

Nominet UK Dispute Resolution Service

DRS 08975

Elite Licensing Company S.A. & an or.

v

Mr Leigh Davy

Decision of Appeal Panel

Dated: 2 December, 2010

1. **Parties:**

**Complainants/
Appellants:**

Elite Licensing Company S.A.

Address: 15, route des Arsenaux
Fribourg
1700
Switzerland

and

Elite Model Management SARL

21, avenue Montaigne
Paris
75017
France

Respondent Mr Leigh Davy

Address: 10 Birch Way
Chesham
HP5 3JL
UK

In this decision, for simplicity's sake, we propose to maintain the terminology of the Expert's decision and refer to the Complainants/Appellants as "the Complainants" and the Respondent as "the Respondent".

2. Domain Name in dispute:

<elitemodelmanagement.co.uk>

This domain name is referred to below as the “the Domain Name”.

3. Procedural Background:

The decision under appeal was issued by the appointed Expert (“the Expert”) on 18 October, 2010. The decision was issued to the parties by Nominet on 19 October, 2010. On 22 October, 2010 Nominet received the Appeal Notice from the Complainants together with the full Appeal fee. The Respondent, who has not participated at all in this administrative proceeding, did not respond to the Appeal Notice.

On 12 November, 2010 Tony Willoughby, Claire Milne and Nick Gardner were appointed to the Appeal Panel

Each of Tony Willoughby, Claire Milne and Nick Gardner (the undersigned, “the Panel”) have individually confirmed to the Nominet Dispute Resolution Service 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.”

This is an Appeal against a Decision at first instance in favour of the Respondent. The Panel was appointed to provide a decision on or before 24 December, 2010. This process is governed by version 3 of the *Procedure for the conduct of proceedings under the Dispute Resolution Service* (“the Procedure”) and the Decision is made in accordance with version 3 of 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>).

4. The Nature of This Appeal:

The Policy §10a provides that: *“the appeal panel will consider appeals on the basis of a full review of the matter and may review procedural matters”*.

The Panel concludes that insofar as an appeal involves matters that are not purely procedural the appeal should proceed as a re-determination on the merits. Accordingly, the Panel does not propose to undertake a detailed analysis of the Expert’s decision and will only refer to the Expert’s decision where the Panel feels it would be helpful to do so.

In addition to the decision under appeal, the Panel has read the Complaint dated 24 August, 2010 (with annexes) and the Appeal Notice submitted to Nominet on 22 October, 2010.

5. Formal and Procedural Issues:

The Complainants seek the permission of the Panel to submit a further submission (exceeding the prescribed word limit) to enable them to deal with

matters raised by the Expert in her decision, but which were not put to the parties.

Had the Panel been minded to dismiss the Appeal, the Panel would have permitted a further submission from the Complainants. As it is, this is not necessary (see below).

6. The Facts:

The Complainants are member companies of the group of companies, which between them operate the internationally well-known Elite model agency, an agency which was founded in 1972.

The Complainants are the registered proprietors of a large number of trade mark registrations of or incorporating the word 'elite' (mainly in stylised form) including *inter alia* French national registration No. 1,662,492 dated 25 September, 1978 'elite Elite Model Management' (a figurative mark) in classes 35, 41 and 42. A representation of the mark is to be found on page 6 of the decision under appeal.

The Domain Name was registered on 30 June, 2005. Since August, 2010 it has been connected to a 1&1 holding page.

On 29 March, 2010 the Complainants' representative wrote to the Respondent drawing the Respondent's attention to the Complainants' rights and seeking transfer of the Domain Name. The Respondent did not respond.

7. The Parties' Contentions:

The Complainants

The Complainants' contentions at first instance are set out in detail in the Expert's decision. In summary they are substantially as follows:

The Complainants have trade mark rights in the word 'Elite', unregistered trade mark rights arising from their use of the term since 1972.

They have registered and unregistered trade mark rights in respect of the term 'Elite Model Management', the earliest trade mark registration of that term being French national registration No. 1,662,492 dated 25 September, 1978 'elite Elite Model Management' (a figurative mark) in classes 35, 41 and 42, and which is depicted on page 6 of the decision under appeal.

The Complainants contend that the combination of the words 'Elite', 'Model' and 'Management' is a combination unique to the Complainants. They contend that the Respondent registered the Domain Name with knowledge of the Complainants' rights.

The Complainants acknowledge that the Respondent's use of the Domain Name is more of a non-use than a use, but they contend that in the hands of the Respondent it nonetheless represents an instrument of deception within the meaning of that term as set out by Aldous LJ in the case of *British Telecommunications plc & ors. V. One In A Million & ors.*

The Complainants levelled a number of other allegations at the Respondent with regard to the latter's abusive intent at time of registration of the Domain Name (e.g. that the Respondent's purpose was to block the Complainants from registering the Domain Name). As the Panel does not find it necessary to address those further allegations, they are not reproduced here.

Much of the Appeal Notice is taken up with a complaint that the Expert relied in her decision upon the results of investigations that she undertook, but which she failed to put to the parties.

The Respondent

The Respondent failed to respond both to the Complaint at first instance and to the Appeal Notice.

8. Discussion and Findings:

The factual background to the reasoning below is to be found in section 6 above.

General

In order for the Complainants to succeed they must (pursuant to Paragraph 2 of the Policy) prove to the Panel, on the balance of probabilities, **both** that:

They have Rights in respect of a name or mark which is identical or similar to the Domain Name; and

the Domain Name, in the hands of the Respondent, is an Abusive Registration as defined in Paragraph 1 of the Policy.

The meaning of 'Rights' is clarified and defined in the Policy in the following terms:

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

If the Complainants satisfy the Panel that they have relevant rights, the Panel must address itself to whether the registration by the Respondent of the Domain Name is abusive.

An Abusive Registration is defined in the Policy as follows:

Abusive Registration means a Domain Name which either:

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 Complainants' Rights; OR

has been used in a manner which took unfair advantage of or was unfairly detrimental to the Complainants' Rights;

The Issues before the Panel

Rights

In the decision under appeal the Expert acknowledges that the longstanding reputation and goodwill of and associated with the Complainants' agency is such that the Complainants have unregistered rights in respect of a name or mark which is similar to the Domain Name. However, she came to the conclusion that the Complainants had no relevant registered right.

Given that the Complainants are the proprietors of the figurative trade mark referred to in section 7 above comprising text reading "elite Elite Model

Management” and that the Domain Name is <elitemodelmanagement.co.uk>, this might appear a somewhat startling conclusion of the Expert.

She appears to have based this view on the following passage in her decision:

“While trademark law extends protection to the distinctive and dominant element of trade marks, figurative marks need to be treated with care, as they rarely grant exclusivity to their word elements. Indeed, the selection of a figurative mark is often to compensate for the presence in signs of words which, alone, would be objectionable as lacking in distinctive character.”

In other words, because the trade mark registration in question is a figurative mark and because the textual elements comprise an arguably unregistrable description made up of dictionary words, the protection provided by registration of the mark does not extend to the words.

In her decision the Expert quoted from the judgment of Jacob LJ in the case of *Phones4u Ltd v. phones4u.co.uk* [2006] EWCA Civ.244), but she did not quote paragraphs 78-80 of his judgment, which are precisely on point:

78. *Finally, suppose the "limitation" is merely a superfluous additional description of the mark; that the registered mark is the logo registered in the colours shown without any limitation of rights. Can one say, because the mark is a logo, moreover, in colour, that the mere words "phone4u.co.uk" cannot infringe? One can heighten the point by asking whether the words "Phones 4u" simpliciter would infringe?*
- 79 *If one were starting trade mark law all over again there would be something to be said for this. If you need to put words in a device to get them registered you ought not to be allowed later (unless there is later acquired distinctiveness) to say the words alone infringe. Putting it another way if you needed a device to get registered only the same or a confusingly similar device should infringe. Here, for instance, when the device was registered the Office clearly regarded the mere words as insufficiently distinctive – even the words in the black and white logo were so regarded. Yet now the mark is registered it is said it covers just that which the Office would not register.*
- 80 *But one is not starting trade mark law now. One has to go by the existing legislation. Once a mark has got on the register, the rights given are those conferred by Art.5 as enacted in s.10 of the UK Act. The only question here is that posed by Art.5(1)(b) – confusing similarity. That involves an overall ("global") comparison of the registered mark with the alleged infringement. If one undertakes that here, a clear, prominent and memorable part of the registered mark is the words as such. It seems inevitable that taking those words as such (or a trivial variant such as phone4u) will cause confusion. So those words would have infringed but for the limitation.*

The Panel is satisfied that the Complainants have both registered and unregistered rights in respect of a name or mark, which is identical or similar to the Domain Name.

Abusive Registration

Accordingly, the Panel now has to focus its attention on whether or not the Domain Name is an Abusive Registration in the hands of the Respondent.

As indicated above, a domain name can be an Abusive Registration either because it was registered with abusive intent or because it has been used in an abusive manner.

The Complainants allege both abusive registration and abusive use, their primary complaint being that the Domain Name is substantially identical to their unique name, the name of the Second Complainant, and will have been selected by the Respondent precisely for that reason and with a view to trading on the back of the goodwill of the Complainants, deceiving Internet users in the process. They contend that visitors to the website to which the Domain Name is connected will be looking for the Complainants. When they arrive at the website they currently find the 1&1 holding page advertising the services of 1&1.

In paragraph 3 of the Policy there are set out a non-exhaustive list of factors which may be evidence that the Domain Name is an abusive registration. The factor closest to this contention of the Complainants is to be found in paragraph 3.a.ii, which reads as follows:

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

As indicated, the current use of the Domain Name is limited to connection of the Domain Name to a 1&1 holding page advertising 1&1’s services. Could this constitute a confusing use for the purpose of paragraph 3.a.ii of the Policy? Here it is helpful to refer to the DRS Experts’ Overview which is to be found on the Nominet website. Paragraph 3.3 reads:

“3.3 Paragraph 3(a)(ii) concerns confusing use of the domain name. What is meant by confusing use?”

The ‘confusion’ referred to in this paragraph of the Policy is confusion as to the identity of the person/entity behind the domain name. Will an Internet user seeing the domain name or the site to which it is connected believe or be likely to believe that “the domain name is registered to, operated or authorised by, or otherwise connected with the Complainant”?

.....

Commonly, Internet users will visit web sites either by way of search engines or by guessing the relevant URL. If the domain name in dispute is identical to the name of the Complainant and that name cannot sensibly refer to anyone else, there is bound to be a severe risk that a search engine, which is being asked for the Complainant, will produce high up on its list the URL for the web site connected to the domain name in issue. Similarly, there is bound to be a severe risk that an Internet user guessing the URL for the Complainant’s web site will use the domain name for that purpose.

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.

Findings of Abusive Registration in this context are most likely to be made where the domain name in issue is identical to the name or mark of the Complainant and without any adornment (other than the generic domain suffix). See for example DRS 00658 (chivasbrothers.co.uk).”

The Expert dismissed the ‘initial interest confusion’ approach on the basis that she is “not a fan of the initial interest confusion doctrine”, that “it is on the retreat in US trade mark law”. On the latter point she cites a Unites States case on nominative fair use. The use being made of the Domain Name (an advertisement for 1&1’s services) has no natural association with the Domain Name and can by no stretch of the imagination be categorised as nominative fair use.

However, as indicated above in the DRS Experts’ Overview, ‘initial interest confusion’ is not the only route to a finding of Abusive Registration under the Policy where the domain name in issue is the complainant’s name.

The <chivasbrothers.co.uk> case there referred to was a case very similar to the facts of this case in that the domain name in issue was the name of the complainant and there was nothing from the respondent to indicate why he had selected that name. In that case, however, no use of any kind was being made of the domain name. The Expert in that case (and a member of the Panel in this case) had this to say:

“Where a Respondent registers a Domain Name:-

1. which is identical to a name in respect of which the Complainant has rights; and

2. where that name is exclusively referable to the Complainant; and

3. where there is no obvious justification for the Respondent having adopted that name for the Domain Name; and

4. where the Respondent has come forward with no explanation for having selected the Domain Name,

it will ordinarily be reasonable for an expert to infer first that the Respondent registered the Domain Name for a purpose and secondly that that purpose was abusive. In this case the Expert draws those inferences.”

Here the Domain Name is in substance identical to the name of one of the Complainants and is very similar to the textual content of a figurative registered trade mark of the Complainants. Moreover, in the view of the Panel (not a view shared by the Expert) it is highly unlikely to have been selected for any reason other than that it is a name of the Complainants.

Here, since the Respondent has not participated in this dispute at any stage, it

is not possible to know with any certainty what were the Respondent's intentions at time of registration of the Domain Name. Nor does the Respondent's use of the Domain Name provide any clues. However, while it is for the Complainants to prove their case, the failure of the Respondent to come forward with an explanation in the face of the allegations very clearly set out in the Complaint and in the Appeal Notice, does entitle the Panel to draw inferences.

In the view of the Panel, whether one adopts the 'initial interest confusion' approach advocated by the Complainants or whether one adopts the <chivasbrothers.co.uk> approach, the overwhelming probability is that the Respondent registered the Domain Name for an abusive purpose, in all probability with the intention of taking unfair advantage of the Complainants' rights.

It is plain from a reading of the decision under appeal that the Expert's views on all aspects of the Complaint were heavily influenced by her view of the strength of the Complainants' trade mark rights (registered and unregistered), which she believed to be very weak. The Panel (in common with the many judicial and quasi-judicial tribunals cited in the Complaint) takes a very different view. In the view of the Panel the evidence supports the proposition that in the market in which it operates (including the readership of fashion magazines), the name of the Complainants' agency is very well-known.

9. Decision

The Panel finds that the Complainants have rights in a name or mark, which is identical or similar to the Domain Name, and further concludes that the Domain Name in the hands of the Respondent is an Abusive Registration. The Panel allows the Appeal and directs that the Domain Name be transferred to the lead Complainant.

Claire Milne

Tony Willoughby

Nick Gardner

Dated: 2 December, 2010