

DISPUTE RESOLUTION SERVICE

DRS011299

Decision of Independent Expert

HPI Limited

and

Mr Lewis Elliott

1. The Parties:

Complainant: HPI Limited
Dolphin House
New Street
Salisbury
Wilts
SP1 2PH
United Kingdom

Respondent: Mr Lewis Elliott
304 Brandlesholme Road
Bury
Lancashire
BL8 1RY
United Kingdom

2. The Domain Name:

hpicheckfree.co.uk

3. Procedural History:

On 04 May 2012 the Dispute was received and the Complaint was validated and notification of it was sent to both parties on 08 May. On 30 May a response was received, with

notification of the response being sent to both parties on the same day. On 06 June a reply reminder was sent to the Complainant and a reply was received the next day. On 11 June notification of the reply was sent to both parties and Nominet appointed a mediator, with mediation itself beginning on 14 June.

Some months passed and on 23 November mediation was deemed to have failed and the close of mediation documents were sent to both parties. On 06 December the Expert decision payment was received and the Expert, Tim Brown, confirmed that he knew of no reason why he could not accept the invitation to act as an Expert in DRS 11299 and that he knew of no matters which ought to be drawn to the attention of the parties which might call into question his independence or impartiality. Nominet accordingly appointed him on 11 December.

4. Factual Background

The Complainant, HPI Limited, is a company based in the United Kingdom concerned with the provision of vehicle provenance checks. Such checks verify a vehicle's identity - whether it has been stolen, cloned, written off by an insurance provider and so on. It has been trading since 1938 and is the registrant of, among others, a number of trade marks for the terms HPI¹ and HPI CHECK².

The Respondent, Lewis Elliott, is an individual based in the United Kingdom who uses the Domain Name to operate websites which resell similar vehicle provenance checks to those offered by the Complainant.

5. Parties' Contentions

Complainant

The Complainant's contentions are as follows:

Complainant's Rights

As noted in the Factual Background, the Complainant has set out that it started trading in the United Kingdom in 1938 and has used the initials HPI since that date. It also says it has a number of trade marks made up of the words HPI and HPI CHECK.

The Complainant avers that the Domain Name - because of its inclusion of the HPI CHECK term - trade off its reputation and marketing spend.

Abusive registration

The Complainant notes that it has not given the Respondent authority to use its HPI or HPI CHECK trade marks. The Complainant says that the use of these protected terms allows the Respondent to trade off its reputation and says that the Respondent is passing itself off as the Complainant and infringing its trade marks. The Complainant suggests that these actions will have caused loss of earnings and will have damaged its business. The Complainant notes that it does not have an affiliate arrangement with the Respondent.

¹ The Complainant has exhibited both a word and figurative mark for this term. The word mark is United Kingdom trade mark 2274088, registered June 2001; and the figurative mark is United Kingdom trade mark 2528142, registered December 2001.

² This is a word mark - United Kingdom trade mark 2387858, registered March 2005.

The Complainant has submitted a number of screenshots which it says demonstrates the website associated with the Domain Name was designed to drive traffic to a second domain name - carcheckuk.co.uk - which is apparently operated by the Respondent or an entity closely linked to the Respondent. The Complainant avers that this second website derives a commercial benefit for the Respondent from referrals to competing services offered by its competitors.

The Complainant claims that the Respondent's website features information taken from the Complainant's website. The Complainant says that this is designed to assist a search engine optimisation campaign managed by the Respondent. The Complainant also notes that this information contains a number of factual inaccuracies, for example it claims the Respondent refers to itself as a provider of vehicle provenance checks when it is in fact merely a reseller.

Respondent

The Respondent's contentions are as follows:

Complainant's Rights

The Respondent does not deny that the Complainant has registered the trade marks noted in the factual background but says that the term HPI has become genericised as a common term used throughout the automotive industry and the public in relation to vehicle provenance checks. The Respondent says that HPI has become generic like escalator, aspirin, yo-yo, walkman and trampoline.

To support this claim the Respondent has exhibited a number of articles from motoring and trade magazines, including Car Dealer Magazine³ and Auto Express⁴, which it says shows the term HPI in use as a generic term. The Respondent has also included a screenshot of the Complainant's website from 2007 taken from archive.org⁵ which it says shows that the Complainant itself says the term HPI is a commonly used phrase.

The Respondent notes that as a matter of courtesy each of its websites carries a clear disclaimer that it has no link to the Complainant and that it does not offer any of the Complainant's services. Copies of these disclaimers have been exhibited.

The Respondent says that if the parties are not able to find an amicable solution to this issue it intends to apply to the Intellectual Property Office⁶ to have the Complainant's trade marks revoked as they have now become generic.⁷

Abusive registration

³ Which the Respondent says is sent to more than 12,000 vehicle dealers each month

⁴ Which the Respondent notes has a circulation of over 60,000 readers

⁵ Archive.org is a service which allows users to see archived versions of web pages which may no longer be available to view directly.

⁶ The Intellectual Property Office, or IPO, is an executive agency of the Department for Business, Innovation and Skills responsible for intellectual property - including trade marks - in the United Kingdom.

⁷ Under s.46(1)(c) of the Trade Marks Act 1994 a mark may be revoked if "in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service for which it is registered"

The Respondent has not directly addressed the question of whether its registration is Abusive in terms of the Policy as it considers that the Complainant does not have rights in the term HPI and therefore the Complaint falls at the first hurdle.

Complainant's reply

The Complainant's reply to the Response is as follows:

Complainant's Rights

The Complainant denies that term HPI has become generic and says that the Respondent is attempting to use the Dispute Resolution Service as a 'mini revocation action'. It contends that the evidence submitted by the Respondent in the exhibited magazine articles is selective and questions whether the authors of the articles had their own agendas. The Complainant says the quotation from its website has been taken out of context and does not constitute an admission that the HPI mark has become generic.

Abusive registration

The Complainant avers that the Domain Name is used to drive traffic to a site which offers services which compete with its own. The Complainant says that this takes unfair advantage of, and is unfairly detrimental to, its rights. The Complainant says that its trade marks pre-date the Respondent's registration of the Domain Name and therefore the Respondent will have been aware of these rights and has consequently "piggy backed" on those rights to divert web users to the Respondent's competing services.

The Complainant contends that the disclaimers on the Respondent's websites are buried in the websites' small print, while the Complainant's marks are within the Domain Name itself. The Complainant submits this will have caused confusion among Internet users.

The Complainant submits a number of previous disputes under the DRS and makes reference to the Expert's overview to support its arguments.⁸

6. Discussions and Findings

Rights

As noted in the factual background the Complainant has a number of registered trade marks and has exhibited a word mark for the term HPI which was registered in June 2001 and a word mark for HPI CHECK which was registered in March 2005.

As is customary in DRS proceedings the .co.uk suffix is only required for technical reasons and, along with any whitespace, can be ignored for the purposes of comparison between a mark and a Domain Name. The Domain Name therefore only differs from the mark by the addition of the word FREE.

⁸ The Experts' overview is a document put together by Nominet's panel of Experts which deals with a range of issues that come up in DRS disputes. It is published on Nominet's website at: http://www.nominet.org.uk/sites/default/files/drs_expert_overview.pdf

The question therefore is whether the term FREE distinguishes the Domain Name from the Complainant's marks. Having referred to paragraph 2.3 of the Expert's overview, in my view it does not. FREE is a word commonly used as a descriptive term both in everyday use and within domain names.

Ordinarily this would be sufficient discussion of the Complainant's rights as it is conventionally a low threshold test. However, in this case, the Respondent's main argument is that the Complainant's marks have become generic and therefore it has no rights to enforce.

It is perhaps worth observing that the DRS is an administrative procedure intended to deal with matters concerning domain names. Trade mark rights form part of the Policy but they are not its whole. There are other forums better suited to dealing with trade marks issues and disputes. The DRS is certainly not a forum for deciding whether a mark has become genericised or to act as a 'mini revocation action' as the Complainant puts it.

The Policy⁹ says that a Complainant must demonstrate it has Rights in respect of a name or mark which is identical or similar to the Domain Name. The Complainant has exhibited a number of valid trade marks which are, as I have outlined above, similar to the Domain Name. Both parties agree that Complainant's marks have not been revoked and there is not a revocation action or other legal action currently taking place. Therefore I must make my decision based on the submissions and exhibits before me and how they apply to the Policy. Therefore, in terms of the first test under the Policy, the Complainant has the Domain Name is similar to its registered Rights.

However, as I have said, trade mark issues are not the whole of the DRS. Any Complainant also has to succeed on the second test in the Policy - that of Abusive Registration. It is conceivable that there may be circumstances in which a Complainant could perhaps show it has registered or unregistered rights but could still fail at the second test of Abusive Registration if a term has genuinely become generic.

Abusive Registration

Paragraph 1 of the Policy defines an Abusive Registration as a domain name which:

- 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 has taken unfair advantage of or has been unfairly detrimental to the Complainant's Rights;*

The Policy lays out a non-exhaustive list of factors which may be viewed as evidence that a domain name may be an Abusive Registration. In essence the Complainant relies on two factors. It has claimed that the Respondent registered the Domain Name for the purpose of unfairly disrupting the business of the Complainant;¹⁰ and that there are 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.¹¹

In the submissions before me the Complainant says, and the Respondent does not deny, that the Domain Name is used to forward web users to a website which ultimately offers the

⁹ At Paragraph 2a.i.

¹⁰ Policy Paragraph 3aiC

¹¹ Policy Paragraph 3aii

services of the Complainant's competitors. Should web users purchase any of these services the Respondent will presumably receive payment through affiliate arrangements with the Complainant's competitors.

The Complainant contends that web users will have been attracted to the Respondent's website through the inclusion of its trade marks within the Domain Name and will have benefitted through the fame of its HPI and HPI CHECK marks. On balance I agree. It is more likely than not that web users who see the Domain Name - perhaps in the results of a search engine or by typing it directly into their browser - will assume that it is somehow affiliated with the Complainant or is indeed the Complainant itself. This species of confusion is known as 'initial interest confusion'.

Initial interest confusion is most likely to occur where the domain name is identical to the complainant's mark. In this case the mark is adorned with the additional word FREE. In my view the word FREE does not lessen the impact of initial interest confusion; it does not distinguish the Domain Name enough from the Complainant's mark and the potential for confusion remains.

In arriving at this view I have referred to Paragraph 3.3 of the Expert's overview: "Paragraph 3(a)(ii) concerns confusing use of the domain name. What is meant by confusing use?" The Overview says:

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 ... 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.

When web users arrive at the Respondent's website the Respondent has said that any confusion will be dispelled by the inclusion of disclaimers on the site. The Complainant has said, however, that these are "buried within the websites' small print". Having examined the provided screenshots, I am inclined to agree with the Complainant. The disclaimers are short, text based and are not particularly dominant. In my view they do not go especially far in dispelling any confusion.

I also observe that the Respondent's use of disclaimers is perhaps not particularly compatible with its argument that the term HPI has become generic. If the term truly had become generic then the Respondent would have no need to distinguish its services from those of the Complainant through the use of a disclaimer.

The Complainant has submitted that the confusion caused by the inclusion of its mark in the Domain Name will have taken unfair advantage of and will be unfairly detrimental to these rights. On balance I agree with the Complainant.

It is well established under the DRS that in most cases using a complainant's mark within a domain name, with little further adornment, to forward web users to a site advertising and selling the services of competitors of that complainant is Abusive in terms of the Policy. In the submissions before me I do not see anything that distinguishes this matter from the status quo. The Respondent has incorporated the Complainant's mark into the Domain Name and benefits commercially from the confusion caused by its inclusion through reselling the services of the Complainant's competitors. It is my view that such use amounts to an Abusive Registration.

7. Decision

Having concluded that the Complainant has Rights in respect of names or marks which are similar to the Domain Name and that the Domain Name, in the hands of the Respondent, is an Abusive Registration, I determine that the Domain Name should be transferred to the Complainant.

Signed: Tim Brown

Dated: 03 January 2013