant's behaviour are well-founded and in particular that the Respondent has been heavily responsible for the goodwill built up in the UK in respect of the Barrisol brand.

The Complainant is required under clause 2b of the Policy to prove on the balance of probabilities that:

- i the Complainant 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.*

Complainant's Rights

"Rights" are defined in the Policy and in the Procedure. Rights "includes, but is not limited to, rights enforceable under English law".

It is not in dispute that the Complainant has relevant rights in respect of the name "Barrisol", which is a UK registered trade mark registered in the name of the Complainant. Nor is it in dispute that the Complainant's trade mark is identical to the Domain Name, if (as is appropriate for this purpose) one ignores the generic domain suffix.

Accordingly, the Complaint succeeds under the first element.

Abusive Registration

Factors to be considered

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.

As to the second element, It is not in dispute that the Respondent registered the Domain Name with the permission of the Complainant at a time when the parties were in business together, the Respondent being the Complainant's UK distributor and installer of Barrisol products. At the time of registration the Domain Name was not an Abusive Registration.

Accordingly, if the Complaint is to succeed under the second element the Complainant must satisfy the Panel that the Domain Name "*has been used in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights*".

The Complainant contends that on termination of the agreement between the parties, the Respondent lost all right to use the Domain Name and that all subsequent use of it by the Respondent was calculated to cause confusion. Furthermore, the Respondent's renewal of the registration was effected with the intent to prevent the Complainant registering the name.

How has the Respondent used the Domain Name since termination of the agreement?

1. to connect to a webpage referring sales enquiries to the Respondent;
2. to connect to a webpage informing visitors that "We've Moved" and inviting previous customers requiring after sales services on one of the Respondent's installations to contact the Respondent on a telephone number provided.

The Respondent contends that these are legitimate uses for it to have made of the Domain Name. In its Appeal Notice the Respondent concentrates upon the second of those two uses claiming that nothing on that latter webpage is unreasonable, pointing to the fact that the message is addressed to previous customers and that all previous installations of the Respondent will have been Barrisol installations.

The Panel accepts in principle that the Respondent may contact its previous customers for Barrisol installations and offer aftercare services to those customers and may also within certain limits draw attention to its previous experience as an official distributor and installer of the Complainant's products. However, in so doing, it is incumbent upon the Respondent to act fairly and not in a manner which is likely either to misrepresent the true position or to divert would-be customers of the Complainant away from the Complainant.

The Panel observes that the Respondent makes no express reference to the first of the above-mentioned uses, which was clearly addressed to newcomers. Moreover, as to the second, the Respondent ignores the fact that visitors to the site connected to the Domain Name will include among their number people who are not previous customers of the Respondent, but people looking for information on the Complainant's products.

The Domain Name, comprising as it does the Complainant's trade mark, was an obvious name for the Complainant to choose for its UK website and/or the website of its authorized distributor/installer. It identifies the Complainant's brand. It is the obvious point of reference for UK enquiries of the Complainant and its products.

In the *inter partes* correspondence which has been put before the Panel, the Respondent acknowledged in November 2008 that the Domain Name represented a connection with the Complainant, a connection which it wished to sever. Moreover, the Respondent was advised by its solicitors at about the same time, following termination of the contract, to cease use of the Domain Name. The Panel has not been told the basis for the advice, but the Panel would not be surprised if the Respondent had been advised that to continue to use the Complainant's trade mark in this way was not without risk.

By continuing to use the Domain Name after termination of the agreement with the Complainant and in a manner calculated to encourage visitors to the site to contact the

Respondent, the Respondent is inevitably attracting people interested in Barrisol to the Respondent's goods and services. The fact that some of those visitors may be previous customers looking for aftercare services is no answer to the complaint. A significant number of the visitors are likely to be new customers or would-be customers for the Barrisol product.

As to the renewal of the Domain Name in February 2009, the Panel can see no justification for it. At that stage, allowing the registration to lapse would have been the obvious course. The Respondent asserts that it was an automatic process in which it played no part. The Complainant disputes that on the basis that it must have involved a payment. The Panel does not see the need to resolve the point and does not seek to do so.

The Panel finds that in continuing to use the Domain Name following termination of the agreement with the Complainant and in doing so in a manner which was likely to have attracted new customers to its business, a business now dealing in goods competing with the Complainant's Barrisol products, the Respondent rendered the Domain Name an Abusive Registration

9. Decision:

The Panel upholds the decision of the Expert for the reasons given in that decision and above and directs that the Domain Name be transferred to the Complainant. The Appeal is dismissed

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Tony Willoughby – Chairman

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Ian Lowe

Claire Milne

12 November, 2009