

DISPUTE RESOLUTION SERVICE

D00010363

Decision of Independent Expert

Ascot Freight Ltd t/a Ace Express Group

and

Mr Robert Dickinson

1. The Parties:

Lead Complainant: Ascot Freight Ltd t/a Ace Express Group
Coldwinters
Blakes Cross
Lusk
Dublin
Co. Dublin
Ireland

Respondent: Mr Robert Dickinson
10 Seabury Parade
Malahide
Dublin
County Dublin
EIRE
Ireland

2. The Domain Name(s):

aceexpressfreight.co.uk
aceexpressgroup.co.uk

3. Procedural History:

07 October 2011 13:34 Dispute received
07 October 2011 14:03 Complaint validated
07 October 2011 14:17 Notification of complaint sent to parties
26 October 2011 02:30 Response reminder sent
27 October 2011 13:56 Response received
27 October 2011 13:56 Notification of response sent to parties
01 November 2011 01:30 Reply reminder sent
02 November 2011 15:33 Reply received
02 November 2011 15:33 Notification of reply sent to parties
02 November 2011 15:35 Mediator appointed
07 November 2011 10:00 Mediation started
15 November 2011 14:25 Mediation failed
15 November 2011 14:26 Close of mediation documents sent
18 November 2011 10:31 Expert decision payment received

4. Factual Background

The Complainant is an Irish based freight forwarding business. The Respondent is an ex-employee of the Complainant and is now a director and shareholder of a competing freight forwarding business, Irish Global Logistics, also based in Ireland.

The Complainant trades as "Ace Express Group" and uses www.aceexpressfreight.com for its website address. On 30 November 2009 the Respondent registered the Domain Names, aceexpressfreight.co.uk and aceexpressgroup.co.uk, and subsequently caused them both to resolve to Irish Global Logistics' website.

5. Parties' Contentions

Complainant:

In summary the Complainant says that:

- It commenced trading as Ace Express Freight and has been in operation since 1989. It has grown to become one of Ireland's largest family owned businesses.
- It operates a freight forwarding business worldwide from its head office in Lusk Co. Dublin and also has offices in the UK and currently employs 75 people.
- It has very significant brand awareness within the industry and in particular:

- it sponsors local events such as the "Pro Am" golf tournaments;
 - its vehicles carry its brand name and logo;
 - it has a number of domain names, including aceexpressfreight.com, which it uses for its website and the website address is displayed on all of its livery, headed documentation, advertisements, communications, and billboards etc.;
 - it uses e-Marketing extensively, issuing e-flyers almost weekly to a broad spectrum of customers both within Ireland & the UK; and
 - it also has extensive goodwill associated with its tag line "When Service is Important" which is synonymous with the company.
- The Respondent is a former employee who is now a shareholder and director of a competitor business, Irish Global Logistics. He was one of a number of managers who left the Complainant approximately two years ago and set up Irish Global Logistics.
 - The Respondent caused the Domain Names to resolve to the website of Irish Global Logistics, which is both deceitful and misleading to the Complainant's customers and prospective customers and is negatively impacting on the Complainant's business and goodwill.
 - It has long term relationships with several major UK freight forwarding and transport companies, including Pallex UK, with whom it works when offering overnight services to and from the UK. Pallex UK had been instructed to display aceexpressgroup.co.uk, being one of the Domain Names, on their website as the preferred address for all enquiries by their agents nationwide (almost 100) when arranging deliveries to or from Ireland.
 - Pallex UK's agents would all be fully aware that the Complainant, Ace Express Freight, is the nominated agent to use for all deliveries and collections throughout Ireland and Northern Ireland, and would automatically assume that the information on the Pallex website was correct and have no reason to believe they were being directed to an alternative website that was not the appointed agent of Pallex.
 - As a direct consequence all enquiries for freight movement would have been directed to Irish Global Logistics rather than the Complainant, which is contractually the Irish agent for all deliveries and collections on behalf of Pallex's agents utilising Pallex's service.
 - Pallex UK was not instructed by any representative of the Complainant to use the aceexpressgroup.co.uk Domain Name on its website. After the Complainant made Pallex aware of the issue, Pallex corrected the problem so that the Complainant's aceexpressfreight.com address is now used.

- If you enter www.aceexpressfreight.co.uk into a search engine e.g. Google it will direct you directly into Irish Global Logistics.
- Its customers and website visitors to www.aceexpressfreight.co.uk are being deliberately misled and directed to a competitor site denying them the opportunity to deal with their preferred company i.e. the Complainant.

Respondent:

In summary, the Respondent says in his Response that:

- The suggestion that he has been in any way dishonest, or has contacted any organisation to divert or attempt to divert traffic away from the Complainant, is ludicrous in the extreme.
- He owns dozens of domain names including about a dozen with "ACE EXPRESS" included.
- The Complainant is an Irish firm that hasn't even purchased the Ireland specific ".ie" domain names and if he had intended to deceive he would have acquired that domain name which he could quite easily have done.
- Both the Complainant and the Respondent are Irish based but the Domain Names he owns are not.
- *"The terms "ACE EXPRESS" are generic terms and there are 1000's of companies across the globe using that term."*
- The comments regarding his previous or current employment are entirely irrelevant and not worthy of comment.
- If the current pointing of the Domain Names and other domain names he owns are distracting to the Complainant he would be prepared to re-direct them to another generic holding page.
- The Complainant should take advice on how to secure web traffic using search engines or third party companies which will then ensure that any visitors or prospective clients that for some reason are looking for the Complainant's ACE EXPRESS exclusively, find what they are looking for without delay.

In its Reply, The Complainant said that the Respondent's Response did not address the issue and the suggested re-pointing of the Domain Names to a generic website was unacceptable as it did not address the fundamental issue of harming the Complainant's business through misleading its customers by redirecting enquiries to a competitor website.

6. Discussions and Findings

General

In order to succeed the Complainant must prove, on the balance of probabilities, two matters, i.e. that:

1. The Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Names; and
2. The Domain Names, in the hands of the Respondent, are an Abusive Registration.

These terms are defined in the Nominet UK DRS Policy as follows:

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

The Complainant did not exhibit any samples or other evidence of actual use of the names "Ace Express Group" or "Ace Express Freight" in support of its Complaint, other than attaching two jpeg files showing its logos, shown below.



However, it did refer me to its own website at www.aceexpressfreight.com. That website does show extensive use of both "Ace Express Group" and "Ace

Express Freight". In addition, in his Response, the Respondent did not challenge the Complainant's claim to extensive use and goodwill in the names, as set out in its Complaint.

The definition of "Rights" for the purposes of the DRS makes it clear that it may include rights *"in descriptive terms which have acquired a secondary meaning"*. The Respondent alleges that *"The terms ACE EXPRESS are generic terms and there are 1000's of companies across the globe using that term."*

It is not clear if the Respondent's allegation is that the words "ace" and "express" are each, separately, a generic term or word or if the Respondent is claiming that it is the combination of the words "ace express" that is a generic term. If it is the former, then that is irrelevant as the names or marks in which the Complainant claims to have Rights are the combination of words "Ace Express Group" and "Ace Express Freight". If it is the latter, then the Respondent has not produced any evidence to support that contention and I can see nothing inherent in the term "ace express" to suggest that it is a generic term to describe a freight forwarding service.

Accordingly, I do not accept that the term "ace express" is a descriptive term for a freight forwarding service and, therefore, I do not need to consider whether or not it has acquired a secondary meaning as a result of the Complainant's use of it.

In the circumstances, I find that the Complainant does have Rights in the names "Ace Express Group" and "Ace Express Freight", each being a name or mark which is identical or similar to each of the Domain Names.

Abusive Registration

This is a straightforward case of domain names having been acquired and used in an abusive manner.

The Respondent says that the Complainant is an Irish firm and hasn't purchased the Ireland specific ".ie" domain name(s) for its business, and that if the Respondent had intended to deceive he would have acquired that domain name, which he could quite easily have done. However, it does not matter that the Complainant is an Irish company and the Domain Names are .uk domain names. And it is certainly no defence to the charge of Abusive Registration for the Respondent to plead that, having registered these .uk Domain Names, he stopped short of also registering the equivalent Irish .ie domain names.

The Respondent is an ex-employee of the Complainant and clearly must have had the Complainant in mind when registering the Domain Names, and in those circumstances Paragraph 3. a. i. B and Paragraph 3. a. i. C of the DRS Policy (being factors which may be evidence that the Domain Name is an Abusive Registration) are clearly relevant, i.e.:

Paragraph 3. a. i. B "Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily as a blocking registration against a name or mark in which the Complainant has Rights;"

Paragraph 3. a. i. C "Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily for the purpose of unfairly disrupting the business of the Complainant."

Both Domain Names now resolve to the Complainant's website at www.aceexpressfreight.com, but the Complainant alleges that they had previously resolved to the Respondent's website for his competing business, Irish Global Logistics. In his Response, the Respondent does not deny this, but merely offers to redirect them to resolve to a generic website.

The Complainant says that Pallex UK, one of its UK business partners, had been instructed by someone other than the Complainant to display aceexpressgroup.co.uk, being one of the Domain Names, on its website as the preferred address for all enquiries by its agents when arranging deliveries to or from Ireland. The Complainant is impliedly accusing the Respondent of having been responsible for this. I assume that the Complainant means that Pallex UK was deceived by the Respondent into incorporating on its own website a link to the www.aceexpressgroup.co.uk website in the belief that it was providing its agents with a link to the Complainant's website for the purpose of arranging deliveries to or from Ireland. At the time, that link would have taken Pallex UK's agents to the website of the Respondent's competing business, Irish Global Logistics, and not to the Complainant's website at www.aceexpressfreight.com.

The Respondent denies having done this and says that the suggestion is "*ludicrous in the extreme*". There is no other evidence to support the Complainant's allegation that the Respondent was responsible for the action taken by Pallex UK. In the circumstances, I find that, on the evidence before me, the Complainant has failed to prove that particular allegation. However, it does seem likely that, when using the www.aceexpressgroup.co.uk website address, Pallex UK thought it was providing its agents with a link to the Complainant's website as a means of contacting its contracted partner business for arranging deliveries to or from Ireland. Even if that was just a mistake made by Pallex UK, rather than resulting from deliberate deceitful action by the Respondent, it does demonstrate the likelihood that use of that Domain Name for a website address would confuse people or businesses into believing that the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant.

It seems almost inevitable that some customers and prospective customers of the Complainant who may have been looking for its website could have come across or been directed by search engines to either or both of www.acesexpressfreight.co.uk or www.aceexpressgroup.co.uk. It may well be that anyone who then visited either of those websites in the expectation of finding the Complainant's website would have very quickly realised they had

found a different website for Irish Global Logistics' business. However, the fact that they were directed there as a result of initially having been confused by the similarity of web address clearly makes Paragraph 3. a. ii of the DRS Policy relevant i.e.

Paragraph 3. a. 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."*

Such "initial interest confusion" is generally accepted by Nominet DRS Experts, the members of Nominet's panel of independent adjudicators, as being sufficient to support a finding that such use of a Domain Name by a Respondent is Abusive use for the purposes of the DRS. This is made clear in section 3.3 of the DRS Experts' Overview when it discusses what is meant by confusing use for the purposes of Paragraph 3. a. ii of the DRS Policy. The Overview is published on Nominet's website and is intended to assist all participants or would-be participants in disputes under the DRS Policy by explaining commonly raised issues and how Experts have dealt with those issues to date. At section 3.3 it states as follows:

"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)."

That is precisely the case here.

As mentioned above, the Respondent claims that "ace express" is a generic term(s). If that had been the case then Paragraph 4. a. ii of the DRS Policy, being one of the factors which may be evidence that the Domain Name is not an Abusive Registration, would have been potentially relevant i.e.

Paragraph 4. a. ii *"The Domain Name is generic or descriptive and the Respondent is making fair use of it"*

However, for the reasons outlined above, I do not accept that "ace express" is a generic or descriptive term for a freight forwarding service.

7. Decision

For the reasons outlined above I find that the Complainant has proved, on the balance of probabilities, that it has Rights in respect of the names "Ace Express Group" and "Ace Express Freight", each being a name or mark which is identical or similar to each of the Domain Names, and that each of the Domain Names, in the hands of the Respondent, is an Abusive Registration.

In the circumstances I order that the Domain Names be transferred to the Complainant.

Chris Tulley

16 December 2011

Signed

Dated