

DISPUTE RESOLUTION SERVICE

DRS 8202

Decision of Independent Expert

Pureworks, Inc

Complainant

and

Brady Corporation Limited

Respondent

1 The Parties

Complainant:	Pureworks, Inc 1321 Murfreesboro Pike Ste 200 Nashville Tennessee 37217-2673 United States
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Respondent:	Brady Corporation Limited Wildmere Industrial Estate Banbury OX16 3JU United Kingdom
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2 The Domain Names

Puresafety.co.uk (the "First Domain Name") and *puresafetycatalogue.co.uk* (the "Second Domain Name").

3 Procedural History

3.1 The Complaint was filed on 29 January 2010. On 1 February 2010 it was validated and a copy was sent to the Respondent.

- 3.2 Following representations from the Respondent's solicitors pursuant to paragraph 20(a) of the DRS Procedure that the Domain Names were the subject of current Court proceedings, on 23 February 2010 the DRS proceeding was suspended by Nominet.
- 3.3 On 10 March 2010 the suspension was revoked by Nominet and the dispute re-opened. However, following further representations from the Respondent's solicitors, in particular by letter of 11 March 2010, the dispute was again suspended on 15 March 2010 by reason of proceedings in the state of Tennessee between the Complainant and the Respondent, its US parent and another subsidiary of its US parent, Tricor Direct, Inc. (the "US Proceedings") and trade mark opposition proceedings in the UK.
- 3.4 Following the removal of the Respondent as a party to the US proceedings, and having considered detailed written submissions from solicitors for both parties, Nominet's legal department decided by email of 26 April 2010 that there was no longer any reason under paragraph 20(a) of the DRS Procedure to suspend the DRS proceeding. The DRS proceeding was accordingly re-opened on 27 April 2010.
- 3.5 The Response was filed on 5 May 2010. It was validated and a copy was sent to the Complainant on the same date.
- 3.6 The Reply was filed on 13 May 2010. It was validated and a copy was sent to the Respondent on the same date.
- 3.7 The dispute then entered the mediation phase on 18 May 2010. The mediation failed on 15 June 2010. On the same date the parties were notified that the dispute would be decided by an Independent Expert (the "Expert") if the Complainant paid the requisite fees. On 28 June 2010 a conflict check was sent to the Expert, who confirmed on 2 July 2010 that he is independent of the parties and knows of no facts or circumstances that might call into question his independence in the eyes of the parties.
- 3.8 On 13 July 2010 the Expert asked the Respondent, pursuant to paragraph 13(a) of the DRS Procedure, to provide an unredacted copy of annex 17 to the Response, to identify the date on which that document was created, and to explain the meaning in annex 18 of the phrase "start center".
- 3.9 The Respondent replied on 19 July 2010. On the same date, the Expert made a further paragraph 13(a) request, asking the Respondent to explain the meaning of the abbreviation "Rev" in the phrase "Rev Date: 6/5/08" in annex 17.
- 3.10 The Respondent replied on 20 July 2010.

4 Factual Background

- 4.1 The Complainant and the Respondent appear to be in a similar line of business, namely the supply of health and safety related goods and/or services to businesses. The Complainant is a Delaware corporation based in Tennessee in the United States of America. It delivers its services primarily online. The company was founded in 1999 and its client base appears to be primarily in the US.
- 4.2 The Respondent is incorporated in the United Kingdom. It is a wholly owned subsidiary of Brady Corporation, which is incorporated in the US. The Respondent has been trading in the UK since 2008.

- 4.3 Since 1999 the Complainant has traded by reference to the PURESAFETY mark in the United States. It appears to do some business outside the United States, but it is not clear where or to what extent. It asserts that it has had a number of long-standing customers "*for whom it has fulfilled requests*" (whatever that may mean) relating to their UK operations, namely Thermofisher Scientific, Caterpillar Inc and Flowserve Inc, which have been customers since 2000, 2003 and 2005 respectively.
- 4.4 Since 4 July 2000, the Complainant has owned a registered US trade mark for PURESAFETY. It says that it has consistently traded by reference to the PURESAFETY mark "*in connection with its products and services worldwide*" (US Proceedings, Complaint, paragraph 8). The Complainant says that it has distributors and reseller partners inter alia "*in Europe (including the United Kingdom)*" (US Proceedings, Complaint, paragraph 12). However, no evidence of this has been provided in this DRS proceeding.
- 4.5 In addition, it markets its products and services online from its website at *www.puresafety.com*, which it has owned and operated since approximately July 1999.
- 4.6 In early 2008, the Respondent's US parent company approached the Complainant with a view to entering into a joint venture of some kind.
- 4.7 Shortly after negotiations between the parties had begun, on 20 March 2008, another subsidiary of the Respondent's US parent, Brady Worldwide Inc, applied to register the mark SAFETYSHOP as a UK registered trade mark. That application covered goods similar to those that were subsequently the subject of the application by Tricor for PURESAFETY (see 4.10 below). Having been initially examined on 18 April 2008, the SAFETYSHOP application was refused on 4 June 2008.
- 4.8 In connection with the discussions between the Complainant and the Respondent's US parent, the parties had meanwhile executed a non-disclosure agreement (the "NDA") in April 2008.
- 4.9 Approximately a month after the NDA was executed, on 13 May 2008 the Respondent registered the First Domain Name.
- 4.10 On 27 May 2008 another subsidiary of the Respondent's US parent, Tricor Direct Inc ("Tricor"), filed an application with the UK Intellectual Property Office (the "IPO") to register PURESAFETY as a UK trade mark.
- 4.11 Discussions between the Complainant and the Respondent's US parent appear to have come to an end on 13 August 2008.
- 4.12 Two days later, on 15 August 2008, the Respondent registered the Second Domain Name.
- 4.13 The Respondent says that sometime in August 2008 (no date is given) it launched its PURESAFETY brand in the UK. Puzzlingly, the Expert's search of the Wayback machine shows the Respondent's site at *www.puresafety.co.uk* as active on 26 July 2008, i.e. when the Respondent's US parent's negotiations with the Complainant were still continuing. At any rate, the Respondent appears to have launched a business in the UK under the PURESAFETY name in July or August 2008.
- 4.14 On 12 December 2008, the Complainant filed opposition proceedings in relation to Tricor's UK trade mark application for PURESAFETY (the "Opposition Proceedings").

- 4.15 Over a year later, on 19 October 2009 the Complainant issued proceedings in the Courts of Tennessee against Brady Corporation, the Respondent and Tricor for trade mark infringement, unfair competition, breach of contract, civil conspiracy and unjust enrichment. The Respondent subsequently filed a motion to dismiss, i.e. to be struck out as a Defendant to the US Proceedings, to which the Court acceded. The Respondent is therefore no longer a party to the US Proceedings.
- 4.16 Following the suspension of this DRS proceeding by Nominet pursuant to paragraph 20(a) of the DRS Procedure (see para 3.2 above), the Complainant applied for and was on 14 April 2010 granted permission to amend its pleadings in the US Proceedings to remove reference to a dispute over the Domain Names.
- 4.17 In response, on 13 April 2010, the Respondent's US parent filed a counterclaim seeking a declaration of non-infringement of trade mark and specifically referring to the Respondent's registration of the First Domain Name. That is said by the Complainant to have been made for purely tactical reasons, namely to keep the domain name dispute in issue in the US Proceedings in order to try to ensure the continued suspension of this DRS proceeding. However, as noted above, in the event Nominet decided that this counterclaim did not have the effect of bringing the US Proceedings within paragraph 20(a).
- 4.18 The Domain Names are currently being used by the Respondent to market its goods and services on the internet by reference to the PURESAFETY name.

5 Parties' Contentions

Complaint

- 5.1 The Complainant relies on (a) a registered US trade mark for PURESAFETY registered on 4 July 2000, (b) its pending application for the Community Trade Mark ("CTM") PURESAFETY filed on 28 September 2009, and (c) its unregistered rights in the PURESAFETY name "*in the United States and elsewhere*".
- 5.2 The Complainant has said that it was founded in 1999 and provides products and services "*to help businesses more efficiently and effectively manage their health, safety and compliance risks*". It cites a number of business awards. It asserts that in 2008 it "*had plans to expand its use and promotion of its PURESAFETY brand outside the US, including in the UK*" and that this would have been known to the Respondent. However, no evidence is adduced to substantiate either assertion.
- 5.3 It is said that the Respondent is "*operating in the same field of health, safety and risk management as the Complainant*". The Complainant says that the Respondent has been aware of its business since 1999 and that numerous discussions have been held between representatives of the Respondent's US parent, Brady Corporation, and the Complainant. A number of such discussions are identified.
- 5.4 Further, the Complainant says that in 2008 it was approached by Tom Campbell of the Brady Corporation about the possibility of the latter establishing a "*private label reseller site working with the Complainant and using the Complainant's products and services*". It is said that "*this would necessarily have involved use of the Complainant's mark PURESAFETY – under the strap line – "powered by Puresafety"*". The Complainant says that "*given the international reach of Brady Corporation*", which would appear to be a much larger undertaking than the Complainant, "*it was specifically contemplated that the venture would expand the use of the Complainant's PURESAFETY name both in the US and internationally, including in the UK*".

- 5.5 The Complainant says that the discussions began in January 2008 with the Respondent's US parent represented by Mr Campbell. They then continued in April 2008 with at least eight further representatives of the Brady Corporation. Various further meetings are identified, with the final meeting having been held on 13 August 2008 between Mr Campbell and Heather Scott of the Complainant.
- 5.6 The Complainant points out that the First Domain Name was registered on 13 May 2008, approximately six weeks after the NDA had been executed and that the Second Domain Name was registered on 15 August 2008, just two days after negotiations terminated.
- 5.7 The Complainant also relies on Tricor filing a UK trade mark application on 27 May 2008 for the mark PURESAFETY and points out that Tricor employees were among those who had been in dialogue with the Complainant.
- 5.8 So far as Abusive Registration is concerned, the Complainant asserts that the registration was made by the Respondent in full knowledge of the Complainant and its business and relies in particular on the following paragraphs of the DRS Policy (the "Policy"): 3(a)(i)(B) - blocking registration, 3(a)(i)(C) - unfair disruption of Complainant's business, and 3(a)(ii) - confusion. The Complainant asserts that examples of actual confusion are annexed to the Complainant at annex 11. However, it is not explained how the emails in question evidence such confusion.
- 5.9 Further, the Complainant relies also on the abortive attempt by Brady Worldwide Inc. to register the mark SAFETYSHOP as a UK trade mark and contends that it was only the IPO's refusal to register that mark which resulted in a change of plan and a decision to use the PURESAFETY name instead.

Response

- 5.10 The Respondent explains that it is part of a large global organisation with a turnover of approximately US\$1.2 billion, with more than 80 subsidiaries operating in 28 countries and more than 6,500 employees. The Respondent contends that it is merely an "*indirect subsidiary*" of Brady Corporation because there are a number of other corporate entities interpolated between it and its ultimate US parent. The Respondent says that it trades primarily by reference to the name SETON mainly via direct marketing, i.e. catalogues and websites. It says that in August 2008 it "*launched a new brand, PURESAFETY*". It says that the UK trade mark application was filed by its sister company, Tricor, at its request. It says that the goods and services provided by the Complainant are "*entirely different*" from its own.
- 5.11 The Respondent explains the course of the US proceedings.
- 5.12 The Respondent contends that the DRS is not "*the appropriate forum*" for this domain name dispute because it is part of a larger and complex dispute between the parties and because there is no opportunity for disclosure, witness statements or cross examination. It says that the Complainant is using the DRS purely tactically "*to secure the transfer of the domain names without the proper scrutiny and analysis of court proceedings*". It explains that it would not be appropriate for the domain name dispute to be determined in isolation from the wider dispute between the parties.
- 5.13 The Respondent does not accept that the Complainant's US trade mark constitutes a relevant right for the purposes of the DRS, nor does it accept that the Complainant had any unregistered rights in the PURESAFETY name in the UK prior to May 2008. It contends that the Complainant has been able to adduce evidence of "*only extremely limited (if any) use of the name PURESAFETY in the UK*".

- 5.14 It says that since, on its case, the Complainant has no rights in the PURESAFETY name, it cannot have any rights in the PURESAFETY CATALOGUE name.
- 5.15 So far as Abusive Registration is concerned, the Respondent relies on the fact that, prior to notification of the Complainant's cause for complaint, it "*had been operating a live website for many months*", i.e. it presumably intends to contend that it has used the Domain Names in connection with a genuine offering of goods or services and therefore falls within paragraph 4(a)(i)(A) of the Policy.
- 5.16 The Respondent further contends that it never intended to block the Complainant's registration of the name. The Complainant acknowledges that there were discussions between its US parent and the Complainant "*in about March 2008*" but it asserts that it and its US parent "*operate independently*".
- 5.17 The Respondent states that "*there was no need for Brady USA to disclose its discussions with Pureworks to Brady UK*" and further states that "*it is not accepted that...Brady USA discussed its dealings with Pureworks with representatives from Brady UK, as asserted (without supporting documentary evidence) by Pureworks*". It says that the Complainant's assertions in this regard need to be tested by "*disclosure and the cross-examination of witnesses*". In effect, it puts the Complainant to proof of the Respondent's knowledge of the negotiations between its US parent and the Complainant. The Respondent does not, however, actually deny that it was aware of those discussions.
- 5.18 The Respondent says that the complaint of unfair disruption of the Complainant's business is unfounded and contends that if the Complainant had been suffering damage it would not have waited for more than a year to start the DRS proceeding.
- 5.19 The Respondent does not accept that there has been any confusion or damage caused to the Complainant's reputation in the UK. It says that the Complainant has adduced no evidence of actual confusion and also asserts, in general terms, that it can be difficult for a business established outside the UK to demonstrate that it owns trading goodwill within the jurisdiction if it does not trade there.

Reply

- 5.20 In its Reply, the Complainant responds to a number of the points raised in the Response.
- 5.21 The Complainant asserts that the Brady Corporation "*has full and ultimate control of and responsibility for Brady UK's corporate activities.*" It rejects the relevance of the various interpolating corporate entities relied on by the Respondent to argue that there is no direct nexus between it and its US parent. In support of this assertion, it relies on the "Corporate Disclosure Statement" filed by the Respondent in the US Proceedings. That is a short document filed with the Court which simply states as follows:

"Brady Corporation, Ltd, under Local Rule 7.02, states that Brady Corporation, Ltd is a wholly owned subsidiary of Brady Corporation. Brady Corporation owns more than 10% of Brady Corporation, Ltd's stock."

- 5.22 Secondly, the Complainant rejects the Respondent's assertion that there is no overlap of goods and services between the two businesses. Annexed to the Reply is a detailed analysis of the extent to which such overlap is said to exist. It acknowledges that in September 2009 many such overlapping products were removed from the Respondent's website, but asserts that there is still a direct overlap in relation to a number of environmental products.

- 5.23 Thirdly, the Complainant points out that the Respondent made forceful submissions to the US Court to the effect that it had no jurisdiction over it, as a result of which it was struck out as a Defendant and that it cannot therefore now argue that the DRS proceeding should be suspended pursuant to paragraph 20(a) of the Procedure. It points out that the Respondent is also not a party to the Opposition Proceedings.
- 5.24 Fourthly, the Complainant asserts that the DRS proceeding is the appropriate forum for this dispute.
- 5.25 Fifthly, it rejects the Respondent's arguments on Rights under the DRS being restricted to English law rights. It also contends that its CTM application is relevant because the relevant time for the assessing the Complainant's rights is January 2010, i.e. when the Complaint was filed.
- 5.26 Finally, the Complainant highlights a number of issues raised by the content of Annex 17 to the Response, the "Concept Description" document.

Paragraph 13(a) request

- 5.27 In response to the Expert's 13(a) request made on 13 July 2010 (see paragraph 3.8 above), the Respondent provided an unredacted copy of annex 17, the "Concept Description" document. The Respondent said that annex 17 was created on 5 June 2008. It said that the phrase "start center" referred to the territory which had ownership of the proposal.
- 5.28 The Respondent further explained, in response to a second 13(a) request from the Expert (see paragraph 3.9 above), that the letters "Rev" in the phrase "Rev Date: 6/5/08" were an abbreviation for the word revision. The Respondent stated that this abbreviation was "*used to denote the date when the template form was revised (that is, completed) by Mr Campbell in respect of this specific project*".

6 Discussions and Findings

- 6.1 Before turning to the substantive arguments on the merits, it is necessary to consider the Respondent's primary and procedural submission, namely that this dispute should not be determined under Nominet's DRS at all. The Respondent raises two objections.
- 6.2 First, it says that pursuant to paragraph 20(a) of the Procedure, the DRS proceeding should be suspended pending the outcome of the US Proceedings and the Opposition Proceedings.
- 6.3 Secondly, and in any event, it says that the Nominet dispute resolution procedure is "*inappropriate*" because it does not consider the issues as closely as would a Court and because there is no opportunity for disclosure, witness statements, cross-examination and the usual paraphernalia of High Court litigation.
- 6.4 So far as the first objection is concerned, as indicated above, Nominet has, by its legal counsel, satisfied itself that neither the US Proceedings nor the Opposition Proceedings fall within paragraph 20(a). Briefly, Nominet's reasons were as follows: first, it was satisfied that the revised Complaint submitted to the US District Court did not relate to the First Domain Name; secondly, it was as a result of its own request to the US Court that the Respondent in this DRS proceeding was no longer a party to the US Proceedings and the Respondent could not therefore "*reasonably both claim the protection of the US proceedings in relation to the DRS and dispute its own relevance to the US complaint*"; thirdly, the counterclaim filed by Brady Corporation "*does not deal with the registration of the Domain Name and so does not have any relevance to the suspension of the DRS*"; and fourthly Nominet remained of the

view that the Opposition Proceedings “do not have any relevance to the issue of the suspension of the DRS 8202”. The Expert respectfully agrees with this analysis.

- 6.5 Both parties have repeated in their submissions the points previously made to Nominet, but they have not raised any new arguments or adduced any new evidence. Accordingly, there is no compelling reason to reverse Nominet's decision on this issue. Neither the US Proceedings nor the Opposition Proceedings would seem to engage paragraph 20(a). In particular, it would be unconscionable for the Respondent to argue (successfully) before the US Court, as it has, that it should not be party to those proceedings because they were nothing to do with it, but then to seek to invoke them as a way of avoiding the DRS procedure.
- 6.6 So far as the Opposition Proceedings are concerned, the Respondent is not, and has never been, party to those proceedings, which in any event relate to the attempted registration by Tricor of a trade mark (not a domain name), so it is difficult to see how paragraph 20(a) could ever have been engaged.
- 6.7 So far as the second objection is concerned, the Respondent's submissions are rejected. The Respondent is of course correct to observe that the DRS makes no provision for disclosure, witness statements, cross-examination and so forth. Nor, it might have added, is it bound to apply the principles of English trade mark law or the law of passing off. The criteria for a DRS Complaint to succeed are different (see 6.11 below).
- 6.8 Nonetheless, a respondent to a DRS complaint cannot opt out just because it considers the procedure “*inappropriate*”. At the time of registration of the Domain Names, the Respondent agreed to Nominet's terms and conditions of domain name registration, pursuant to which it agreed to be bound by the DRS Policy and Procedure (see clause 14). The Respondent is therefore contractually bound to submit to this DRS proceeding.
- 6.9 Further, if a respondent is dissatisfied with a decision made under Nominet's DRS procedure, it is perfectly entitled to pursue any legal remedies against a successful complainant, including, should it so wish, bringing proceedings against it (Policy, paragraph 10(d)). Indeed, a complainant is obliged to confirm that it submits to the exclusive jurisdiction of the Courts of England and Wales with respect to any legal proceedings seeking to reverse the effect of a DRS decision requiring the suspension, cancellation, transfer or other amendment to a domain name registration. Such a declaration is to be found in this case at paragraph 30 of the Complaint.
- 6.10 Accordingly, if this DRS decision is not to the Respondent's liking, there is nothing to prevent it from having the issues more fully considered by the Court.

What the Complainant must prove

- 6.11 To succeed under the Policy, the Complainant must prove on the balance of probabilities, first, that it has Rights (as defined in the Policy) in respect of a name or mark that is identical or similar to the Domain Name (paragraph 2(a)(i) of the Policy), and secondly, that the Domain Name is an Abusive Registration in the hands of the Respondent (paragraph 2(a)(ii) of the Policy).
- 6.12 Abusive Registration is defined in paragraph 1 of the Policy in the following terms:

"Abusive Registration means 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."

Complainant's rights

- 6.13 Paragraph 2(a)(i) of the Policy requires the Complainant to prove that it "*has Rights in respect of a name or mark which is identical or similar to the Domain Name*". 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*".
- 6.14 The Complainant relies on its US registered trade mark for PURESAFETY registered on 4 July 2000 in class 41. This is evidenced by a print out of an online search carried out by the United States Patent & Trademark Office. The fact that it is a US trade mark does not prevent it from being a relevant right within the definition of Rights under the DRS.
- 6.15 The Complainant also seeks to rely on its application for a CTM. The existence of a trade mark application does not give rise to a right within the definition of Rights under the DRS. The validity of the application has not yet been determined and ordinarily it affords the proprietor no legal right to prevent others from using the mark. Accordingly, in and of itself, an application will not constitute Rights under the Policy (see DRS Experts' Overview, paragraph 1.9).
- 6.16 The Complainant asserts that it has also acquired unregistered rights in the PURESAFETY name in the United States and elsewhere "*through extensive use of its PURESAFETY name*". However, the evidence of such trading goodwill in the PURESAFETY name is thin. No evidence is adduced of advertising, marketing, turnover, editorial coverage, and so forth. The strongest evidence adduced is probably the screenshots from the Complainant's website which is operated from *www.puresafety.com* and the acknowledgement in the (unredacted version of) the Respondent's "Concept Description" document (Annex 17 to the Response) that the Complainant's turnover has grown to \$15 million over eight years .
- 6.17 However, whether or not the Complainant owns trading goodwill in the name is not in any event determinative of the position under the DRS, given its US registered trade mark.
- 6.18 It is argued by the Respondent that the Complainant has adduced insufficient "*evidence of its use of PUREWORKS [by which it presumably means PURESAFETY] in the UK prior to May 2008 for it to be able to bring a claim for passing off under English law*". It relies in this regard on the well known Jiff lemon passing off case. However, this is not the relevant test. As mentioned, under the DRS, Rights can include rights enforceable in a foreign jurisdiction. That applies to unregistered as well as to registered rights. The internet is necessarily a transnational medium and the application of principles of territoriality, whether as a matter of English trade mark law or the law of passing off, is not generally relevant to a complaint under the DRS.
- 6.19 It is clear from numerous decisions under the DRS that the hurdle for establishing Rights is not a high one. In this case the Complainant has cleared that hurdle and has established that it has Rights in the PURESAFETY name. The Complainant therefore satisfies paragraph 2(a)(i) of the Policy in relation to the First Domain Name (*puresafety.co.uk*).

- 6.20 So far as the Second Domain Name (*puresafetycatalogue.co.uk*) is concerned, it is now settled under the DRS that the inclusion of generic or descriptive words together with a name or mark in which the complainant has Rights does not mean that the domain name in question is so dissimilar that it falls outside paragraph 2(a)(i) (see *natwestloans.co.uk* (DRS 3390), *tescoestateagents.co.uk* (DRS 3962), *replicarolex.co.uk* (DRS 5764) and *veluxblind.co.uk* (DRS 6973), by way of examples).
- 6.21 Accordingly, the Expert finds that the Complainant satisfies paragraph 2(a)(i) of the Policy in respect of both Domain Names.

Evidence of abusive registration

- 6.22 The Complainant relies, in the first place, on paragraph 3(a)(i)(B) of the Policy, which provides that circumstances indicating that the Respondent has registered or otherwise acquired the Domain Names primarily as blocking registrations against the name or mark in which the Complainant has rights may constitute evidence of Abusive Registration.
- 6.23 The Complainant contends that both Domain Names were registered by the Respondent in full knowledge of its existence and the existence of its business. The Complainant cites in support of this contention the similarity of the commercial operations of the Complainant and the Respondent, the reputation and goodwill attached to the PURESAFETY mark registered by the Complainant, and the assertion that internet users will be attracted to the Respondent's websites (whether or not they are confused into thinking they are related to or connected with the Complainant) which constitutes "*free-riding off the Complainant's reputation in its PURESAFETY mark*".
- 6.24 While those contentions are all perfectly legitimate, they are not directed at the relevant test, namely whether the Domain Names were registered primarily as a blocking registration, i.e. to prevent the Complainant from itself registering and using the Domain Names. They would probably be more relevant to the paragraph 3(a)(ii) criterion considered below. The Complainant uses the domain name *puresafety.com* and it has not submitted, much less adduced any evidence, that it had plans to register the *.co.uk* version of that domain name, let alone that the Respondent had knowledge of any such intention. In those circumstances, it is difficult to see how the Respondent could be said to have registered the Domain Names primarily as a blocking registration. The test is one of intention at the time of registration. The Complainant therefore fails to establish evidence of Abusive Registration under this head.
- 6.25 Secondly, paragraph 3(a)(i)(C) of the Policy provides that circumstances indicating that the Respondent has registered or otherwise acquired the Domain Names primarily for the purpose of unfairly disrupting the business of the Complainant may constitute evidence of Abusive Registration. Again, the question is one of the Respondent's intention in registering the domain name.
- 6.26 The Complainant argues that the Respondent was seeking to disrupt the Complainant's "*plans to expand its international PureSafety reseller activities in the UK using the Domain Names or other names incorporating the word PURESAFETY.*" It says that regardless of any initial confusion, internet users will have been frustrated in their attempt to access the Complainant's website, which is "*disruptive of and damaging to the Complainant's business*". The Respondent says that the complaint of unfair disruption of the Complainant's business is unfounded and points out that if the Complainant had been suffering damage it would not have waited for more than a year to start the DRS proceeding. Again, evidence of any disruption, let alone that an intention to cause any such disruption was the Respondent's primary motivation in registering the domain names, is extremely thin. The fact that two businesses may be in competition (and the extent to which the Complainant and the

Respondent are in competition in the UK is unclear), does not of itself automatically lead to a finding that a domain name was registered primarily unfairly to disrupt the Complainant's business. For this reason, the Complainant has failed to make out this head.

- 6.27 Thirdly, paragraph 3(a)(ii) of the Policy provides that circumstances indicating that the Respondent is using the Domain Names in a way which has confused or is likely to confuse people or businesses into believing that the Domain Names are registered to, operated or authorised by, or otherwise connected with the Complainant may be evidence of Abusive Registration.
- 6.28 The Complainant relies on a number of examples of what it says are actual confusion. However, as mentioned above (see paragraph 5.8), the Complainant does not explain how the emails annexed to the Complaint evidence such confusion. The Respondent points out that one of the emails relied upon by the Complainant contains a link to a press release of the Respondent, while the other two emails do not evidence actual confusion between the Complainant and the Respondent.
- 6.29 If the Complainant were required to demonstrate actual confusion, it would therefore fail under this head. However, that is not the case. It is sufficient for the Complainant to establish on the balance of probabilities that there is a likelihood that people or businesses may be confused into believing that there is some connection between the Domain Names and the Complainant. Given the similarity between the Domain Names (particularly the First Domain Name) and the domain name currently used by the Complainant (*puresafety.com*), and given at the very least some overlap in the products and services offered by the two businesses, and taking account of the transterritorial basis on which much business is transacted over the internet, there is on balance a likelihood of such confusion.
- 6.30 It is unarguable that the Respondent is trading by reference to the PURESAFETY name, not only by using it in the Domain Names but also on the websites at *www.puresafety.co.uk* and *www.puresafetycatalogue.co.uk* generally. Indeed, on the website at *www.puresafety.co.uk* it asserts unregistered trade mark rights in the name.
- 6.31 Further, the list of factors which may be evidence of Abusive Registration set out in paragraph 3 of the Policy is non-exhaustive. As has been noted, Abusive Registration means that a domain name was either registered or subsequently has been used in a manner "*which took unfair advantage of or was unfairly detrimental to the Complainant's Rights*". As explained above, the Complainant has, for the purposes of the DRS, Rights in the PURESAFETY name. The Respondent's use of the Domain Names to set up websites and to trade online by reference to that name clearly takes advantage of the Complainant's Rights in that name, not least in coat-tailing on the trading goodwill in that name owned by the Complainant and/or interfering with the Complainant's ability to trade by reference to that name in the United Kingdom.
- 6.32 But has such use taken "*unfair*" advantage of the Complainant's Rights? The factual background is relevant in this regard. It is the Complainant's evidence, not contested by the Respondent, that in early 2008 it was approached by Tom Campbell of the Respondent's US parent, Brady Corporation, with a view to establishing a joint venture. Nor is it disputed that those discussions continued with a number of meetings until a final meeting on 13 August 2008. It was during this period that the Respondent registered the First Domain Name on 13 May 2008 and it was two days after that final meeting that on 15 August 2008 it registered the Second Domain Name.
- 6.33 The Respondent says that it does not accept that its US parent discussed those negotiations with its UK subsidiary. However, as noted above, the Respondent does not go so far in this

DRS proceeding as actually to deny that it was aware of those discussions. The Respondent has adduced in evidence, at annex 17 to the Response, an internal document of its US parent described as a "Concept Description". It is plain from that document, particularly the unredacted version provided by the Respondent pursuant to a 13(a) request by the Expert, that Mr Campbell of the Respondent's US parent was well aware of the Complainant's expertise in this field and indeed placed considerable reliance upon it. A cynical bystander might be forgiven for concluding that, following the breakdown in negotiations between Brady Corporation and the Complainant, Brady Corporation simply decided to "go it alone" in marketing its goods and services under the PURESAFETY name in the UK with or without the consent of the Complainant.

- 6.34 The Respondent asserts that the Concept Description document was not created until 5 June 2008, but it does not dispute the Complainant's evidence that negotiations had begun much earlier in 2008 and indeed that an NDA had been executed in April 2008, well before either of the Domain Names had been registered.
- 6.35 There is also the issue of the Respondent's sister company, Brady Worldwide Inc, attempting to register the mark SAFETYSHOP as a UK trade mark and, when that application was unsuccessful, another sister company of the Respondent, Tricor, filing a UK trade mark application on 27 May 2008 for PURESAFETY. The Respondent concedes that this application was made by Tricor at its (the Respondent's) request. So the Respondent was not perhaps as isolated from the rest of the Brady group as it contends.
- 6.36 In effect, the Respondent invites the Expert to find that it was mere coincidence that at the very time that its US parent was discussing some means of merchandising or franchising the PURESAFETY name by way of a joint venture with the Complainant, it just happened to hit on the very same name in relation to similar or identical products or services for the UK market. This is inherently implausible.
- 6.37 The facts point, on the balance of probabilities, to the Respondent having been well aware of the Complainant and its business when it registered the Domain Names behind the Complainant's back and subsequently used them to launch a copycat brand in the UK. Such registration and/or use of the Domain Names not only took advantage of the Complainant's Rights (under the DRS), but did so unfairly.
- 6.38 Finally, it is necessary to consider whether the Respondent can rely on paragraph 4(a)(i)(A) of the Policy to demonstrate that the Domain Names are not Abusive Registrations. Paragraph 4(a)(i)(A) provides that registration may not be Abusive if, before being made aware of the Complainant's cause for complaint, the Respondent has used or made demonstrable preparations to use the Domain Names in connection with a genuine offering of goods or services.
- 6.39 It is plain from paragraph 4.4 of the DRS Experts' Overview that such a defence is not available where such use of a domain name was designed to take unfair advantage of or damage the Complainant's rights or business. In light of the findings above, that does not therefore assist the Respondent.

7 Decision

- 7.1 Accordingly, the Expert finds 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.

7.2 It is therefore determined that the Domain Names be transferred to the Complainant.

Signed **David Engel**

30 July 2010