

DISPUTE RESOLUTION SERVICE

D00014366

Decision of Independent Expert

Sopariwala Exports

and

Radha Trading trading as Namasteji UK Ltd

The Parties

Lead Complainant: Sopariwala Exports
Nirmal, 21st Floor, Nariman Point
Mumbai
400021
India

Complainant: Soex India Pvt Ltd.
Nirmal, 21st Floor, Nariman Point
Mumbai
400021
India

Respondent: Radha Trading trading as Namasteji UK Ltd.
Brew Securities
Unit 10, Honeypot Business Centre
Parr Road
Stanmore
Middlesex
HA7 1NL
United Kingdom

The Domain Name

soexmolasses.co.uk

Procedural History

1. I can confirm that I am independent of each of the parties. 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 such a nature as to call in to question my independence in the eyes of one or both of the parties.
2. The following is a chronology of the essential procedural steps in this dispute.

17 June 2014	Dispute received and validated by Nominet.
17 June 2014	Notification of Complaint sent to the parties.
30 June 2014	Response received by Nominet.
30 June 2014	Notification of Response sent to parties.
03 July 2014	Reply reminder sent.
07 July 2014	Reply received by Nominet.
07 July 2014	Notification of Reply sent to the parties.
14 July 2014	Mediation commenced.
06 August 2014	Mediation failed.
14 August 2014	Expert decision payment received by Nominet.

Factual Background

3. The Complainants are Sopariwala Exports (“Exports”), a partnership registered under the Indian Partnership Act 1932 and formed in about 1977 and its associated company Soex India Pvt Ltd. (“SIPL”), which was incorporated in 2002 (“the Complainants”). They and their associated companies manufacture and export from India and distribute tobacco products and non-tobacco products including cigarettes, snuff tobacco, tobacco molasses and herbal molasses. From about 2002 this business has been carried on under the trademark ‘SOEX’ and the Complainants’ products are sold under that trade mark in many countries.

4. The Respondent is Namasteji UK Ltd. (“the Respondent”), which has been operating a small business of import and wholesale in the United Kingdom since 2007. The business traded initially as Rhada Trading and it was appointed as the Complainants’ UK importer and distributor in 2007. That arrangement came to an end in 2011, although the Respondent has since been re-selling the Complainants’ products. On 20 March 2008 the Respondent registered the Domain Name from which URL it started operating an online catalogue for its products.

Parties’ Contentions

The Complaint

5. The Complaint alleges as follows, -
 - 5.1 Exports has been selling unmanufactured tobacco leaf to over 75 countries for more than 50 years and it operates four processing plants in Gujrat, India. In addition to its tobacco products Exports offers a variety of ‘no nicotine’, ‘no tobacco’ and ‘no tar’ products. Its products include cigarettes, snuff tobacco and molasses both tobacco and herbal.
 - 5.2 The Indian Government has recognized Exports as a ‘Star Export House’, a status conferred on very few exporters in India. Between 1975 and 2011 Exports won many Indian state and national awards and certificates for excellence for its products and business performance.
 - 5.3 In about 2002 Exports combined the letters “SOEX” from its partnership name to create a distinctive trade mark. The trade mark “SoeX” was registered with effect from 21 January 2002 in the name of Exports under number 1074725 pursuant to the Indian Trademarks Act 1999 in class 34 with respect to specified tobacco-related products.

- 5.4 Further Indian domestic trademark registrations followed in respect of other products sold by the Complainants initially in the name of Exports and thereafter in the name of SIPL. The registrations included “SoeX” with, one or more devices (including a stylised “S”) or other words. From 2007 trade mark registrations prominently featuring the word ‘SoeX’ were effected in the name of SIPL in a number of foreign jurisdictions, including Malaysia, South Africa, Jordan and Zambia.
- 5.5 In 2002 SIPL also registered domain names featuring the letters “soex”, including soex.com and soex.net. The Complainants trade online from soex.com. and the products so traded include molasses.
- 5.6 The Complainants have used the trade marks continuously and extensively since 2002 in respect of their tobacco and non-tobacco goods in India and in other countries. The trade marks used have also included variants of ‘SoeX’ such as “SOEXGROUP” and “SOEXFLORA” (a flowers business).
- 5.7 SIPL has enjoyed a substantial turnover since 2002 and the Complainants have expended large sums of money advertising and promoting the goods and accompanying services traded under these trade marks and their authorised variants, and those goods and services are known for their quality and reliability.
- 5.8 As a result, the Complainants own substantial reputation and goodwill in the word “SOEX”, which is exclusively associated with them (and no-one else) in India and outside India.
- 5.9 The Complainants had a business relationship with the Respondent from 2007 to 2011 during which period the Respondent was their UK importer.

- 5.10 In early 2012 the Complainants were shocked to discover that the Respondent was using the Domain Name. On 24 and 25 January 2012 SIPL emailed the Respondent asking it to discontinue use of / surrender the Domain Name and to stop using their trade marks on the associated website. However, there was no response to the emails and the Respondent did not surrender or discontinue use of the Domain Name.
- 5.11 The Domain Name is being used by the Respondent to host a website advertising for sale both “SoeX” trademarked products and other products of the Complainants without their consent.
- 5.12 This use of the Domain Name is both dishonest and in bad faith, designed to attract the Complainants’ customers and to trick them into believing that there is an association between them and the Respondent and/or to prevent the Complainants from making legitimate use of it.
- 5.13 The Domain Name is an Abusive Registration because it is identical or confusingly similar to a trade mark or trade marks in which the Complainants have statutory and common law rights. It is also identical or similar to the name of SIPL and to the operative parts of SIPL’s domain names in which statutory and common law rights subsist.
- 5.14 The Respondent has no right to use the Domain Name, nor any legitimate interest in it. There is no *bona fide* offering by the Respondent of goods or services under the Domain Name. It is seeking to monetise the unfair connection it has made with the Complainants’ trade marks and its use of the Domain Name is unfair and illegitimate because it involves infringement of the Complainants’ trade marks and passing off.

- 5.15 The Respondent has not been authorised or permitted by the Complainants to adopt, register or use the Domain Name, nor is the Respondent connected or related to either of the Complainants: see, for example, *Guerlain S.A. v Peikan* (guerlain.net) WIPO Case No. D2000-0055.
- 5.16 The Domain Name was also registered in bad faith and is being used in bad faith, because it was registered deliberately to imply a false connection with the Complainants' trade marks by suggesting a false sponsorship, affiliation or endorsement of the Respondent's website by the Complainants.
- 5.17 The Respondent's use of the Domain Name is also unfair in view of its infringement of the Complainant's trade marks by displaying the Complainants' products bearing their trade marks. The Respondent's use of these marks is intended to dilute, weaken or vitiate their inherent distinctiveness, reputation and value.
- 5.18 The Respondent is well aware that its registration and use of the Domain Name is in bad faith and an infringement of the Complainants' trade marks.

The Response

6. The Response alleges as follows, -
- 6.1 The Respondent was formerly known as Radha Trading and carries on business in the UK. Its small import and wholesale business started in 2007 and has since expanded and includes an online sales service from the disputed website.
- 6.2 The Domain Name was registered on 20 March 2008. It was registered with the intention of making available an online catalogue for the Respondent's products, and in view of the fact

that it had been appointed as the Complainants' authorised UK importer.

6.3 The Domain Name is materially different to the Complainants' trade marks. The Complainants have not registered the name 'soexmolasses' and they have registered their logo "S" with 'SoeX' and not "SoeX" on its own: see <http://www.ipo.gov.uk/tmtext/> (Community Trade Mark EU003085537). The Domain Name is neither identical nor confusingly similar to the Complainants' trade mark.

6.4 The Complainants were well aware that the Respondent had registered the Domain Name as shown by email exchanges between the parties in April 2009 one of which contained a link to the Respondent's website. At the time when the Respondent was their authorised importer for the UK the Complainants would refer customers to the Respondent. However, they have since cut out the Respondent and given the dealership to one of the Respondent's customers after the Respondent had built up the market for the Complainants and without even informing it that this new dealer had been appointed.

6.5 Far from the Respondent using the Domain Name to confuse customers, it is the Complainants who have been referring customers to the Respondent, knowing that they trade online from www.soexmolasses.co.uk.

6.6 Further, the Complainants are only manufacturers and it cannot be said that any of their customers could have been confused. The Respondent also deals in other products and insofar as it deals in products manufactured by the Complainants the Domain Name makes no misrepresentation at all. That is because the Domain Name indicates that "SoeX" marked products are being sold by the Respondent, which is true. Even then, the Respondent has not been

promoting the Complainants' products since they replaced the Respondent as their authorised UK importer.

- 6.7 Furthermore, when a person visits the Respondent's website, it is clear that the Respondent is Namasteji UK Ltd. and that it has nothing to do with SIPL's corporate name and their corporate logo has not been used on the website.
- 6.8 The truth is that the Complainants are a large enterprise which is attempting to bully a small trader by trying to deprive it of its domain name in which it has a legitimate interest, or to interfere with its business by seeking its transfer. Other related domain names are available for purchase, in particular "soexmolasses.com". There are also other "soex" domain names registered in the names of third parties to which no objection appears to have been taken, such as "soexplantes.com". The Respondent cannot understand why the Complainants have any proper objection to the Domain Name in its hands.
- 6.9 On 24 January 2012 the Respondent received an email from the Complainants stating that they had a problem with the company logo and the link that had been placed on the Respondent's web site. In response, the logo and link were removed immediately, the website was changed and there were no more promotions of the Complainants' products on the website.

The Reply

7. The Complainants rely on the following matters, -
 - 7.1 They repeat the reasons set out in the Complaint as to why the Domain Name is an Abusive Registration and make a general denial of the matters raised in the Response to the extent that they are inconsistent with the Complaint.

- 7.2 The Respondent cannot justify registration or use of the Complainants' trade mark "SoeX" merely by the addition of the word "molasses". It is not true that the Respondent has never used the Domain Name as a trading name. Furthermore, if as the Respondent says, it is not known by the Domain Name then it will suffer no harm or damage if the Domain Name were transferred to SIPL.
- 7.3 The Respondent claims that it is dealing in products other than those manufactured by the Complainants. If its intention was not to trade off the back of the Complainants, why did it adopt the Domain Name by using only the Complainants' trade mark? No cogent explanation has been given as to why the Respondent chose the Domain Name.
- 7.4 The Complaint was not made with any intention of harming the Respondent's business or on the grounds of "business rivalry".
- 7.5 The Complainants were not aware of the link on the website on 17 April 2009 or since. It was only in January 2012 that they first became aware of this registration.
- 7.6 The contentions made about third parties using "soex" as part of their domain names are not relevant and do not amount to any defence to this claim. In any event, the Complainants reserve their rights to take appropriate legal proceedings against those third parties.

Discussion and Findings

8. A complainant is required under subparagraphs 2a. and 2b. of the Dispute Resolution Service Policy ("the Policy") to prove on the balance of probabilities that: -

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

I have limited the findings in this Decision to those necessary to dispose of the dispute in accordance with the Policy and accordingly it is not necessary to resolve all the issues raised by the parties. All the various arguments and documents relied on by the parties have been taken into account in making this Decision. The Complainants have advanced several arguments based on passing off and trade mark infringement. The Nominet DRS contains a set of principles, as set out in the Policy, which are self-standing and distinct from the principles of the law of intellectual property. Although those principles do inform the interpretation of the Policy in certain respects, decisions under the DRS fall to be decided according to the Policy. There is also some similarity between the Nominet DRS and the UDRP. Decisions under the latter can be of assistance, but the two regimes are materially different in content. In this case, I found that the principles from the DRS cases referred to below to be those which assisted me in making this Decision.

9. I refer to the matters set out in paragraphs 3 and 4 above and adopt them as findings of fact.

Rights

10. By paragraph 1 of the Policy, -

'Rights means rights enforceable by the Complainant, whether under English law or otherwise, and may include rights in descriptive terms which have acquired a secondary meaning.'

The Complainants own trade marks both consisting of and including the word “SoeX”, registered as follows in particular jurisdictions in relation to various of its tobacco and non-tobacco products under specified classes of registration. Those trade marks include the following, -

- India, trade mark no: 1074725 (Exports) - “SoeX.”
- India, trade mark no: 1081938 (Exports) - “SoeX” accompanied by stylised “S” logo.
- India, trade mark no: 1158537 (SIPL) - “SoeX”.
- Community Trade Mark no. EU003085537 (SIPL) - “SoeX” accompanied by stylised “S” logo.
- South Africa, trade mark no. 2007/21565 (SIPL) - “SoeX”.
- Malaysia, trade mark no. 07019695 (SIPL) - “SoeX”.
- Zambia, trade mark no. 753/2011 (SIPL) - “SoeX” accompanied by stylised “S” logo.

Although the evidence of renewal for the Indian marks has not been provided (the certificates of registration were provided), I accept the Complainants’ case as set out in the Complaint that they are the registered proprietors of these marks.

11. Accordingly, the Complainants have established that they own Rights. In those circumstances, it is unnecessary to decide whether they have also established Rights based on unregistered rights in passing off or other rights.
12. The Rights that have been established subsist in the mark “SoeX” on its own and also in “SoeX” adorned with a stylised “S” logo. These marks are each similar to the Domain Name, which incorporates the whole of the word “SoeX” and uses it as the most distinctive part of the Domain Name. The Respondent’s arguments on this point concentrated on the differences between the Domain Name and the trade marks and overlooked the similarities between them. Therefore, I conclude that the Complainants each own Rights in marks, namely “SoeX” and “SoeX” adorned with a

stylised “S”, which are both similar to the Domain Name. Thus, the Complainants have established that they have Rights in respect of a name or mark which is similar to the Domain Name.

Abusive Registration

13. By paragraph 1 of the Policy, -

‘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 has taken unfair advantage of or has been unfairly detrimental to the Complainant’s Rights.’

By paragraph 3 of the Policy, -

‘3. Evidence of Abusive Registration

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

i. 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;
....”*

By paragraph 4 of the Policy, -

‘4. How the Respondent may demonstrate in its response that the Domain Name is not an Abusive Registration

a. A non-exhaustive list of factors which may be evidence that the Domain Name is not an Abusive Registration is as follows:

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;

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

*C. made legitimate non-commercial or fair use of the Domain Name;
or*

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

.....”

14. In *Seiko UK Ltd v Wanderweb* DRS 00248 the DRS Appeal Panel upheld the decision of the expert that the relevant domain names (which included *seiko-shop.co.uk*) be transferred to the complainant. The Panel stated that owing to the many different circumstances in which a reseller might be offering the trade mark owner's goods, no hard and fast rules as to incorporation of the trade mark could be laid down and each case must be examined on its merits. The Panel supported the proposition that the use of

a trade mark for a domain name without the consent of the trade mark owner for selling genuine products could make the false representation that there was something official or approved about the website. That could in turn constitute unfair advantage being taken of rights in the mark by the user of the domain name.

15. In *Toshiba Corporation v Power Battery Inc.* DRS 07991 the Appeal Panel gave further consideration to incorporation of a trade mark where the respondent was a reseller. The Panel stated, -

'1. It is not automatically unfair for a reseller to incorporate a trade mark into a domain name and the question of abusive registration will depend on the facts of each particular case.

2. A registration will be abusive if the effect of the respondent's use of the domain name is falsely to imply a commercial connection with the complainant.

3. Such an implication may be the result of "initial interest confusion" and is not dictated only by the content of the website.

4. Whether or not a commercial connection is implied, there may be other reasons why the reseller's incorporation of the domain name is unfair. One such reason is the offering of competitive goods on the respondent's website.'

16. The Respondent became the Complainants' authorised UK importer and distributor in 2007. The Complainants are likely to have become aware of the Domain Name and that it was being used to host the Respondent's website as a result of an email of 17 April 2009. The email was sent by the Respondent to a customer who had been referred to the Respondent by Mr Asif Fazlani of the Complainants and also to Mr Fazlani himself at an email address of the Complainants that he had used in email correspondence in which he referred that customer to the Respondent. The Respondent's email of 17 April 2009 stated, -

'Our company called Rhada Trading. We are based in London. We are the sole importer for Soex Molasses. You can find our product range on our web [sic] www.soexmolasses.co.uk. Have a look our web and which flavour and what quantity are you looking for let me know [sic].'

17. The Respondent has not explained why it chose the Domain Name as the URL address to host its website, but the choice is likely to have been based on the fact that it was reselling molasses of the Complainants, having been appointed as their UK importer and distributor. The Complainants referred customers to the Respondent during the period between 2007 and 2011. It is unlikely that these referrals continued after the end of the business relationship.
18. In view of its appointment as the Complainants' UK importer and distributor in 2007, the Respondent was aware of the brand "SoeX" at the time when it registered the Domain Name.
19. The Respondent is no longer the Complainants' authorised UK importer and distributor. The Respondent has not challenged 2011 as the year when this business relationship with the Complainants came to an end. The Respondent's complaints about how it was replaced are of little relevance to the present dispute.
20. I do not accept that the initial registration of the Domain Name took unfair advantage of or was unfairly detrimental to the Complainants' Rights. At the time of registration the Respondent was an authorised distributor of the Complainants' products and the registration carried with it no misrepresentation.
21. I now turn to the question of 'use'. A registration that was initially unobjectionable may become an Abusive Registration. I therefore turn to consider the question of use in view of the fact that the Respondent ceased to be an authorised distributor in 2011 and the subsequent events.

22. The Respondent has chosen a domain name, which incorporated the Complainants' trade mark "SoeX" with a reference to a product sold under that mark. Internet users seeking to purchase the Complainants' molasses from them or from their official (i.e. authorised) UK supplier would be likely to encounter the Domain Name by making a Google or other internet search using the words 'soex molasses' or by attempting to guess the URL of the official UK website selling the Complainants' molasses by typing 'soexmolasses.co.uk' into the URL address bar. The results of either type of search would therefore produce the Domain Name.
23. As a result, the Domain Name is likely to cause 'initial interest confusion' on the part of individuals interested in purchasing the Complainants' molasses, leading them to conclude that the Domain Name is operated or authorised by, or connected with the Complainants.
24. What of the customer who then visits the Respondent's website? The webpages that have been made available bear at the top of the first page photographs of seven products, two of which bear the "SoeX" trade mark and one of which is a box of "SoeX" molasses. This webpage states, -

'Welcome to Our Website.

Leading Wholesale and Importer for Shisha and Related Products.

.....

We are the Dealer for the SX4 Grinder, Krishna Incense, Multitrance and many more'.

That statement is followed (after 3 lines of text about the products) by photographs of a number of products, one of which is a "SoeX" marked product.

25. In view of the contents of the website, the visitor to it is likely to conclude that the Respondent is an official dealer in various products which are specifically mentioned on the website and is the Complainants' UK trading

arm or an official dealer of the Complainants (and of other suppliers or manufacturers). In those circumstances, the use of the Domain Name to host the website is likely to reinforce the impression of a commercial connection between the Complainants and the Respondent.

26. There is no evidence of actual confusion. However, evidence of actual confusion is frequently difficult to obtain and often does not address the inherent probabilities of any particular case and does not do so in this instance. Confusion is inherently likely to have occurred and to continue to occur.
27. In the circumstances, internet users are likely to have concluded and to continue to conclude from the Domain Name itself and also from its use to host the Respondent's website, that the Domain Name is registered, operated or authorised by, or connected with the Complainants.
28. These conclusions are reinforced by the conclusions I have reached on the contents of the Respondent's website. There is no mention of the Respondent's name on the copy of the homepage of the website, which accompanied the Complaint and no further webpages were relied on by the Respondent. Therefore, I find that there is no mention of the Respondent's name on the website. Contrary to the Respondent's case that the first matter that the visitor to the website will notice is the Respondent's name, the visitor is left to conclude that "soexmolasses", as contained in the Domain Name, is the trading name of the entity behind the website. Even if there were a reference to the Respondent, this would merely confuse the visitor to the website as to whether or not the Respondent was the authorised distributor.
29. The Respondent says that it took steps to remove any improper association between itself and the Complainants. In view of the findings I have made, it has not done so. Further, SIPL's email of 24 January 2012 made sufficiently clear that it wished the Respondent's use of the Domain Name to cease. Thus, even if it might be said that a licence to use the Domain

Name came into existence as a result of the email of 17 April 2009 and the Complainants' subsequent inaction in the face of that email, any such licence was brought to an end on 24 January 2012 at the latest.¹

30. Therefore, the Complainants have established the grounds of abusive registration set out in paragraph 3a.ii. of the Policy. The Respondent has not made fair use of the Domain Name since its distributorship was terminated because its use of the Domain Name has continued to imply a commercial connection with the Complainants which no longer exists. In all the circumstances, the registration is an Abusive Registration within paragraph 1.ii of the Policy.

31. The Complainants have not stated which of them is to be the transferee of the Domain Name. The registrations of soex.com and soet.net are in the name of SIPL, which has also been the registrant of the more recent trade mark registrations. The email of 24 January 2012 demanding that the Respondent cease to use the Domain Name was also written on behalf of SIPL. In those circumstances, SIPL is the appropriate transferee of the Domain Name.

Decision

32. The Complainants each have Rights in a name or mark, which is similar to the Domain Name, and the Domain Name in the hands of the Respondent is an Abusive Registration. Therefore, in view of the matters referred to in paragraph 31 of this Decision, I determine that the Domain Name 'soexmolasses.co.uk' be transferred to the Complainant, Soex India Pvt. Ltd.

Signed: STEPHEN BATE

Dated 5 September 2014

¹ It is not necessary to decide whether any such licence came to an end in 2011 by termination of the distribution arrangements.