

DISPUTE RESOLUTION SERVICE

D00010778

Decision of Independent Expert

Cosmetic Research Group

and

Brainfilled Solutions LLC

1. The Parties:

Complainant: Cosmetic Research Group
Les Algorithmes
2000 rte des Lucioles Bât A - BP29 - 06901
SOPHIA-ANTIPOLIS
Cedex
France

Respondent: Brainfilled Solutions LLC
250 Chemin de la Jaine Haute
Mougins
Alpes Maritimes
06250
France

2. The Domain Name:

institutsoskin.co.uk

3. Procedural History:

20 January 2012 11:26 Dispute received
20 January 2012 12:02 Complaint validated
20 January 2012 12:07 Notification of complaint sent to parties

26 January 2012 10:17 Response received
26 January 2012 10:17 Notification of response sent to parties
31 January 2012 01:30 Reply reminder sent
01 February 2012 13:49 Reply received
01 February 2012 13:49 Notification of reply sent to parties
01 February 2012 13:54 Mediator appointed
06 February 2012 11:46 Mediation started
02 April 2012 12:38 Mediation failed
02 April 2012 12:38 Close of mediation documents sent
05 April 2012 15:50 Expert decision payment received

Jon Lang was appointed as Independent Expert as of 13 April 2012 and confirmed to Nominet that he was independent of the parties and knew of no facts or circumstances that might call into question his independence in the eyes of the parties.

4. Factual Background

The Complainant is a French registered company. It was established in 1997, and specialises in the development and production of skin care products. Soskin is the name given to the Complainant's flagship range of products.

The domain name in dispute, institutsoskin.co.uk (the 'Domain Name'), was registered by Brainfilled Solutions LLC (the Respondent) on 31 March 2009.

The Complainant is the registered proprietor of various trade mark registrations around the world for the mark SOSKIN in various classes e.g. Community Trade Mark Registration No. 4669751, filed on 6 October 2005. It also has its own on-line presence at www.soskin.fr and www.soskin.eu.

The author of the Response to the Complaint is a Mr John Miller. John Miller signed a licence agreement in 2007 on behalf of Aesthetimed (France) Ltd ('AES'), whereby a licence was granted by the Complainant to AES *'for the use of the SOSKIN trademark for the creation of a chain of beauty institutes or spas bearing the name INSTITUT SOSKIN, distributing the Products of the Trademarks;'*. The address of John Miller, as recorded in the licence agreement, which also suggests that he is the CEO of AES, is 250 Chemin de la Jaine Haute, 06250, Mougins, France i.e. the same address as the Respondent.

The licence agreement came to an end in 2011. Article 11 of the licence provided that *'In the event of termination of this Licence, it is hereby specified that the use of the name of the SOSKIN trademark is no longer granted to AES as from the end of the notice period.'*

5. Parties' Contentions

A preliminary matter - the Relationship of the Respondent to the Complainant and AES, and the underlying dispute between the Complainant and AES

It appears that John Miller is or was the CEO of AES. He also appears to be very much involved with the Respondent (as a Google search carried out by the Complainant suggests). He is also the author of the Response. However, the precise nature of the relationship between AES, John Miller and the Respondent is not entirely clear. What is clear though is that the Complaint arises out of the relationship between the Complainant and AES (as opposed to the Respondent), which both the Complainant and Respondent appear to acknowledge ran into difficulties. Whilst this background cannot be ignored entirely, disputes under Nominet's Dispute Resolution Policy (the Policy) must be decided by reference to the terms of the Policy, rather than the merits of any underlying dispute between the parties or others connected with one or both of the parties. Accordingly, only limited reference will be made to the underlying dispute when summarising the contentions of the parties and generally.

The Contentions of the Complainant

- The Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name given that it contains the mark SOSKIN.
- The Domain Name has been used by the Respondent in a manner which takes unfair advantage of and is detrimental to the Complainant's earlier rights.
- The website associated with the Domain Name offers for sale a range of cosmetic products, including SOSKIN products.
- At the time of registration of the Domain Name there were distribution and licence agreements in place between the Complainant and AES. These agreements came to an end in April 2011 by way of letter (dated 11 April 2011) from the Complainant terminating the arrangements.
- Subsequently the existence of the Domain Name, and the domain name www.institutsoskin.com, the subject of a separate complaint, came to the Complainant's attention. The Complainant has been informed that the owner of the domain name, institutsoskin.com is John Miller.
- The continued use of the mark SOSKIN in the Domain Name causes confusion as to the identity of the entity behind the Domain Name and associated website, and misrepresents that the Domain Name and the website it is associated with and the goods and services offered thereon, originate from, are associated with, or are authorised by the Complainant. The Internet user seeing the Domain Name will believe or be likely to believe that it is registered to, operated or authorised by, or otherwise connected with the Complainant.

- Accordingly, the Domain Name is being used by the Respondent in a manner which takes unfair advantage of and is detrimental to the Complainant's earlier rights and, as such, is an Abusive Registration for the purposes of the Policy.
- Registration of the Domain Name and operation of the associated website is by John Miller of AES.

The Contentions of the Respondent

- The Respondent refers to the investment of AES in developing a concept of distribution for three brands belonging to the Complainant, including SOSKIN, and the concept 'Institut SOSKIN' and provides considerable detail as to the various disputes that arose between AES and the Complainant.
- The Respondent alleges that the Complainant played no part in the development of the concept 'Institut SOSKIN' and contends that it had no presence in the UK market other than through AES.
- The Respondent states that the Complainant has failed to protect its brand SOSKIN in other circumstances.
- The Respondent also states that the Complainant is welcome to make an offer to purchase the Domain Name.

The Complainant's Reply to the Response of the Respondent

- The Complainant notes that the Response deals with the grievances of AES, which is not the Respondent, and no attempt has been made to explain the connection of AES to the Respondent or why the Domain Name was registered in the name of the Respondent.
- The Complainant has never had a business relationship with the Respondent or authorised it to use the trade mark SOSKIN and therefore the contentions in the Response should be disregarded.
- In any event, the Complainant contends that the majority of the points made in the Response are not relevant to the Complaint even if the relationship between the Respondent and AES were to be explained given that AES's use of the SOSKIN trade mark was under a licence which has been terminated.
- Any goodwill accrued in the name SOSKIN in the UK by AES remains with the Complainant and, pursuant to Article 11 of the licence agreement, following termination, AES no longer has the right to use the SOSKIN trade mark

- The French word “Institut” (“Institute” in English), is entirely descriptive and, therefore, AES’s use of the term “Institut Soskin” is a clear infringement of the Complainant’s Community Trade Mark Registration No. 004669751.
- Following termination of the agreement with AES, it is open to the Complainant to appoint a new licensee/distributor in the UK but it is unable to do so whilst the Respondent or AES is still using the SOSKIN trade mark.
- The Complainant is not opposed to purchasing the disputed domain name, provided that the proposed price is no higher than the basic purchase price of a .co.uk domain name.

6. Discussions and Findings

Under the provisions of the Policy, for a Complaint to succeed, a Complainant is required to prove, on the balance of probabilities, that it has Rights in respect of a name or mark which is identical or similar to the domain name in issue and that the domain name in the hands of the Respondent is an Abusive Registration. Both elements are required.

Complainant’s ‘Rights’

The meaning of ‘Rights’ is defined in the 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’.*

The Complainant enjoys registered (and no doubt unregistered) rights in the mark, SOSKIN. It has several trade mark registrations for “SOSKIN” throughout the world.

The Domain Name encapsulates the Complainant’s mark “SOSKIN” in its entirety. Although it is the second word in the Domain Name, it is likely to be regarded as the dominant element, given that the first word is the generic term ‘instiut’ (‘institute’ in English). In any event, the Complainant’s mark and Domain Name are similar.

Accordingly, the Expert is satisfied that the Complainant has Rights in a name or mark that is similar to the Domain Name.

The Expert must now therefore consider whether the Domain Name is an Abusive Registration in the hands of the Respondent.

Abusive Registration

Paragraph 1 of the Policy defines Abusive Registration as a domain name which was either *‘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 which 'has been used in a manner which has taken unfair advantage of or was unfairly detrimental to the Complainant's Rights;'.

The best guide as to what might constitute an Abusive Registration is contained in paragraph 3(a) of the Policy. It contains a non-exhaustive list of factors which may indicate that a domain name is an Abusive Registration. Such factors include circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily for the purposes of selling, renting or otherwise transferring the Domain Name to the Complainant (or a competitor) for valuable consideration in excess of the Respondent's out-of-pocket costs; as a blocking registration against a name or mark in which the Complainant has rights; or for the purpose of unfairly disrupting the business of the Complainant.

Other factors suggesting an Abusive Registration include the Respondent 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.

A non-exhaustive list of countervailing factors is set out in paragraph 4 of the Policy. This paragraph contains the best guide as to what does not constitute an Abusive Registration. It includes factors such as the respondent, before being aware of the Complainant's cause for complaint, *'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'* or has *'been commonly known by the name or legitimately connected with a mark which is identical or similar to the Domain Name'* or has *'made legitimate non-commercial or fair use of the Domain Name'*.

Discussion

The Domain Name incorporates the Complainant's mark and is likely to be regarded as its dominant element, being a mark of some fame placed after a common generic term. There is clearly a likelihood that Internet users will be confused into believing that the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant.

Even if, once the Internet user arrives at the website to which the Domain Name resolves, they immediately realise, perhaps because third party products are also available on or through the website, that it is not the website of the Complainant, the fact that there has been this initial confusion, or 'initial interest confusion' as it has come to be known, can provide a basis for a finding of Abusive Registration. As paragraph 3.3 of the Nominet DRS Expert Overview puts it:

'..... 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.

On the face of it therefore, absent any persuasive countervailing factors, there are grounds for a finding of Abusive Registration on the basis that the Respondent is using 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. In these circumstances it is unnecessary to go on to consider whether there might be any alternative grounds for such a finding.

The Complainant having established that the Respondent has a case to answer, the Expert must now examine whether the Respondent has an answer to the case.

Such an examination invariably involves a review of Paragraph 4 of the Policy referred to earlier, as it is that paragraph which sets out matters which, if established to the satisfaction of the Expert, are likely to be regarded as a satisfactory answer to the Complainant’s case. Given that the matters set out therein are not exhaustive, the Panel is entitled to examine any suggested countervailing factors raised by the Respondent. However, they must be matters that are relevant to the Respondent, not a hypothetical respondent or third party, for as paragraph 2 of the Policy makes clear, an Expert must consider the question of Abusive Registration by examining the “*..Domain Name, in the hands of the Respondent...*”.

What is surprising therefore is that the Respondent, although lodging a Response, has made no attempt to answer the Complainant’s case by seeking to justify its use of the Domain Name (as opposed to that of a third party). Moreover, there has been no reference to the framework within which the Complaint must be decided i.e. the Policy. Instead, the Respondent has focused on the relationship between the Complainant and AES (without explaining the relation of AES to the Respondent) and appears to suggest, although it is not entirely clear, that AES has or had rights in, or to use the name ‘Institut Soskin’ regardless of the Complainant’s rights in SOSKIN. It also makes a point about the Complainant failing to protect its brand in other circumstances.

Absent any evidence of legitimate use by the Respondent itself, or as to the relationship between the Respondent and AES, it is difficult to consider whether it (the Respondent) has an answer to the Complaint. If matters stopped there, the inevitable conclusion would be that Abusive Registration had been made out by the Complainant. However, even if one were to assume that the Respondent was no more than a mere nominee for AES, and take into account the relationship between AES and the Complainant, and its breakdown, the position is likely to be the same. Whilst, as made clear earlier, the fact that a respondent has *‘been commonly known by the name or*

legitimately connected with a mark which is identical or similar to the Domain Name may be an answer to a Complaint, it is not conclusive. As paragraph 4.5 of the Nominet DRS Expert Overview puts it:

'If a Respondent can demonstrate that it has at one time been "legitimately connected with a mark which is identical or similar to the domain name" under paragraph 4(a)(i)B, will that be enough to defeat the complaint?

Not necessarily. Note the word 'may' in the first line of paragraph 4(a) of the Policy. That fact may or may not be sufficient to defeat a complaint based upon the Respondent's intent at time of registration of the domain name in issue, but if the complaint is based upon an abusive use of the domain name, the fact that the Respondent was at one time known by the name may have no bearing at all on whether or not the complaint should succeed.'

Thus, even if the Respondent could have justified registration by reference to the 2007 licence agreement, that would not necessarily provide an answer to the Complaint. The Complainant's contention that pursuant to Article 11 of the licence agreement, following termination, AES no longer has the right to use the SOSKIN trade mark, has not been addressed or challenged by the Respondent. There is therefore no reason for the Expert not to place reliance upon it. Accordingly, even if there were a pre-existing 'legitimate connection' between the Respondent, as AES's nominee and the Complainant's mark SOSKIN, given the position in relation to Article 11 and the Expert's findings in relation to confusion, even approaching this Complaint on the basis of the Respondent being a mere nominee for AES, a finding of Abusive Registration would appear inevitable.

In all the circumstances, the Expert finds that there is sufficient evidence to support a finding of Abusive Registration.

7. Decision

The Expert finds that the Complainant has Rights in a name or mark that is similar to the Domain Name and is satisfied on the evidence before him that the Domain Name in the hands of the Respondent is an Abusive Registration. Accordingly, the Expert directs that the Domain Name, <institutsoskin.co.uk> be transferred to the Complainant.

Signed Jon Lang

Dated 26 April 2012