

## DISPUTE RESOLUTION SERVICE

D00012751

### Decision of Independent Expert

Primo plc

and

QMetric Group Limited

#### 1. The Parties:

Complainant: Primo plc  
Cumberland House  
Baxter Avenue  
Southend-on-Sea  
Esse  
SS2 6HZ  
United Kingdom

Respondent: QMetric Group Limited  
Dukes House 32-38 Dukes Place  
London  
EC3A 7LP  
United Kingdom

#### 2. The Domain Name(s):

<primoinsurance.co.uk>

#### 3. Procedural History:

3.1 The procedural history of this dispute is as follows:

23 April 2013 15:52 Dispute received  
24 April 2013 09:10 Complaint validated  
24 April 2013 09:22 Notification of complaint sent to parties

14 May 2013 02:30 Response reminder sent  
16 May 2013 09:41 Response received  
16 May 2013 13:56 Notification of response sent to parties  
21 May 2013 02:30 Reply reminder sent  
24 May 2013 08:23 Reply received  
24 May 2013 08:24 Notification of reply sent to parties  
24 May 2013 08:25 Mediator appointed  
03 June 2013 13:40 Mediation started  
14 June 2013 13:34 Mediation failed  
14 June 2013 13:34 Close of mediation documents sent  
14 June 2013 13:56 Expert decision payment received

- 3.2 I have confirmed to Nominet that I am independent of each of the parties and that to the best of my knowledge and belief, there are no facts or circumstances, past or present, or that could arise in the foreseeable future, that need be disclosed as they might be of a such a nature as to call in to question my independence in the eyes of one or both of the parties. I was appointed as the Expert in this matter on 19 June 2013.

#### **4. Factual Background**

- 4.1 The Complainant is a UK public limited company. On incorporation in 1971 it was called F. Rauch (Insurance Brokers) Limited and changed its name to Primo Plc in September 2000.
- 4.2 The Complainant undertakes business as an insurance intermediary and in particular as an insurance broker. It has an internet presence using the domain name <primopl.com>.
- 4.3 Since its change of name in September 2000 the Complainant has traded under the “Primo” name and from September 2000 to August 2008 it used a logo on its website as follows:



- 4.4 Since 2008 it has used the following logo:



- 4.5 For the years ended March 2010 to March 2012 the Complainant's turnover was in the region of £720K to £800K per annum<sup>1</sup>.
- 4.6 The Complainant has no registered trade marks but in April 2013 it applied to register "Primo Underwriting" as a UK trade mark in respect of various services in class 36.
- 4.7 The Respondent is a UK company incorporated in February 2010. It is also an Insurance Intermediary which sells various insurance products, but not as a "broker". The key difference appears to be that although it sells products underwritten by others, it directly settles claims by customers<sup>2</sup>.
- 4.8 The Respondent did not start trading until May 2011 and spent the time prior to that date engaged in "preparation and systems development". The Domain Name was registered by the Respondent on 29 March 2011.
- 4.9 Part of the Respondent's business is the sale of UK Household insurance under various third party brands (such as Axa and Aviva) as well as a number of "own brands". One of those own brands is "Primo Insurance", which it has used since it began trading in May 2011.
- 4.10 In the financial year ended March 2013, the Respondent's business generated £6m income in the form of commission, of which business under the "Primo Insurance" brand accounted for £1.5m (i.e. 25% of the Respondent's total income).
- 4.11 In May 2011 (i.e. approximately two months after it registered the Domain Name), the Respondent applied for "Primo Insurance" as a UK registered trade mark in class 36. In its final amended form the specification of the application covered, inter alia, "advisory services relating to home and content insurance" not related "to insurance brokerage services".
- 4.12 The Complainant opposed that application and in those opposition proceedings (the "Opposition Proceedings") the Complainant alleged that the use of the applied for mark would by reason of the Complainant's own use of the Primo name and logos be contrary to the law of passing off. The Complainant also contended that:

---

<sup>2</sup> This is set out in the evidence of Mr Deacon recorded at paragraph 29 of the Registrar's decision in the Opposition Proceedings referred to later on in this decision.

- (i) it had received “many telephone calls and emails from potential clients of the Respondent”<sup>3</sup>; and
- (ii) while it “[did] not believe that [the Respondent had] deliberately misrepresented its Primo Insurance”, its use of the words “Primo Insurance [would] undoubtedly damage and dilute the goodwill of [the Complainant]”<sup>4</sup>.

4.13 In the Opposition Proceedings the Respondent claimed:

- (i) that the Complainant had no goodwill in relation to insurance services “except for insurance brokerage services”<sup>5</sup>, which was a different service from that covered by the specification for the applied for mark;
- (ii) that the Complainant primarily offered services in the “commercial lines” market (i.e. commercial insurance to business) which was different from the “home and contents” market<sup>6</sup> in which the Respondent did business, and although the Complainant conducted this sort of business it was minor and ancillary to its commercial business; and
- (iii) that the Complainant had failed to provide evidence that it markets itself as “Primo” or “Primo Insurance”.

4.14 Initially, Mr Deacon, the Managing Director of the Respondent, claimed in the Opposition Proceedings that he could not recall having seen an advertisement for the Complainant or having heard of the Complainant prior to applying for the trade mark. However, under cross-examination Mr Deacon admitted that he was aware of the Complainant’s business having found the business in an internet search<sup>7</sup>.

4.15 The Registrar’s conclusions in the Opposition Proceedings were that:

- (i) as at the trade mark application date (i.e. May 2011) the Complainant’s goodwill in relation to the brokerage of home, household and contents insurance was small but not trivial<sup>8</sup>;
- (ii) notwithstanding the Respondent’s claim that it offered services to a different client groups, the specification of the trade mark did not distinguish between different client groups;

---

<sup>3</sup> Paragraph 5 at page 4 of the decision of the Registrar which is available at <http://www.ipo.gov.uk/types/tm/t-os/t-find/t-challenge-decision-results/o13313.pdf>

<sup>4</sup> Paragraph 5 at page 5 of the decision of the Registrar

<sup>5</sup> Paragraph 8 of the decision

<sup>6</sup> Paragraphs 33, 37, 39 and 40 of the decision

<sup>7</sup> Paragraph 37 of the decision and in particular the footnote to the same

<sup>8</sup> Paragraph 49

- (iii) notwithstanding the exclusion at the end of the specification, the Complainant provided services which were “covered” by the specification<sup>9</sup>; and
- (iv) that the use of the mark within the scope of the specification would involve passing off and that accordingly the mark should be refused in its entirety.

4.16 No appeal has been filed in relation to that decision.

4.17 In May 2011 the Respondent also applied for a UK trade mark in class 36 for the following:



4.18 That mark was not opposed and it proceeded to registration in September 2011. To date this mark appears not to have been challenged by the Complainant.

4.19 On 29 August 2012 the Respondent also applied for “Primo Insurance” as a community trade mark in classes 9, 36 and 42. The Complainant has opposed the class 36 registration on the basis that it has prior rights in a sign which confers on the Complainant the right to prohibit the use of the applied for mark.

4.20 The Domain Name is currently being used by the Respondent for a webpage that displays the “Primo Insurance” logo and promotes building, contents and home related insurance under that name. “Primo Insurance” is said on that page to be “sold exclusively through the online insurance broker, Policy Expert” and the “small print” on that webpage states that “Primo Insurance is a trading name of QMetric Group Limited”.

## 5. Parties’ Contentions

### The Complaint

5.1 The Complainant describes its business and how it has used its various logos and claims that it has spent “a considerable sum promoting its insurance activities under the name of ‘Primo Plc’”. As a consequence it

---

<sup>9</sup> Paragraph 51

contends that it is commonly referred to as “Primo Insurance” by potential and existing clients and frequently receives envelopes and cheques addressed to “Primo Insurance”. It provides various pieces of evidence in this respect and attaches a copy of one such envelope.

- 5.2 The Complainant contends that the use of the Domain Name by the Respondent misrepresents that it is the Complainant. It also refers to the decision of the Registrar in the Opposition Proceedings.
- 5.3 In contending that the Domain Name is abusive the Complainant also claims that the managing director of the Respondent “acknowledged under oath that he knew of the existence of Primo plc, Insurance Brokers, at the time of the [Respondent’s] application to register the name ‘Primo Insurance’”.

#### The Response

- 5.4 The Respondent describes its business and how it uses the term “Primo Insurance” as a name for one of its products. It claims that this name is promoted on the front and various other pages of its website “policy expert.co.uk” alongside other brands. A copy of its home page is provided.
- 5.5 It further contends that the “Primo Insurance” name and the Domain Name forms a core part of its business and that it did not register the Domain Name with any intent to sell it on to the Complainant or anyone else.
- 5.6 The Respondent claims that when starting its business it identified the Primo Insurance brand as one it wished to use and “conducted searches of domain names, registered business names and trademarks including WHOIS” before registering the Domain Name.
- 5.7 The Respondent claims and provides evidence of the fact that it spent £6.2 million in external marketing spend in promoting its products and estimates that “around 25% or £1.6m” of that spend related to the “Primo Insurance” brand. It contends that because its marketing spend is greater than that of the Complainant then “the Complainant will benefit from the marketing spend of the Respondent more than vice versa”.
- 5.8 The Respondent further repeats the assertions it made in the Opposition Proceedings that its business and activities are different from those of the Complainant.

#### The Reply

- 5.9 In a short Reply the Complainant refers back to and seeks to highlight aspects of the decision of the Registrar in the Opposition Proceedings.
- 5.10 So far as the Respondent’s own investment in the term “Primo Insurance” it asserts:

“[The Respondent has] known about our objection to their use of the name since 2011 and despite our early and friendly verbal objection have continued to heavily invest in marketing and wish to use this investment as one of their reasons for their use of the [Domain Name]. This is tantamount to ‘swamping’ and cannot be acceptable.”

- 5.11 The Complainant also contends that the reason why it delayed commencing these proceedings until now was that it was awaiting the outcome of the Opposition Proceedings.

## **6. Discussions and Findings**

### General

- 6.1 To succeed under the Policy, the Complainant must prove first, that it has Rights in respect of a "name or mark" that is identical or similar to the Domain Name (paragraph 2(a)(i) of the Policy) and second, that the Domain Name is an Abusive Registration in the hands of the Respondent (paragraph 2(a)(ii) of the Policy). The Complainant must prove to the expert that both elements are present on the balance of probabilities (paragraph 2(b) of the Policy).

- 6.2 Abusive Registration is defined in paragraph 1 of the Policy in the following terms:

*"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 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."*

### Complainant's Rights

- 6.3 Although the Complainant currently has no registered trade mark rights, it clearly has rights for the purposes of the Policy in the term "Primo".

- 6.4 It has long been the case that "unregistered trade mark rights" under the English law of passing off provide sufficient rights for the purposes of the Policy.

- 6.5 The Complainant has for a number of years used the term "Primo" as part of its name and as a prominent part of the logos that it has used in connection with its business. As a result of that use, it clearly has at the

very least developed goodwill in that term in the “commercial lines” market (i.e. commercial insurance to business), which would be protectable under the English law of passing off.

- 6.6 The term “Primo” is also clearly similar to the Domain Name, which can only sensibly be read as the word “Primo”, followed by the descriptive term “Insurance” and the “co.uk” suffix.
- 6.7 Accordingly, the Complainant has shown that it has Rights in respect of a “name or mark” that is identical or similar to the Domain Name (paragraph 2(a)(i) of the Policy). That is sufficient to give it standing to bring these proceedings.
- 6.8 It is also likely that it has rights in abstract under the law of passing off which can be treated as rights for the purposes of the Policy in the term “Primo Insurance”<sup>10</sup> and that the rights in both “Primo” and “Primo Insurance” extend to the brokerage of home, household and contents insurance.
- 6.9 In this respect, it is to be noted that the Registrar in the Opposition Proceedings held that as at May 2011 the Complainant’s possessed “small but not trivial” goodwill, which extended to that sector. There is also no suggestion in the documentation filed in these domain name proceedings that the Complainant’s business activities have markedly changed or that this goodwill has diminished since that date.

#### Abusive Registration

- 6.10 Paragraph 3 of the Policy sets out a non-exhaustive list of factors which may be evidence that the Domain Name is not an Abusive Registration. The word “intent” is not expressly used either in the Policy or in the list of factors. However, to succeed under the Policy it will usually be necessary for a complainant to show that the registrant has either registered or used a domain name with the intent to take unfair advantage of the rights of a complainant.
- 6.11 Paragraph 4 of the Policy sets out a non-exhaustive list of factors which may be evidence that the Domain Name is not an Abusive Registration. These include:
- “(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;*

---

<sup>10</sup> For a further explanation as to what is meant by “rights in abstract under the law of passing off” and how that differs from saying that passing off has actually been shown, see *Gillian Powell v Damian Crabtree* DRS11946

B. *been commonly known by the name or legitimately connected with a mark which is identical or similar to the Domain Name;*

...

- 6.12 There is little doubt in this case that the Domain Name has been used by the Respondent in connection with a genuine and it would appear substantial offering of buildings, home and contents related insurance products and services sold under the “Primo Insurance” brand.
- 6.13 However, it does not follow from this that the Respondent must succeed in these proceedings. If it chose the “Primo Insurance” name and Domain Name to take advantage of the reputation that the Complainant has built up in its “Primo” marks, that registration and subsequent use in relation to a real and substantial business can still be unfair.
- 6.14 The first question that arises in this respect is whether at the time that the Respondent registered the Domain Name it was aware of the Complainant’s business.
- 6.15 It seems clear that by the time that the Respondent applied for the trade mark the subject of the Opposition Proceedings the Respondent was aware of the Complainant’s existence. As has already been recorded in the “Factual Background” section of this decision, the Managing Director of the Respondent admitted that this was so under cross examination in the Opposition Proceedings.
- 6.16 It does not necessarily follow that the Managing Director had that knowledge at the time the Domain Name was registered. This is because the Domain Name was registered in March 2011 and the trade mark the subject of the Opposition proceedings was applied for a couple of months later and when exactly the Respondent’s Managing Director gained that knowledge is not identified. It is, therefore, perhaps possible that the Complainant’s business was discovered between those two dates.
- 6.17 Nevertheless, I am for the purposes of this decision prepared to assume (without deciding the issue) that the Respondent was aware of the Complainant when it registered the Domain Name. The period between the registration of the Domain Name and the making of the relevant trade mark application was short, and the Respondent’s knowledge was raised (albeit with not the greatest clarity) as an issue in the Complaint. Further, the Response seems to suggest (although it is somewhat ambiguous in this respect) that the Respondent chose the “Primo” name having conducted a search exercise that comprised “searche[s] of domain names, registered business names and trade[ ]marks including WHOIS”.
- 6.18 However, even if the Respondent knew about the Complainant, the question remains whether in pressing ahead with the use of the “Primo Insurance” name with that knowledge it intended to take unfair advantage of the Complainant’s rights.

- 6.19 This is far more difficult question. Ultimately, and admittedly with some hesitation, I have reached the conclusion that the Complainant has failed to show that it was with this intention that the Domain Name was registered. The uncontested facts in this case are equally consistent with the Respondent having chosen the name independently and then having decided to press ahead regardless of the Complainant, rather than with any intent to unfairly take advantage of the reputation of the Complainant's unregistered marks. Further, there is the concession that appears to have been made in the Opposition Proceedings that the Respondent in using the "Primo" name had not engage in any deliberate misrepresentation.
- 6.20 Also of relevance here is that there clearly has been and continues to be a dispute between the parties as to what extent they are engaged in business activities that overlap. Significantly, the Complainant has neither alleged nor shown that at the time of registration of the Domain Name the Respondent must have known or ought to have known that there was an overlap between those two businesses in a way that would lead to confusion and/or unfair advantage to the Complainant by pressing ahead with its choice of name.
- 6.21 The reason why this is relevant is that there is an argument that a registrant cannot avoid a finding of abusive registration by claiming that he did not subjectively intend to take unfair advantage of the rights of another if on the facts as he knew them at the time the only reasonable conclusion that could be reached is that such unfair advantage would occur. However, the Complainant has failed to allege or show that the Respondent had such knowledge.
- 6.22 That is not the end of the analysis in these domain name proceedings. The central way in which the Complainant has presented its case is and has always been somewhat different. It contends that the reason why there is abusive use is that the Respondent has continued to use the Domain Name notwithstanding the Complainant objection, the resultant confusion and crucially the determination of the Registrar in the Opposition Proceedings that the Respondent's use of the term "Primo Insurance" would infringe its rights.
- 6.23 In essence this is a complaint that the Respondent's use of the Primo Insurance name has involved acts of passing off. At first sight the contention that there has been passing off appears to be a strong one. The fact that the reputation of a business is relatively small does not preclude a finding of passing off<sup>11</sup>, the test is an objective one (i.e. whether the defendant's acts objectively amount to a misrepresentation rather than this is what the defendant subjectively intended) and there is at least a serious question as to whether customer confusion is likely or has occurred.
- 6.24 Nevertheless, it is a contention that is problematic. The general approach of experts under the Policy to date has been to consider the question of

---

<sup>11</sup> See by way of example the recent decision of the Court of Appeal in *Lumos v Sweet Squared Ltd* [2013] EWCA Civ 590

infringement of trade marks and passing off as separate to, or perhaps an unhelpful distraction from, the question of whether there has been abusive registration or use.

- 6.25 As the Appeal Panel commented in *Comité Interprofessionnel du Vin de Champagne v Steven Terence Jackson* DRS 4479:

“In [*Seiko UK Limited v Designer Time/Wanderweb* DRS 00248], the Appeal Panel accepted that in certain cases it might be appropriate for a panel to refer to case law on the issue of abusive registration. Nevertheless it also went on to make the following statement:

*“Having said all of this, the Panel does not wish to encourage the massive citation of authority which bedevils civil litigation in the UK. The Panel considers that parties and Experts should not be overly concerned with whether or not an allegedly abusive registration also constitutes an infringement of registered trade mark. The question of trade mark infringement is, as both parties (and the Expert) agree, one for the courts to decide. The question of abusiveness is for the Expert to decide. The two jurisdictions co-exist alongside each other, and no doubt there will be considerable overlap. However there may well be factual scenarios in which an abusive registration under the Policy would not be an infringement of trade mark under the 1994 Act, and where an infringement of trade mark under the 1994 Act would not be an abusive registration under the Policy. The safest course for parties and Experts is simply to address the terms of the Policy.”*

We endorse this and believe that it also applies where, as here, the allegation is not one of trade mark infringement but passing off.”

- 6.26 That is not to say that an approach that separates the question of infringement and abusive registration is without difficulties (particularly in cases where a respondent is arguably engaged in lawful activity). But this is not a case where such questions arise and there is no need to consider this further in this decision.
- 6.27 Things are perhaps different if a competent court has already definitively determined that a use of a term infringes the rights of another. In such a case there may well be a strong argument that the continued use of the domain name in those circumstances would be abusive. However, I do not think that the decision of the Registrar in the Opposition Proceedings, can be treated in this way.
- 6.28 First, there is the technical point that the decision of the Registrar in this case was not whether the Respondent’s acts involved passing off, but whether the Respondent’s use of the mark applied for within the scope of the specification sought would involve passing off. There may be nothing in this technical point if, as seems to be the case, the specification for the

opposed mark covers the Respondent's current use of the Domain Name. But there were no submissions by either party in relation to this point in these proceedings under the Policy.

- 6.29 Second, and more importantly, there is the fact that it is clear that a decision in opposition proceedings is not binding upon the parties in future litigation (see *Special Effects Ltd v L'Oreal SA* [2007] EWCA Civ 1). The fact that the Respondent lost those proceedings does not preclude it from arguing in subsequent court proceedings that its activities nevertheless do not amount to passing off (whether that be because of the different market sectors argument that the Respondent put forward in the Opposition Proceedings and repeated in the Response or whether that be for some other reason). The position is to be contrasted with the legal position had the Complainant succeeded in proceedings to invalidate the mark (as to which see *Evans & Anor (t/a Firecraft) v Focal Point Fires Plc* [2009] EWHC 2784 (Ch)).
- 6.30 If the decision in the Opposition Proceedings is not binding on the parties in subsequent court proceedings, there is no good reason why an Expert under the Policy should treat that decision any differently. In the circumstances, I am not prepared to make a finding of abusive use on the basis of the findings in the Opposition Proceedings alone.
- 6.31 Finally, I would add that this is a case where there is clearly a fundamental and ongoing dispute between two businesses over the use of the terms "Primo" and "Primo Insurance". This is not the sort of case that the Policy was designed or best placed to determine. Even if the Complainant had succeeded in these proceedings, I doubt that this would have resolved that underlying dispute. There are other opposition proceedings ongoing and ultimately I suspect that in the absence of settlement or agreement between the parties, the only way this dispute will be definitively determined will be in the courts.
- 6.32 In light of these findings, and although I have some sympathy with the position that the Complainant finds itself in, I conclude that the Complainant has failed to carry the burden of proof that is necessary for a finding that the Domain Name is an Abusive Registration.

## **7. Decision**

- 7.1 I find that the Complainant has Rights in a trade mark, which is similar to the Domain Name, but that the Complainant has failed to show that the Domain Name, in the hands of the Respondent, is an Abusive Registration.
- 7.2 I, therefore, determine that there be no action on the Complaint.

**Signed Matthew Harris**

**Dated 28 June 2013**

