

DISPUTE RESOLUTION SERVICE

D00010492

Decision of Independent Expert

Excalibur Communications GB Ltd

and

SafetyNet Systems Ltd

The Parties

Lead Complainant: Excalibur Communications GB Ltd
Dauntsey House
Stonehill Green
Westlea
Swindon
Wiltshire
SN5 7HB
United Kingdom

Respondent: SafetyNet Systems Ltd
Glansig
Llanon
Ceredigion
SY23 5LY
United Kingdom

The Domain Name

excalibur.co.uk

Procedural History

07 November 2011 14:59 Dispute received
09 November 2011 10:58 Complaint validated
09 November 2011 11:03 Notification of complaint sent to parties
17 November 2011 10:00 Response received
17 November 2011 10:00 Notification of response sent to parties
21 November 2011 10:26 Reply received
21 November 2011 10:26 Notification of reply sent to parties
21 November 2011 10:26 Mediator appointed
24 November 2011 09:55 Mediation started
28 November 2011 09:58 Mediation failed
28 November 2011 10:03 Close of mediation documents sent
08 December 2011 01:30 Complainant full fee reminder sent
13 December 2011 10:42 No expert decision payment received
13 December 2011 17:35 No expert decision payment received
14 December 2011 12:35 Expert decision payment received

Factual Background

1. The Complainant is Excalibur Communications GB Ltd (“ECGB”), a company incorporated under the laws of England and Wales on 25 January 2000. It has since traded in the UK under the name ‘Excalibur’, in communications and IT solutions for business. The registrant is Safety Net Systems Ltd (“SNS”). It bought the Domain Name in 2003 and operates a web site at that address, providing information about aspects of the legend associated with the legendary sword “Excalibur” as part, so it says, of a genuine business advertising products associated with that legend. There have been requests

and latterly demands by ECGB made of SNS to sell and transfer the Domain Name, but SNS refused to do so unless ECGB paid it £25,000.

Parties' Contentions

2. The Statements of Case are relatively short and are substantially set out below.

The Complaint

“Excalibur has been the trading name of Excalibur Communication for many years. We have been registered under companies house under this name for 12 years (company number 3912924, see attachment Evidence 2). The name has been on our business material for a number of years and our clients, which includes 5,000 small and medium size business around the country have known and will continue to know us as Excalibur (see attachment Evidence 3 for business materials). We often appear in various press and are quoted for examples please see the following web pages. ...

..... I believe the sole reason for why the owner of “excalibur.co.uk” purchased the domain is for the sole purpose of profiting from by selling the domain on to a company who uses the name Excalibur. This can be seen in the attachment “Evidence 1” in which I asked how much it would cost to purchase the domain and the response was that it would cost £25,000 which clearly identifies that they are interested in making money from the sale. I had sent the request via a different domain so not to appear related to Excalibur and increase the asking price. I have also asked the owner of the domain to transfer the domain to our ownership and that I would pay for reasonable costs and received the response in “Evidence 6”.

Viewing the website there are some short paragraphs of information regarding The Sword Excalibur, The Knights of the Round Table and King Arthur. On the right hand side of the site there is a message which states

'We are restructuring our business. During this period we are open to the possibility of selling the domain excalibur.co.uk to help fund those changes. If you have an interest in purchasing excalibur.co.uk, then please send an email to: sales@safteynet.co.uk'. I do not believe that at any point they have used this site to [sell] any products, services or to promote their business. I have provided a screenshot of the site and this can be found in the attachment 'Evidence 5'.'

The Response

"We did not register excalibur.co.uk to sell it to the complainant or a competitor of the complainant, as a blocking registration against the complainant, or to disrupt the business of the complainant.

We were unaware of the complainant when selecting this domain name from a large list of generic and descriptive domain names that were due to become available to re-register in June 2003. Our motivation to compete for its registration stemmed from the very high levels of recognition this term held and the road map available to us for development. It is also true that by 2003 it was beyond doubt that a domain name comprising a common term like this would hold a value if we ever chose to sell it, but that was not the primary motivation. Indeed, between our registration in 2003 and July 2010, we declined all approaches made for this domain name (see Annex A for example).

"Excalibur" is not synonymous with the complainant. It is used in a myriad of ways that are not influenced by the existence of the complainant in any manner. Chief amongst these are the origin of the term's fame - namely it being King Arthur's magic sword according to legend (see Annex B). There are many people who are interested in the legend and products related to it, an interest that persists due to its retelling in movies, books and games. Our site exists to cater for that.

We supply the information, and third parties provide the related products - in this case by way of contextual advertising (see complainant's evidence 5). We operate many other sites on the same basis, including vikings.co.uk and trojanhorse.co.uk (see Annexes C and D). Whilst our business model may differ from the way the complainant would use the domain name, it is both a legitimate and appropriate use of this domain name.

Companies House shows there have been some 198 companies registered using "excalibur" as the first part of their company name (see Annex E). It is the legend, and the imagery it conjures in the mind of the general public, that has led to so many entities using the term "excalibur" in some way within their trading, often combined with imagery of the legendary sword itself. Given the widespread use, it is clear that just as existing companies were no barrier to the complainant choosing to use "excalibur" as a part of its branding in 2000, their existence did not prevent other parties from using "excalibur" thereafter.

When complainant chose to adopt "excalibur" as a part of their trading name in 2000, they were fully aware that they could never lay sole claim to this term. Nothing changes when this relates to a domain name comprising that term - they are just one of many entities that would like to own and use it. They are not a special case.

Searching Google yields further proof of just how widespread and diverse the use of "excalibur" is, with some 3 million results if limited to UK sites (see Annex F) and some 40 million results if the search is widened to the whole of the web (see Annex G). Of note is that our site is prominent within the first page of both searches, complainant is not visible in either.

Complainant was made aware of the extent of this third party usage in my email of 3 November 2011 (see complainant's Evidence 6).

When looking at the volume of Google searches internet users are making for terms containing "excalibur", "excalibur sword" is the fifth most popular

search term (see Annex H). There are no compound terms that suggest internet users are searching for the complainant in any volume.

In complainant's submission, they state that they currently have 5,000 small and medium sized businesses as customers. This equates to around 0.1% of the total number of UK small and medium sized enterprises (see Annex I). It should come as no surprise that we were unaware of their existence prior to their contacting us.

Our records show that the first contact from complainant was not the emails evidenced in the complaint. We received an email from Danica Smith, Marketing Executive at Excalibur Communications, in August 2010 asking:

"We would be interested in purchasing the domain Excalibur.co.uk. How much would you want for the domain?"

Danica was furnished with our then standard reply and asking price (see Annex J). Complainant lists our being willing to sell the domain name for £25,000 in response to their covert October 2011 email as evidence of an abusive registration. Section 4d of the DRS policy itself makes it clear that reselling domain names for profit is not inherently abusive:

"[4] d. Trading in domain names for profit, and holding a large portfolio of domain names, are of themselves lawful activities. The Expert will review each case on its merits."

as does the mercer.co.uk DRS appeal (DRS0000373):

"The indication on the Respondent's website that the Respondent was willing to sell the Domain Name for a sum in excess of its registration expenses is of itself of no assistance to the Complainant. Trading in domain names for profit is a well-established business and unexceptionable. To get off first base the Complainant must

ordinarily at the very least produce something to show that the Respondent had (or is likely to have had) the Complainant in mind at the relevant time. Even then, that may not be enough in all cases to demonstrate an abusive intent, but it will ordinarily be an essential pre- requisite.”

Given the descriptive nature of the domain name, the number of parties using "excalibur" within their commercial operations and the lack of barriers to future users, we believe the price is a realistic reflection of where this domain name sits in the market (see Annex K). It would not make commercial sense to ignore these facts when pricing the domain name or assessing complainant's offer of "reasonable costs incurred".

Following our July 2010 decision to actively consider selling our domain names, we have had interest from 5 different parties and declined several offers for excalibur.co.uk, including an offer of £5,000 (see Annex L). We have been consistent in our asking price to all of those parties, including the covert approach by complainant.

Complainant shares usage of the term "excalibur" with a very large number of third parties and has no exclusive rights to use the term or to prevent others from using the term. Neither our usage of excalibur.co.uk nor our willingness to consider its sale are abusive.”

The Reply

“In paragraph 2 they say that they have declined all approaches for the domain until July 2010. Yet just 1 month later they decided to allow this domain to be sold for £25,000 (as per Respondent Annex-J). I find it strange that the first email from the company I work for resulted in a request for £25,000. They have also only provided evidence of 1 declined example.

In paragraph 5 they say that there are 198 companies registered using the name “Excalibur” (as per Respondent Annex-E). After reviewing the

document provided by the respondent (Respondent Annex-E) there are only 39 not 198 companies registered with “Excalibur” in the name and 18 of these are either dissolved or in liquidation leaving just 21 trading companies.

In paragraph 7 they state that there are 3 million results in Google (UK limited) if you type “Excalibur” and they feature on the top page. This cannot be taken into account as Google search results are not just based on content only but a raft of items one of which is the domain name matches the search criteria. To prove this if you search for “Excalibur sword” which is the main item on the <http://www.excalibur.co.uk> they don’t appear on the first page 10 pages Please see attachment “Evidence 1”.

In paragraph 9 they state that Google searches the fifth most searched term with the word “Excalibur” is “Sword”. With the evidence in attachment “Evidence 1” it is clear that they are not finding their way to the respondent’s site.

In paragraph 10 they state that we only have around 0.1% of UK small and medium size businesses. If the domain is merely about how many companies we work with then please can the respondent provide details on how many small and medium size businesses they have?

In paragraph 11 they state that I was not the first person from Excalibur to communicate regarding the domain. I was unaware of this communication. I have only been with the company for 3 months and Danica Smith had left prior to me starting.

In paragraph 16 they state that they have had offers from 5 different parties and they have been consistent is their request for £25,000 and they have declined all 5 offers included one documented in respondents Annex L. Can they please provide evidence of all 5 and contact details so these can be verified. I would be particularly interested in the dates of these communications to confirm if they were all indeed after July 2010.”

Non-Standard Submission

3. SNS sought to introduce a Non-Standard Submission addressing points raised in the Reply, pursuant to paragraph 13b of DRS Procedure. To justify admission of that material, it is required to explain in a single paragraph why there is an 'exceptional need' for the material to be considered. SNS says that the exception arises because, -

“Complainant has used their ability to respond, not to address new matters, but to shed doubt on the accuracy and truthfulness of our response. Their response contains inaccuracies and elements that I feel unfairly prejudice this procedure by innuendo if allowed to go unanswered. ...”

This does not create an exceptional need to admit the material. A Reply is supposed to engage matters raised in a Response and not to introduce new matters. A Reply will often cast doubt on factual matters alleged in a Response. Thus, the Expert refuses to accept the Non-Standard Submission.

Discussions and Findings

4. ECGB is required under subparagraphs 2a. and 2b. of the Policy to prove to the Expert on the balance of probabilities that: -
 - 4.1 it has Rights in respect of a name or mark which is identical or similar to the Domain Name; and
 - 4.2 the Domain Name, in the hands of the Respondent, is an Abusive Registration.

Rights

5. By paragraph 1 of the Policy, -

“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. Registration under the Companies Acts does not create Rights, even though there are statutory provisions directed at changing the name of a company because of a similarity in name to a registered company.
7. The Rights in question can only be those under the law of passing off. ECGB has produced articles of various dates in 2010 and 2011 in the mobile phone trade press, which indicate that it has a business in particular areas of the telecommunications market serving commercial enterprises, which has commonly been known as “Excalibur”, and sometimes “Excalibur Communications”. An article of 18 July 2011 reported that the company was to rebrand itself as “Excalibur 2.0” following the sale of two businesses, a vehicle tracking business and an online distribution business of some kind which had a reported turnover of £1M. The company was due to close various ‘satellite offices’ and to concentrate on business along the M4 corridor, maintaining offices at Swindon, Chertsey and Basildon. The Complaint has not suggested that these changes did not take place or that matters reported in the articles as relating to ECGB were anything other than true and the Expert finds that they are. ECGB says that it is known as “Excalibur” by its clients and its office stationery bears the name “Excalibur”. The rebranding is likely to have reinforced the company’s reputation as “Excalibur”.
8. ECGB has demonstrated sufficient goodwill necessary for a claim in passing off. However, it must also show that it has traded under a name which is distinctive of its services among the relevant section of the public, being the clients and prospective clients of ECGB. The Expert notes that there is

another registered company named “Excalibur Communications Ltd”. No information has been provided by ECGB in relation to this company. Nonetheless, on the evidence the Expert finds that the name “Excalibur” is probably distinctive of the services of ECGB and that it has sufficient goodwill and reputation in the word “Excalibur” to found a claim in passing off.

9. Thus, ECGB has Rights in a name or mark, namely “Excalibur”, which is identical or similar¹ to the Domain Name.

Abusive Registration

10. The material parts of the Policy provide as follows, -

“1. Definitions

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 other 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 has taken unfair advantage of or has been unfairly detrimental to the Complainant’s Rights.”*

.....

3. Evidence of Abusive Registration

- a. A non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration is as follows:-*
 - i. Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily:
A. for the purposes of selling, renting or otherwise transferring the Domain Name to the Complainant or to a competitor of the Complainant, for valuable consideration in excess of the Respondent’s documented out-of-pocket costs directly associated with acquiring or using the Domain Name*

¹ The upper case ‘E’ for “Excalibur” is a minor but immaterial difference to the lower case “excalibur” in the Domain Name.

- B. as a blocking registration against a name or mark in which the Complainant has Rights; or
- C. for the purpose of unfairly disrupting the business of the Complainant.
- 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 to, the Complainant.’
-
- b. Failure on the Respondent's part to use the Domain Name for the purposes of email or a web site is not in itself evidence that the Domain Name is an Abusive Registration.
- c.

4. How the Respondent may demonstrate in its response that the Domain Name is not an Abusive Registration.

- a. A non-exhaustive list of factors which may be evidence that the Domain Name is not an Abusive Registration is as follows:
 - i. Before being aware of the Complainant's cause for complaint (not necessarily the 'complaint' under the DRS), the Respondent has:
 - A. used or made demonstrable preparations to use the Domain Name or a domain name which is similar to the Domain Name in connection with a genuine offering of goods or services;
 - B. been commonly known by the name or legitimately connected with a mark which is identical or similar to the Domain Name; or
 - C. made legitimate non-commercial or fair use of it.
 - ii. The Domain Name is generic or descriptive and the Respondent is making fair use of it
 -
- d. Trading in domain names for profit, and holding a large portfolio of domain names, are of themselves lawful activities. The Expert will review each case on its merits.
- e. Sale of traffic (i.e. connecting domain names to parking pages and earning click-per-view revenue) is not of itself objectionable under the Policy. However, the Expert will take into account:

- i. the nature of the Domain Name;*
- ii. the nature of the advertising links on any parking page associated with the Domain Name; and*
- iii. that the use of the Domain Name is ultimately the Respondent's responsibility."*

11. As the Policy provides, a domain name may be an Abusive Registration because it was registered with abusive intent or because it has been used in an abusive manner.
12. ECGB relies on the former. The relevant part of the Complaint states, "*the sole reason for why the owner of "excalibur.co.uk" purchased the domain is for the sole purpose of profiting from by selling the domain on to a company who uses the name Excalibur*". In fairness to ECGB, the breadth of its Complaint is fairly to be taken as being wider, as recognised by SNS in the first paragraph of the Response, i.e. encompassing each of the matters specified in paragraph 3a.i. of the Policy.
13. The Appeal Panel in DRS 04331 *verbatim.co.uk* determined that, for a complaint to succeed, -

"the Complainant must satisfy the Panel, as an opener, that the Respondent was aware of the existence of the Complainant or its brand at the date of registration of the Domain Name or at commencement of an objectionable use of the Domain Name."

The Expert adopts this approach in this case, noting what was observed by the Appeal Panel in DRS 03733 *mercero.co.uk*, that the requirement of prior knowledge on the part of the registrant is ordinarily required. In that case it was alleged (among other things) that the registrant had bought the domain name to profit from it but it was not shown that the registrant had the Complainant in mind at the time of registration. The Appeal Panel in *mercero* pointed out that there was nothing objectionable about trading in

domain names. The Complaint failed. There is no reason in this case to disapply the general approach to prior knowledge identified in *verbatim*.

14. ECGB has not alleged that SNS was aware of it or its brand when it acquired the Domain Name, which was in 2003. Of course, where a registrant denies all knowledge of a Complainant or its brand, that denial would not necessarily be an end of the matter, because the Expert has to make a finding of fact about the denial. Although the Complainant has not alleged that SNS was so aware, SNS has denied that it had any relevant awareness and gives an explanation as to how it came to select the Domain Name and secure its registration. The Expert accepts that explanation, being inherently credible. Further, there is no evidence of any prior contact between the parties. ECGB's "Excalibur" brand is not a well-known brand like Coca-Cola and ECGB itself did not make an allegation in the complaint that SNS was aware of ECGB or its brand "Excalibur" at the time of registration.
15. Thus, SNS was unaware of the Complainant when selecting the Domain Name from a large list of generic and descriptive domain names that were due to become available for re-registration in June 2003. The motivation of SNS to compete for the registration of the Domain Name stemmed from the very high levels of recognition this term held and the potential SNS saw in the name. It is also true that SNS was aware by 2003 that a domain name comprising the word 'Excalibur' would have some value if the company ever chose to sell it, but that was not the primary motivation for acquiring the Domain Name.
16. SNS first became aware of ECGB from the latter's email of 26 August 2010 in which it asked whether SNS would be prepared to sell the Domain Name. The Expert accepts that prior to that time there had been a genuine commercial use of the Domain Name through the web site operated by SNS and that before August 2010 the company decided to invite offers for sale of the Domain Name as part of a 'restructuring' of the business. The business consists, or at least consisted, of the provision of advertising for

products associated with the legends associated with Excalibur. SNS has similar 'themed' advertising businesses, such as a Vikings business, operated from vikings.co.uk. The Vikings business advertises products such as a film 'The Vikings' starring Kirk Douglas and a book titled 'Asterix and the Vikings'. The web page relating to the Domain Name refers to 'Excalibur videos' and 'King Arthur' videos.

17. ECGB challenges the assertion of SNS that it declined all approaches for the Domain Name between re-registration in 2003 and July 2010. The suggestion is that this part of SNS's case is untrue, because only one example of a refusal to sell has been given and because only a month later, in August 2010 they were asking £25,000 for the name.
18. The example of a refusal to sell produced by SNS is an email dated 22 January 2005 in which it states in response to a third party inquiry, "*We have no plans to sell excalibur.co.uk*". The Expert is satisfied that at this stage, at least, SNS did not have plans to sell the Domain Name.
19. SNS has accepted that on acquiring the Domain Name it was aware that it would have some value, but that awareness was based on the possibilities of what is a dictionary word. The Expert accepts SNS's case that it was first motivated to sell in July 2010. Even if it was earlier, this would not affect the findings made above: that SNS acquired the Domain Name without being aware of ECGB or its brand "Excalibur" and that it developed a genuine business based on the name "Excalibur" before becoming so aware, while remaining alive to the inherent value in the name should it ever wish to sell it. The fact that SNS was prepared to sell the Domain Name to ECGB for £25,000 (i.e. a sum in excess of out-of-pocket costs of acquisition) once aware of ECGB is not abusive in view of the factual background as the Expert has found it to be and the fact that trading in domain names is not inherently abusive, as recognised by paragraph 4d. of the Policy. That SNS made the same offer about a year later in response to ECGB's covert approach indicates that its commercial conduct with respect

to the Domain Name is not directed at the Complainant, let alone in an abusive manner.

20. Both sides have explored in some detail the Google rankings of “Excalibur” and related words such as “Excalibur sword”, seeking to make play of the presence or absence of either side in the rankings. The PageRank link analysis algorithm is complex and a website’s PageRank is open to a number of interpretations.
21. However, the Google searches do indicate that the word “Excalibur” has not acquired an overwhelming secondary meaning referring to the services or business of ECGB. The items revealed on the UK Google search in particular include matters as disparate as solicitors, kitchens, computer software, publishing, flight systems and fund managers, all associated with the word “Excalibur”. There appears to be a .com registration for “Excalibur” dealing with an aspect of the television market. The search also shows a novel related to the legend of Excalibur, offered for sale by Amazon.
22. The 22 companies registered at Companies House² include the word “Excalibur” in their names in apparent connection with many different fields of commercial activity, including construction, cleaning, consultancy and management, to name but a few.
23. The Appeal Panel in DRS 04884 *maestro.co.uk* stated, -

“Where a domain name is a single ordinary English word, the meaning of which has not been displaced by an overwhelming secondary meaning, the evidence of abuse will have to be very persuasive, if it is to be held to be an Abusive Registration under the DRS Policy.”
24. This is a case where a registrant has chosen a dictionary word, recognising its potential value and has run a business based on it. The Complainant has chosen the same dictionary word as the name of its business. Whereas the

² This figure excludes ‘Excalibur’ companies described in the Register as having been dissolved or in liquidation

Complainant has established Rights, it is, in common with many other traders in differing markets in the UK, making a commercial use of the name “Excalibur” as part of its business³.

25. The Complainant is trading in a separate market from the registrant. There has been no attempt by SNS to run its business in such a way as to suggest some connection with ECGB through the web site hosted at the Domain Name, or otherwise. SNS had not even heard of, let alone have ECGB in mind, when it registered the Domain Name. As paragraph 4d. of the Policy indicates, trading in a domain name is not unlawful and taking into account all the relevant facts of this case, this is not a case where the registration of the Domain Name has taken unfair advantage of or was unfairly detrimental to the Complainant’s Rights within the meaning of paragraph 1 of the Policy.

Decision

26. The Complainant has established on the balance of probabilities that it has Rights in respect of a name or mark which is identical to the Domain Name. However it has failed to establish that the Domain Name, in the hands of the Respondent, is an Abusive Registration. The Complaint therefore fails and is dismissed.

Signed: Stephen Bate

Dated: 9 January 2012

³ The fact that ECGB has Rights in the name “Excalibur” does not mean that it has a commercial monopoly on use of the word “Excalibur”. Rights in passing off are more limited: they serve to grant protection to a trader against any misrepresentation that his goods or services are those of another trader.