

Dispute Resolution Service

DRS11191

Decision of Independent Expert

TaxAssist Direct Limited

and

Mr James Clifton

1. Parties

Complainant : TaxAssist Direct Limited
Stonecroft Chambers,
Somerton Road,
Ardley
Bicester
Oxon
OX277PF
United Kingdom

Respondent : Mr James Clifton
6 Orange Row
Brighton
BN1 1UQ
United Kingdom

2. Domain Name

taxassist.me.uk (the "Domain Name")

3. Procedural Background

On 10th April 2012 the Complaint was lodged with Nominet UK Limited (“Nominet”) and on 11th April 2012 it was validated. Also on 11th April 2012 Nominet sent the notification of the complaint letter to the Respondent by e-mail and post, advising him to log into his account to view the details of the Complaint and giving him 15 working days within which to lodge a Response on or before 2nd May 2012.

The Respondent replied on 25th April 2012. On 25th April 2012 Nominet informed the Complainant that the Response was available to be viewed via the Complainant’s online services account and inviting it to reply to the Response on or before 2nd May 2012. On 30th April 2012 Nominet informed the Respondent that the Reply was available to be viewed via the Respondent’s online services account. Mediation documents were generated for the Complaint and mediation commenced on 16th May 2012. Mediation was unsuccessful and concluded on 20th June 2012.

On 26th June 2012 the Complainant paid the appropriate fee for a Decision to be made by an Expert pursuant to paragraph 6 of Nominet’s DRS Policy (“the Policy”). On 26th June 2012 Mr. Niall Lawless (“the Expert”) was selected and on 29th June 2012 was formally appointed to act as Expert in this dispute, having confirmed that he knew of no reason why he could not properly accept the appointment and knew of no matters which ought to be drawn to the attention of the parties which might appear to call into question his impartiality and -/- or independence. I am required to give my Decision by 20th July 2012.

4. Outstanding Formal -/- Procedural Issues

There are no outstanding formal or procedural issues.

5. Factual background

The Complainant, TaxAssist Direct Limited, a UK company registered in 1995 is a franchisor of accounting services. It operates through a network of 220 accountants’ offices serving approximately 40,000 companies and individuals with accountancy advice. The Complainant has used the brand “TAXASSIST” since 1995, and it is the proprietor of trademark registrations such as TaxAssist; TaxAssist Accountants; TaxAssist Direct; and Tax Assist Direct The Accountancy and Tax Service for Small Business.

It controls a range of domain names including taxassist.co.uk; taxassist.com; taxassist.net; taxassistaccountants.co.uk; taxassistaccountants.com; taxassistaccountants.info and taxassist.info.

On 6th April 2011 Respondent, a UK Individual registered the Domain Name.

The Complainant seeks transfer of the Domain Name.

6. The Parties' contentions

The Complainant

The Complainant says that the Domain Name controlled by the Respondent is an Abusive Registration under Nominet's Dispute Resolution Service Policy (the "Policy") because:-

- an Abusive Registration is where the Domain Name was registered 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. On the 7th March 2012, the Respondent offered a "conditional agreement" whereby in return for the Complainant paying him "the nominal sum of £2,500" the Domain Name could be registered in the Complainant's name. The Complainant says this is evidence of Abusive Registration.
- the Domain Name is being used as an advertising website that drives users to third parties, for example on 5th April 2012 two of the parties listed were Dunelm Mill and Regal double glazing.
- the registration of the Domain Name which is identical to the sign "TaxAssist" in which the Complainant owns goodwill is passing off.

The Respondent

The Respondent says that :-

- the Domain Name was purchased in error.
- when he offered the "conditional agreement" and the Complainant did not respond he gained permanent and irrevocable lawful estoppel by acquiescence due to the Complainant's dishonour.
- if he enjoys a contractual agreement with Nominet it will be honoured.
- there is no ultimate recourse to a court of law because there is no controversy on which it could adjudicate.

7. Discussions and Findings

7.1 General

The Policy requires that for a Complaint to succeed the Complainant must prove to the Expert on the balance of probabilities that:-

- i. the Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name; and
- ii. the Domain Name, in the hands of the Respondent, is an Abusive Registration.

Rights include, but are not limited to, rights enforceable under English Law.

In order to show that the Domain Name is an Abusive Registration, the Complainant must prove that the Domain Name either:-

- i. 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.

The Complainant is required to prove to the Expert that the Complainant has Rights and that the Domain Name in the hands of the Respondent is an Abusive Registration; both elements must be present.

7.2 Complainant's Rights

The Complainant's "TAXASSIST" brand offered as "Taxassist Accountants" enjoys widespread editorial content in national and local newspapers in Northern Ireland and the UK; for example in the Belfast Telegraph, the Daily Telegraph, the Reading Chronicle and Swindon Advertiser. The Complainant controls a range of domain names including taxassist.co.uk; taxassist.com; taxassist.net; taxassistaccountants.co.uk; taxassistaccountants.com; taxassistaccountants.info and taxassist.info.

The Complainant conducts business through the website at www.taxassist.co.uk and the term "TaxAssist Accountants" appears prominently on the top of every page of the website, this will have contributed to the Complainant's unregistered "Rights".

In addition to this the Complainant is the owner or the licensee of trademark registrations such as TaxAssist; TaxAssist Accountants; TaxAssist Direct; and Tax Assist Direct The Accountancy and Tax Service for Small Business.

Because of that I decide that the Complainant has Rights in respect of a name or mark which is identical to the Domain Name.

7.3 Abusive Registration

The Complainant says that the Domain Name controlled by the Respondent is an Abusive Registration under the Policy. Under Paragraph 3 - Evidence of Abusive Registration - guidance is given as to what factors may evidence that the Domain Name is an Abusive Registration.

“A non-exhaustive list of factors which may evidence that the Domain Name is an Abusive Registration is as follows :-

3(a)(i). Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily :-

3(a)(i)(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;

3(a)(i)(B). as a blocking registration against a name or mark in which the Complainant has Rights; or

3(a)(i)(C). for the purpose of unfairly disrupting the business of the Complainant;

3(a)(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; ...

Conditional Agreement

The Complainant relies on paragraph 3(a)(i)(A), claiming that the Domain Name was registered 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. On the 7th March 2012, the Respondent offered a “conditional

agreement” whereby in return for the Complainant paying him “the nominal sum of £2,500” the Domain Name could be registered in the Complainant’s name. The Complainant says that this is evidence of Abusive Registration.

On 27th February 2012 Ms Julie Davies, a member of the Brand Protect Limited’s Legal Team, wrote to the Respondent on behalf of TaxAssist Direct Limited saying that the brand and business name “TaxAssist Accountants” were protected by the Complainants Trademark “TaxAssist” and that the Respondents use of it could legally be construed as “passing off”. She asked the Respondent to “close this domain name or point it back to the host as soon as possible”.

On 7th March 2012 the Respondent wrote to the Complainant *“I am offering conditional agreement. This removes controversy, and means that you will no longer have any ultimate recourse to a court of law in this matter, because there is no controversy on which to adjudicate. The conditional agreement is that upon receipt of the nominal sum of £2,500 payable to the said legal fiction JAMES CLIFTON, that your request will be honored, or that the domain be registered in Tax Assist Accountants at your discretion”*.

On 14th March 2012 Brand Protect Limited on behalf of the Complainant rejected the offer the transfer the Domain Name for £2,500 referring to is as extortion. It said that the offer was a breach of the terms and conditions of the registration of the domain name and that it intended to refer the matter to a court or Nominet.

On 7th March 2012 the Respondent wrote to the Complainant *“You have failed to respond to my conditional agreement with regard to your letter dated 27th February 2012, requesting the domain name “taxassist.me.uk” be closed or pointed back to the host as soon as possible. Or upon receipt of a said sum (nominal settlement for compensation) the domain to be registered with Tax Assist Accountants at your discretion. Failure to respond or offer a counter sum : settlement within seven days of this letter will mean that “permanent and irrevocable lawful estoppel by acquiescence” has been granted, due to your dishonor. My Conditional Agreement (see attached copy) removed all controversy, and thus removed the possibility of court action on your part”*.

When a Registrant registers a .uk domain name a condition of the contract of registration is accepting Nominet's Dispute Resolution Service Policy and Procedure which is based on a set of binding rules. The Policy provides for the appointment of an Expert to make a Decision in a dispute over a Domain Name. I have been properly appointed and have authority to make this Decision.

The "Conditional Agreement" where the Respondent offered to transfer control of the Domain Name for £2,500 is an offer to sell the Domain Name for valuable consideration in excess of the Respondent's documented out-of-pocket costs.

However a further test to be applied is that the Respondent registered or otherwise acquired the Domain Name primarily to do so.

The Respondent says that it registered the Domain Name by accident.

As the Respondent did not approach the Complainant offering to transfer control of the Domain Name for £2,500, I consider its "Conditional Agreement" to be merely an opportunistic response to the Complainant's 27th February 2012 letter. Because of that I do not decide that the Respondent has breached Section 3(a)(i) of the Policy.

Unfairly Disrupting the Complainant's Business

The Complainant says that the Respondent has been using the Domain Name as an advertising website that drives users to third parties and that on 5th April 2012 two of the parties listed were Dunelm Mill and Regal double glazing.

On 29th June 2012 the Domain Name was being used as an advertising website linking to websites which compete with the Complainant such as Accountants Finance, Colchester Accountants, Dale & Pickard Accountants and others.

On 10th July 2012 the Domain Name was being used as an advertising website linking to websites which compete with the Complainant such Charles Lambeth Accountants, Dudley Gore & Co Accountants, Gwyn Thomas & Co Accountants Stephen R. Bell Chartered Accountants, RF Adams Accountants and others.

The Respondent's use of the Domain Name in this way unfairly disrupts the Complainant's Business and is evidence of circumstances falling within paragraph 3(a)(i)(C) of Nominet's DRS Policy. However, the test under Nominet's DRS Policy 3(a)(i)(C) is not that the Domain Name is unfairly disrupting the Complainant's Business, but that it was acquired for that purpose.

To help me decide if the Domain Name was acquired for that purpose, I have to consider the prominence of the Complainant's brand and reputation as it would have existed on 6th April 2011, the date the Respondent registered the Domain Name.

Although the Respondent says that it registered the Domain Name by accident, the Complainant has provided evidence that at the time the Domain Name was created, the Complainant has been trading for 14 years promoting its brand. It enjoyed widespread media coverage in Northern Ireland and the UK and has some considerable reputation.

Because of this I decide that when the Respondent registered the Domain Name it was aware of the "TaxAssist" brand, and consciously chose the Domain Name because it has intrinsic value. I decide on the balance of probabilities that the Domain Name was acquired to unfairly disrupt the Complainant's business and under the test in Nominet's DRS Policy 3(a)(i)(C) in the control of the Respondent the Domain Name is an Abusive Registration.

Trademark and One in a Million

The Complainant says that the registration of the Domain Name which is identical to the sign in which the Complainant owns goodwill is passing off. It refers to BT -v- One in a Million [1999] where Lord Justice Aldous said *"there can be discerned from the cases a jurisdiction to grant injunctive relief where the defendant is equipped with or is intending to equip another with the an instrument of fraud ... A name which will, by reason of its similarity to the name of another, inherently lead to passing off is an instrument"* .

As a Nominet Expert I am not under a duty to consider whether or not the Respondent's activities amount to a violation of the Complainant's trademark. Expert Decisions are to be determined by reference to Nominet's DRS Policy and not the law in respect of trademark infringement, for

example as decided in Deutsche Telekom AG v Lammtara Multiserve Limited Appeal Decision (DRS 05856).

If passing off (or trademark infringement) is a pressing concern the Complainant has the option of pursuing the matter in the English Court which it has not done. It is not the role of Nominet's DRS to act as a potential substitute for litigation in relation to all domain name disputes, only those falling within the narrow confines of the Policy.

7.4 Conclusion

I find on the balance of probabilities that the Complainant has Rights in respect of a name identical or similar to the Domain Name and that the Complainant has proved, on the balance of probabilities, that the Domain Name in the hands of the Respondent is an Abusive Registration.

8. Decision

For the reasons set out in detail above, having decided that the Domain Name in the hands of the Respondent is an Abusive Registration, the Expert directs that the Domain Name be transferred to the Complainant.

Niall Lawless, Nominet Expert

10th July 2012