

**DISPUTE RESOLUTION SERVICE**

**D00013001**

**Decision of Independent Expert**

Paramount Pictures Corporation

and

Andy Hugh

**1. The Parties:**

Complainant: Paramount Pictures Corporation  
5555 Melrose Ave., Lubitsch 206  
Hollywood  
California  
CA 90038  
United States

Respondent: Mr Andy Hugh  
7 The Willows  
Great Chesterford  
Essex  
CB10 1QL  
United Kingdom

**2. The Domain Name:**

paramount.co.uk

**3. Procedural History:**

26 June 2013 19:49 Dispute received  
27 June 2013 10:18 Complaint validated

27 June 2013 10:40 Notification of complaint sent to parties  
16 July 2013 02:30 Response reminder sent  
19 July 2013 08:23 Response received  
19 July 2013 08:24 Notification of response sent to parties  
24 July 2013 02:30 Reply reminder sent  
26 July 2013 13:22 Reply received  
26 July 2013 13:23 Notification of reply sent to parties  
26 July 2013 13:23 Mediator appointed  
01 August 2013 12:00 Mediation started  
09 August 2013 13:48 Mediation failed  
09 August 2013 13:48 Close of mediation documents sent  
16 August 2013 11:04 Expert decision payment received  
19 August 2013 Keith Gymer appointed as Expert wef 22 August 2013

The Expert confirms that he is independent of each of the parties. To the best of his 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 his independence in the eyes of one or both of the parties.

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

According to the Nominet WHOIS records, the disputed Domain Name, paramount.co.uk, was first registered as of 27 June, 2005 with the then Registrant identified as TagNames Limited (UK Co. No. 4534942), and with the Administrative Contact listed as “Andy Hugh”. The registration remained this way until a transfer was recorded on 29 December, 2012 from TagNames Limited to “A Hugh”, with the Administrative Contact remaining as “Andy Hugh”.

The Complainant, Paramount Pictures Corporation, is a US-based, international film and television production and distribution business, originally founded in 1912 as Famous Players Film Company, which merged into Paramount Pictures in 1914. It retains its headquarters in Hollywood and had revenue of \$1.2 billion in 2011. Paramount productions have been shown around the world and have won many Academy and other awards. The Complainant has used a logo with the word mark “Paramount” above an image of a mountain in various forms since 1914. The Complainant has several trade mark registrations enforceable in the UK, including CTM 191908 in the following form:



and others for the word mark PARAMOUNT alone, including CTMs 5202395 and 9386897. The Complainant has a website at [www.paramount.com](http://www.paramount.com).

The Respondent, Andy Hugh, is identified in the WHOIS record as “A Hugh”, a UK Individual, who had opted to have his address omitted as being a “non-trading individual”.

## **5. Parties’ Contentions**

### **Complainant**

The Complainant asserts that it has rights in a name or mark that is identical or similar to the disputed Domain Name and that, in the hands of the Respondent, the Domain Name is an Abusive Registration.

The Complainant claims that it is well known and provides details of its longstanding use of the PARAMOUNT name and “iconic mountain and stars logo” since 1914. It provides evidence of its international reputation and recognition of its production successes with particular reference to the UK, including its awards history and press approbation. It makes reference to particular notable events in 2005 and 2006 around the period the Domain Name was first registered and used.

It notes that the disputed Domain Name consists exclusively of the Complainant’s “famous (distinctive) name and trademark PARAMOUNT”, and lists various representative UK and Community Trade Mark registrations for its marks.

In October 2012, the Complainant states that it unveiled plans to build a PARAMOUNT theme park in Kent, which attracted significant publicity in the UK.

Subsequently, in May 2013, the Complainant learnt of the disputed Domain Name when it received an email from a Paul McDonnell, who held himself out to be brokering the disputed Domain Name for sale.

The Complainant found that the Domain Name had first been registered in June 2005, and found evidence on the Wayback Machine that suggested the Domain had then been used for a website with links to third party websites relating to movie entertainment, which it perceived as having taken unfair advantage of the Complainant’s name and trademark.

Mr McDonnell then pointed out that the Respondent himself only acquired the Domain Name in 2012, and implied that the Respondent was not responsible for any prior use. He asserted that the Domain Name had been used for “no purposes whatsoever” by the Respondent. In his email correspondence with the Complainant, Mr McDonnell alleged that he was not a “formal representative” of the Respondent, but acted as a friend who had a “general green light” to “find a buyer for some of his domain names”. He initially claimed not to have any guidance from the Respondent as to what figure might be acceptable, but went on to say he had “several other parties interested” and that he was “trying to put together a package” for the Respondent. In this context he proceeded to “suggest a deal” which he believed the Respondent “would go for”, in terms of a £50,000

up-front payment with a further £7000 a year for ten years, totalling £120,000 in all.

The Complainant shows evidence that the original registrant of the Domain Name in 2005 was TagNames Limited, for which the Respondent was the sole director and company secretary, and was the named Administrative Contact for the Domain Name. It implies that the transfer of the Domain Name into the Respondent's own name in 2012 was an artificial attempt to distance the registrant from the previous use in anticipation of Mr McDonnell's approach to the Complainant thereafter. The Complainant submits that the results of a "Reverse Whois Lookup" show that the Respondent, "A Hugh", is the owner of over 30,000 domain names, which suggests that he is in fact a "professional domainer/dropcatcher".

The Complainant says that the disputed Domain Name is an Abusive Registration as it was registered or otherwise acquired in a manner which, at the time of registration or acquisition, took unfair advantage of, or was unfairly detrimental to, the Complainant's rights in the PARAMOUNT name and trademark; and that it has been used in such a manner.

It points to the use in the period 2005-2006 for a website with links to third-party commercial websites when the Domain Name was held in the name of TagNames Limited, under the Respondent's control. It observes that the Respondent is not personally known by the Domain Name, and says that he has not made any legitimate non-commercial or fair use of it, nor is it generic or descriptive.

Alternatively or additionally, it submits that the activities of Mr McDonnell show that the Domain Name was registered or acquired for the primary purpose of selling it for valuable consideration in excess of the Respondent's documented out-of-pocket costs.

The Complainant asks that the disputed Domain Name be transferred to the Complainant.

## **Respondent**

The Respondent submitted a brief Response, comprising various denials of the Complainant's assertions.

In the Response, the Respondent states that the Reverse Whois Lookup does not relate to the Respondent, and says that he does not have any domains with all but one of the registrars in the list, which had the actual domain details redacted anyway and so was essentially meaningless.

According to the Respondent, as an overseas business, the Complainant "is not afforded the unregistered rights of a UK business or individual"; and the Domain Name "does not consist exclusively of the Complainant's trademark

PARAMOUNT”, because the cited trademark registrations included images or other text [at least in some cases].

The Respondent alleges [without providing any supporting evidence himself] that “numerous businesses use the word paramount in their name, numerous different unrelated businesses have a trademark for the single word paramount and the word paramount is extremely generic”. He asserts that the Complainant “does not have exclusivity over the generic word PARAMOUNT, only specific classes to which they have registered rights”.

He says that prior to the 2012 transfer, he was not in exclusive control of the Domain Name, claiming that “until 4/7/2010, there were two directors and there always have been two shareholders” [in TagNames Limited].

With respect to the prior website use of the Domain Name, the Respondent says that “the results were very generic and not optimized to target the Complainant”. He states that the prior use is not relevant and reiterates that the Domain Name has not been used for any website since he personally acquired it.

The Respondent admits to having had “preliminary discussions with Mr McDonnell with regards to raising capital for a project” and that “one idea was that some of the Respondent’s domain names could be put up for sale”. However, the Respondent claims to have “clearly told Mr McDonnell that paramount.co.uk and one or two other domain names were not to be sold”. He says that he “did not give Mr McDonnell any authority to sell or approach the Complainant or anyone else for that matter, regarding paramount.co.uk”. A copy of an email exchange between the Respondent and Mr McDonnell, post-dating the Complaint, is submitted in support of this contention.

### **Complainant’s Reply**

In Reply to the Response, the Complainant challenges the various denials and arguments presented by the Respondent.

It reiterates its view that the Reverse Whois Lookup results do relate to domain names owned by the Respondent.

It points out that the Complainant does have a claim to unregistered rights in the UK, based on its “considerable business in the UK, generating massive goodwill and reputation”, and that it does have several registrations for the plain word mark PARAMOUNT, details of which were included in the original Complaint.

The Complainant observes that the Respondent has filed no evidence to support his assertions regarding the use and registration of PARAMOUNT by others, nor that the mark is “extremely generic”, since this latter would be inconsistent with such allegedly significant trade mark use.

The Complainant re-asserts that the Respondent was effectively in control of the Domain Name both before and after the 2012 transfer, and that the evidence of the prior website use does include a number of links, purportedly pay-per-click, specifically targeted at the Complainant, by reference to a number of its TV productions and with a related link apparently to PARAMOUNT itself. The Complainant alleges that this took advantage of the Complainant's reputation. Although such use is not presently taking place, the Complainant believes that it could happen again, so long as the Respondent remains in control of the Domain Name.

With regard to the Respondent's claims that Mr McDonnell had been told not to try to sell the Domain Name and to the email evidence purporting to corroborate this, the Complainant says these should be given no weight. They submit also that the Respondent's claim to have other plans for the use of the Domain Name is not plausible. They allege the email evidence the Respondent has filed has been orchestrated to distance him from the abusive use of the Disputed Domain Name. The Complainant doubts that Mr McDonnell would have approached the Complainant on the terms he did if he had not had the express or tacit approval of the Respondent.

## **6. Discussions and Findings**

### **General**

Paragraph 2 of the Policy requires that, for the Complainant to succeed, it must prove to the Expert, on the balance of probabilities, both that it has Rights in respect of a name or mark which is identical or similar to the Domain Name; and that the Domain Name, in the hands of the Respondent, is an Abusive Registration as defined in Paragraph 1 of the Policy.

### **Complainant's Rights**

The Complainant has demonstrated rights in "PARAMOUNT" as a registered trade mark with reference to a selected number of Community and UK National registrations. These all predate the 2012 transfer of the Domain Name to the Respondent personally, and some also significantly predate the 2005 first registration of the Domain Name for TagNames Limited under the Respondent's control.

In any event, contrary to the Respondent's incorrect assertion and belief, the Expert is also in no doubt that the Complainant has established substantial goodwill and longstanding prior common law rights in the UK through its very considerable and extended use of the PARAMOUNT name and mark in the UK over nearly a century.

The PARAMOUNT name and mark is identical to the distinctive element of the Domain Name.

Consequently, for the purposes of the Policy, the Expert finds that the Complainant has Rights in respect of a name or mark, which is identical or similar to the Domain Name paramount.co.uk.

### **Abusive Registration**

The Complainant also has to show that a disputed Domain Name is an Abusive Registration. Paragraph 1 of the Policy defines “Abusive Registration” 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.

A non-exhaustive list of factors which may be evidence that a Domain Name is an Abusive Registration are set out in Paragraph 3a of the Policy.

From the Complainant’s submissions, the following examples appear to be potentially applicable in this case:

- 3ai. Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily:
  - 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;
  - B. as a blocking registration against a name or mark in which the Complainant has rights; or
  - C. for the purpose of unfairly disrupting the business of the Complainant;
- 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;

...

Paragraph 4 of the Policy, conversely, provides observations on “How the Respondent may demonstrate in its response that the Domain Name is not an Abusive Registration”, of which the following may be considered pertinent to the present Complaint:

- 4a.i.C. [The Respondent has] made legitimate non-commercial or fair use of the Domain Name.

4a.ii The Domain Name is generic or descriptive and the Respondent is making fair use of it.

4d. Trading in domain names for profit, and holding a large portfolio of domain names, are of themselves lawful activities. The Expert will review each case on its merits.

4e. Sale of traffic (i.e. connecting domain names to parking pages and earning click-per-view revenue) is not of itself objectionable under the Policy. However, the Expert will take into account:

- i. the nature of the Domain Name;
- ii. the nature of the advertising links on any parking page associated with the Domain Name; and
- iii. that the use of the Domain Name is ultimately the Respondent's responsibility.

The factors listed in Paragraphs 3 and 4 of the Policy are only intended to be exemplary and indicative. They are not definitive either way. It is Paragraph 1 of the Policy, which provides the applicable definition as indicated above.

In accordance with the Policy Paragraph 2b, it is for the Complainant to prove to the Expert, on the balance of probabilities, that the Domain Name is an Abusive Registration.

This case raises several interesting questions, which the Expert has had to consider in coming to a decision. In some instances, as explained below, the determination of how these questions should be answered has been clear, and in others more finely balanced.

Is the original 2005 date of registration of the Domain Name, or the 2012 date of transfer to the Respondent personally, to be considered as the time registration or acquisition took place for the purposes of Paragraph 1?

The Complainant has argued that the earlier date is applicable because the evidence shows that the Respondent was the controlling force behind the original registrant, and the subsequent transfer to the Respondent personally was simply a device to distance the current registrant from the potentially questionable website, which operated at an early stage when the Domain Name was held in the previous name.

The Respondent claims that he was not in sole control prior to the 2012 transfer, and, indeed, that no use at all has been made of the Domain Name since he personally acquired control. He has asserted (in the post-Complaint email to Mr McDonnell, submitted in evidence) that "It's a domain name I was reserving for an invention which I will not go into...", but has provided no evidence of what this intended "invention" might comprise.

In the Expert's view, whichever date is taken, it is not ultimately a determinative factor. The Complainant has provided evidence that strongly suggests the



Respondent was unambiguously in control of the prior Registrant. The Respondent simply made a contrary assertion with no supporting evidence.

The Expert considers that, on balance, the evidence also supports the Complainant's contention that the 2012 transfer was done with a view to the potential offers for sale of the Domain Name, and was an artificial device in an attempt to create a clean claim for that purpose. The Respondent has offered no alternative explanation as to the reason for and nature of the transfer.

If the earlier 2005 date is considered, it does beg the question of why the Complainant has taken so long to bring a Complaint. It is difficult to imagine that an organisation as international and media-savvy as the Complainant could really have been wholly unaware of the existence of the Domain Name in that time. It may be more likely that someone was aware, but perhaps only after the active website use had ceased, and that the passive registration was left alone for that reason, until the recent approaches were made to sell the Domain Name and to imply a threat to sell to others.

However, if the later date is considered, the evidence of the earlier use, and of the direct involvement of the Respondent in that use cannot be ignored. In the Expert's opinion, the evidence of the prior use is indicative of a targeted use, which was taking advantage of the Complainant's name and reputation at that time. It may have ceased because the Respondent (as the responsible Administrative contact and director of the then registrant) realised that this would potentially attract adverse attention, as it has done. That might be perceived as a responsible action to avoid conflict or as an effort to present a more innocent looking front in subsequent dealings.

In either case, the Expert believes it would be inconceivable that the registrant/Respondent was not fully aware of the fame and reputation of the Complainant's name and mark at whichever date.

Does it matter whether or not the Respondent really owns 30,000 other domains or that he may be a professional domainer/dropcatcher?

The Expert does not find the evidence of the Reverse Whois Lookup at all persuasive or relevant. It is wholly inadequate to prove any connection between the present Respondent and any other "A Hugh". Nor does it add anything to the Complainant's case in any event. There is no adverse presumption to be made simply because the Respondent may be a professional domainer or dropcatcher, and no evidence has been presented to suggest that the Respondent may have been engaged in a pattern of Abusive Registrations.

Does it make any difference if there are other users of the PARAMOUNT name and mark?

The Respondent did not provide any evidence to support his assertions in this respect, but it is quite conceivable that there are other businesses using the PARAMOUNT name and mark. What is less clear is the extent to which such

businesses may be connected with or authorised by the Complainant. If a business is in a totally different field such a business may be able to use the name and mark without conflict or confusion. They may have a claim to legitimate use. That does not mean the Respondent's use must necessarily be considered as legitimate and does not prevent the conclusion that the Domain Name may still be an Abusive Registration in the hands of the Respondent.

Is the PARAMOUNT name generic?

"Paramount" is certainly an ordinary dictionary word, meaning "supreme" or "of highest concern". As such, it is arguably laudatory and so not ordinarily registrable as a trade mark without evidence of acquired distinctiveness or established secondary meaning. And in this case, that is the problem for the Respondent. The Complainant's evidence, and surely most ordinary people's everyday familiarity with the media, leaves little room for doubt that the name and mark PARAMOUNT is very much distinctive of and famously associated with the Complainant and its business. In this context it is manifestly not generic.

Was Mr McDonnell acting with the Respondent's knowledge in seeking to broker a sale of the Domain Name?

The evidence shows that Mr McDonnell says, in his various emails to the Complainant:

"I am brokering the domain paramount.co.uk, and [...] would you be interested in acquiring it?"

"I am not a formal representative of Mr Hugh. For example, we have no contract between us"

"He [the Respondent] is a friend and he has given me a general green light to see if I can find a buyer for some of his domain names."

"As it is, we have a number of parties interested and it may be that we end up in some sort of auction."

"I do have several other parties interested in the domain and I am trying to put together a package for Mr Hugh."

"You did ask what he might find acceptable, so may I suggest a deal which I believe he would go for:

1. An upfront payment of 50,000 GBP.
2. The payment of a further amount of 70,000 GBP over the space of ten years, that is 7,000 GBP per annum."

Then, after the event, when challenged by the Respondent, who says "...when you mentioned paramount.co.uk, I said I would rather not sell that domain name. It's a domain name I was reserving for an invention I will not go into...", Mr McDonnell replies:

"My understanding was that you had given me a general go ahead to try to get offers for some of your domain names and you sent through a list from which I picked a few. I chose paramount.co.uk as there were a huge number of companies using that word in their name and I had a contact at Paramount Pictures... "

“I do remember when I mentioned this to you that you said you would not be keen to sell that one, but I thought I may be able to get an offer from them that you might find acceptable.”

“I did explain this to Paramount Pictures at the time, that I wasn’t officially representing you, that I couldn’t speak for you, and any deal would have to be approved by you.”

These exchanges do perhaps convey somewhat mixed messages. However, the Expert considers that it is clear that Mr McDonnell was authorised by the Respondent to act as a broker, if not formally as an agent, to solicit potential sales of domain names from the Respondent’s portfolio. Mr McDonnell says paramount.co.uk was on a list provided by the Respondent. In the Response, the Respondent claims to have “clearly told Mr McDonnell that paramount.co.uk and one or two other domain names were not to be sold”. He says that he “did not give Mr McDonnell any authority to sell or approach the Complainant or anyone else for that matter, regarding paramount.co.uk”. But in the email exchange with Mr McDonnell this is reduced to expressing that “...I would rather not sell that domain name”, which does not have quite the same strength.

It is also clear that Mr McDonnell made his two significant email proposals to the Complainant, separated by 11 days, on 19 and 30 May 2013, with the latter including the proposed terms of sale for 120,000 GBP. This sum is plainly way in excess of any ordinary costs for registering and maintaining the Domain Name.

The Expert finds it very difficult to believe that any such offer would have been made without some prior discussion of the potential sales figures or the nature of the “several other parties interested” with the Respondent in that time.

Considering all the evidence together, the Expert is persuaded that, on the balance of probabilities, Mr McDonnell was acting with the knowledge and at least the tacit approval of the Respondent, when he made his approaches to the Complainant, and that although the Respondent may have had reservations, he did not clearly forbid Mr McDonnell from making those approaches or attempting to sell the Domain Name either to the Complainant or any of those “several other parties” who were purportedly interested.

The Expert also considers that the cumulative evidence indicates that it is more likely than not that the Domain Name was originally registered in 2005 and transferred in 2012 with an intention to leverage value off the fame and reputation in the Complainant’s name and mark, possibly having regard to the publicity associated with the Complainant around those times; that the Domain Name was used in a manner which did take unfair advantage of the Complainant’s rights, and that the Complainant has reasonable grounds for fearing that such use may recur; that the Respondent, through Mr McDonnell, has offered the Domain Name to the Complainant for valuable consideration considerably in excess of any reasonable out-of-pocket costs, and has impliedly threatened to dispose of the Domain Name to a highest bidder, regardless of whether such a party may itself have any legitimate rights to use the PARAMOUNT name and mark, if the Complainant did not accept. Essentially, the

situation is analogous to at least some of the circumstances contemplated in Paragraphs 3.a.i and ii of the Policy, without any convincing evidence that the savings contemplated in Paragraph 4 should otherwise prevail.

On balance, therefore, the Expert finds that the Domain Name, in the hands of the Respondent, is an Abusive Registration (and was also so in the hands of the original registrant under the control of the Respondent), for the purposes of the Policy.

## **7. Decision**

Having concluded that the Complainant does have Rights in respect of a name or mark, which is identical or similar to the Domain Name, and that the Domain Name, in the hands of the Respondent, is an Abusive Registration, the Expert determines that the Domain Name paramount.co.uk should be transferred to the Complainant.

**Signed .....**  
**Keith Gymer**

**Dated 6 September, 2013**