

DISPUTE RESOLUTION SERVICE

D00012162

Decision of Independent Expert

Thumper Massager Inc.

and

Omnicare Systems Limited

1. The Parties:

Lead Complainant: Thumper Massager Inc.
80 Ferrier St. #2
Markham
Ontario
L3R 2Z2
Canada

Respondent: Omnicare Systems Limited
Unit B3, Independence House
Fairacres Industrial Estate
Dedworth Road
Windsor
Berkshire
SL4 4LE
United Kingdom

2. The Domain Name(s):

thumpermassager.co.uk

3. Procedural History:

I was appointed as Independent Expert on 19 February 2013 and have confirmed to Nominet that I am independent of the parties and know of no facts or circumstances that might call into question my independence in the eyes of the parties. The procedural history of this case is as follows.

18 December 2012 22:05 Dispute received
19 December 2012 11:09 Complaint validated
19 December 2012 11:38 Notification of complaint sent to parties
10 January 2013 01:30 Response reminder sent
11 January 2013 13:53 Response received
11 January 2013 13:53 Notification of response sent to parties
16 January 2013 01:30 Reply reminder sent
17 January 2013 10:34 Reply received
17 January 2013 10:37 Notification of reply sent to parties

17 January 2013 10:37 Mediator appointed
22 January 2013 10:08 Mediation started
08 February 2013 11:56 Mediation failed
08 February 2013 12:21 Close of mediation documents sent
13 February 2013 09:53 Expert decision payment received

4. Factual Background

- 4.1 The Complainant is Thumper Massager Inc, incorporated in Canada in 2004 and formed following the purchase of Wellness Innovations Corp. (or at least its assets) from the Ontario Supreme Court.
- 4.2 The Respondent is an English limited company called Omnicare Systems Limited.
- 4.3 The Complainant is the manufacturer of electrical massagers, called Thumper Massagers. Prior to the Complainant's incorporation Thumper Massagers were manufactured, promoted and sold by Wellness Innovations Corp. In total Thumper Massagers have been manufactured and sold by either the Complainant or its predecessor in title Wellness Innovations Corp. for over 35 years.
- 4.4 The Complainant is the registered proprietor of the trade mark THUMPER in Canada and the US. The Complainant also owns the domain name thumpermassager.com which links to the Complainant's website through which it sells Thumper Massagers.
- 4.5 The Complainant distributes its products in the UK through a number of distributors including the Respondent. These distributors generally have the non-exclusive right to distribute the Complainant's Thumper Massagers although in the case of the Respondent its rights were exclusive in relation to one particular product.
- 4.6 The Domain Name was registered by the Respondent on 18 July 2006 and was used by the Respondent to promote and sell Thumper Massagers. This registration took place without the Complainant's knowledge and consent but the Complainant decided not to complain about it at the time given the efforts that the Respondent was making in relation to the promotion of the Complainant's products.
- 4.7 Subsequently there has been a breakdown in relations between the Complainant and the Respondent and the Respondent has started to sell products that compete with the Complainant's products. These competing products are being supplied by a Dr Noble who was the original owner of Wellness Innovations Corp. (the company from which the Complainant originally purchased the Thumper Massager business in 2004).
- 4.8 During a recent exchange of correspondence between the Complainant and the Respondent the Respondent offered to sell the Domain Name to the Complainant for a sum in the region of USD100k.

5. Parties' Contentions

Complainant

- 5.1 In summary the Complainant makes the following contentions:
- 5.1.1 The Complainant has Rights in the name or mark THUMPER by virtue of its successful and widespread trading history under this mark, the significant amount of marketing it has done worldwide to promote and advertise its Thumper products under this mark, and by virtue of its registered trade marks and domain name which incorporates the word THUMPER and which are recognised worldwide;
 - 5.1.2 The Domain Name is inherently likely to lead people to believe the Complainant is connected with the Domain Name as the Domain Name is identical to the Complainant's mark and own domain name;
 - 5.1.3 By registering the Domain Name which incorporates the Complainant's name or mark, the Respondent has confused users into believing its website is the official website of Thumper Massagers in the UK and that it is the exclusive distributor of Thumper Massagers in the UK, authorised by or otherwise connected with the Complainant. The Complainant asserts that by using the Domain Name, the Respondent has misrepresented the Complainant, its products and integrity, which has disrupted the Complainant's business;
 - 5.1.4 The Respondent is currently using the Domain Name and the goodwill in the Thumper name and brand to divert traffic to its website with the intent to sell to the Complainant's potential customers, products that are in direct competition to the Complainant's product. The Complainant asserts that the Domain Name is being used by the Respondent to willingly confuse consumers and to divert potential purchasers away from the Thumper brand;
 - 5.1.5 The Respondent offers Thumper products at a significantly lower price than any other UK distributors in order to direct more traffic to the Respondent's website;
 - 5.1.6 The Domain Name was registered by the Respondent with the intention to sell it to the Complainant at an inflated price.

Respondent

- 5.2 In its Response, the Respondent makes the following contentions:
- 5.2.1 The registering and use of the Domain Name was a business decision to promote and increase sales volume in the UK and the Complainant was aware of its use of the Domain Name;
 - 5.2.2 Registering the Domain Name was never considered as a long term plan to extort money from the Complainant and it was seen as a long term investment for both parties;

- 5.2.3 It continues to offer a repair service and advice to all its old customers where its skills can provide;
- 5.2.4 It is currently selling an alternative product to the Thumper products on an alternative website, but it would gladly have accepted the terms of an email dated 27th August 2012 from the Complainant which include it ceasing selling these products and resuming the sale of Thumper products again. Unfortunately this email was never received.

6. Discussions and Findings

- 6.1 Under paragraph 2 of Nominet's Dispute Resolution Service Policy (the "Policy") the Complainant is required to show on the balance of probabilities, that:
- i. it has Rights in a name or mark that is identical or similar to the Domain Name; and
 - ii. the Domain Name, in the hands of the Respondent, is an Abusive Registration.

i. Rights

- 6.2 As a first step I must therefore decide whether the Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name.
- 6.3 The Policy defines Rights as including, but not limited to... "rights enforceable under English law or otherwise, and may include rights in descriptive terms which have acquired a secondary meaning". This has always been treated in decisions under Nominet's DRS as a test with a low threshold to overcome and I think that must be the correct approach.
- 6.4 The Complainant is the owner of registered trade marks in the US and Canada for THUMPER and it owns the domain name thumpermassager.com. The Complainant has also been selling its massagers under the name THUMPER for a good many years. I have also seen photographs of the Complainant's massagers, and of some of its advertising posters and materials. These all refer clearly to name THUMPER.
- 6.5 Given this use and in all the circumstances I am satisfied, on the balance of probabilities, that the Complainant has Rights in the name or mark THUMPER.
- 6.6 I must now decide whether the Domain Name is identical or similar to the name and mark THUMPER in which the Complainant has Rights. The Domain Name includes the word in which the Complainant has Rights, i.e. the name or mark THUMPER in its entirety. It also includes the words, "MASSAGER" which follow immediately after the word THUMPER. The question therefore is whether the Domain Name is similar or identical to the name or mark in which the Complainant has Rights, i.e. the name or mark THUMPER. It seems to me that the name or mark THUMPER is the dominant or distinctive part of the Domain Name and the word "MASSAGER" is descriptive of the goods that the Respondent is offering.

6.7 For the above reasons, I find on the balance of probabilities that the Complainant has Rights in name which is identical or similar to the Domain Name.

ii. Abusive Registration

6.8 Abusive Registration is defined in Paragraph 1 of the Policy as 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.

6.9 This definition allows me to consider whether the Domain Name constitutes an Abusive Registration at any time and not, for example, just the time of the registration/acquisition.

6.10 Paragraph 3 of the Policy provides a non-exhaustive list of factors that may evidence the fact that a domain name is an Abusive Registration and Paragraph 4 of the Policy provides a non-exhaustive list of the factors which may evidence that the Domain Name is not an Abusive Registration.

6.11 The Policy provides for the Complainant to prove, on the balance of probabilities, that the Domain Name is an Abusive registration. The burden of proof is therefore firmly on the Complainant.

6.12 Before going on to look at the facts of this case it is important to say that this is potentially at least a Complaint which throws up a number of factually and legally complex issues. There appear to be for example potential issues around the existence and validity of the distribution agreement between the parties. There is also the question of whether the products that the Respondent is now selling infringe the IPR of the Complainant. There may well be many others.

6.13 This is however not the forum for any of these issues to be resolved. Nominet's DRS provides a reasonably informal dispute resolution procedure for the parties. It only involves the Expert deciding on the balance of probabilities the questions of Rights and Abusive Registration which I have set out above. This is usually done on the basis of just three short submissions (two from the Complainant and one from the Respondent) which are most usually considered in writing and without a hearing. The process does not provide a forum to look more closely into the factual background or to decide different points of law. These wider issues should therefore more properly be brought before the appropriate Court (or more sensibly resolved through negotiation between the parties).

6.14 Turning back now to the question of Abusive Registration it is fairly clear that in this case the Respondent registered the Domain Name to assist it with the promotion and sale of the Complainant's products. Indeed the Complainant itself says that while it was not pleased about this it, "...decided not to give them a hard time for registering the [Domain Name] under their name and allowed them to concentrate in promoting our products in the UK." I think therefore that realistically it is difficult for the Complainant to have any legitimate complaint about this original registration and use i.e. use of the Domain Name by the Respondent to promote the Complainant's own products. Certainly rather than objecting to this registration of the Domain Name the Complainant chose to work with and encourage the Respondent to develop its business of distributing the Complainant's products in the UK. If the Complaint stopped there I do not think I would be prepared to make a finding of Abusive Registration.

6.15 That is however not the end of the story. Under the Policy a domain name can be an Abusive Registration either because it was registered with abusive intent or because it has been used abusively. I am therefore obliged to consider whether or not the Respondent's use of the Domain Name subsequent to registration has been in a manner which takes unfair advantage of or was unfairly detrimental to the Complainant's Rights.

6.16 In this regard the Complainant says that the Respondent's subsequent use of the Domain Name amounts to an Abusive Registration for the following reasons.

6.17 Firstly the Complainant says that the Respondent is using the Domain Name to attract customers who believe it is an official site of the Complainant and who are then offered products which are nothing to do with the Complainant. In support of this contention the Complainant produces emails with two potential customers.

6.18 The first of these are with a Geoff Friday. Mr Friday has sent a message to the "Thumper Massager Web Store" on 22 November 2012 which read as follows;

"Hello. Would like to buy a Thumper however it seems that you have no inventory. Can you let me know when you expect some more to arrive. It is to be a Christmas present for my parents."

6.19 Mr Friday's email was actually sent to the email address info@echiro.eu. Echiro is a company operated by the Respondent. The response to Mr Friday is from another company operated by the Respondent, Clinicraft, and it was sent the next day. It reads as follows;

"Dear Geoff

Thank you for your enquiry last night. The reason we are showing no stock is because we have launched a new line of products by the inventor of Thumper massagers, Dr Noble. The equivalent product for the Mini Pro II is called the Powerfingers. It is much updated and currently cheaper model @ £99 plus P&P. You can now place an order on our new website

www.promassagers.co.uk or please call me on the below number to place an order for further information.

With thanks for your enquiry and kind regards,

Matt”

The email is sent by a Matt Couzens who is the Sales & Marketing Manager of Clinicraft.

- 6.20 The second email was sent directly to the Complainant by a Ruth Coulson. The relevant parts reads as follows;

“Hello I wonder if you could help me. My chiropractor recommended I purchase one of your thumper massagers for home use as I have fibromyalgia and CFS. I came across a website in the UK called <http://www.thumpermassager.com/> which I thought was the UK home/distributor of thumper massagers. They said the following:

“We have launched a new line of products by the inventor of Thumper massagers, Dr Noble.

The equivalent product for the Mini Pro II is a much updated and currently cheaper model @ £99 plus P&P. It is also lighter than the previous Thumper models. ?”

- 6.21 I assume that Ms Coulson must have been mistaken about the website she visited or she mis-typed the web address in her email because www.thumpermassager.com is the Complainant’s website. I can only assume that she visited the Respondent’s site at www.thumpermassager.co.uk as nothing else makes sense particularly when one considers the two emails together.
- 6.22 I do not think there is any real sensible doubt based on these two emails that the Respondent is using the Domain Name to attract traffic from people looking to buy genuine Thumper Massagers. When those people then arrive on the Respondent’s site or contact the Respondent thinking it to be the authorised distributor of Thumper Massagers in the UK they are told that the Thumper Massagers are out of stock. The Respondent then tries to sell them an alternative (non Thumper Massager product).
- 6.23 The second reason that the Complainant says that the Respondent’s conduct amounts to an Abusive Registration is the Respondent’s offer to sell the Domain Name to the Complainant for in the region of 100,000USD. I am not convinced that this by itself amounts to an Abusive Registration. Certainly I do not think that it can be said that the Respondent registered or otherwise acquired the Domain Name for this purpose as is referred to in Paragraph 3aiA of the Policy.
- 6.24 The Complainant also complains that the Respondent is damaging its business because it offers poor service and because it is offering the Complainant’s products at too low a price.

- 6.25 Ultimately however I do not need go any further than the two emails that I have referred to above. It is clear to me on the balance of probabilities that the Respondent's actions in using the Domain Name to attract customers and then attempting to sell them a competing product amount to evidence of an Abusive Registration.
- 6.26 Having made the finding on the balance of probabilities that the Respondent's conduct amounts to Abusive Registration I must now look at what the Respondent says. In its Response the Respondent does not deny that it is selling a competing product. It says, "We are currently selling an alternative product on an alternative website..." It does not attempt to deal with or explain the Complainant's contention that it is using the Domain Name to assist in this "switch" selling nor does it mention the two emails that I have set out above. I therefore cannot see that there is anything in the Response which would lead me to a different view from the one I have reached on the basis of the Complaint.

7. Decision

I find that the Complainant has proved, on the balance of probabilities, that it has Rights in a name or mark which is identical or similar to the Domain Name and that the Domain Name is an Abusive Registration in the hands of the Respondent. I therefore direct that the Domain Name be transferred to the Complainant.

Signed Nick Phillips

Dated 08 March 2013