



Dispute Resolution Service

DRS 17059

Decision of an Independent Expert

Segway Inc.

and

Lee Dobson

1. Parties

Complainant: Segway Inc.
14 Technology Drive
Bedford
New Hampshire
03110
USA

Respondent: Mr. Lee Dobson
2 London Bridge Walk
Southwark
London
S21 2SX
United Kingdom

2. Domain Name

swegwayboard.co.uk (the "Domain Name")

3. Procedural Background

On 5th February 2016 the Complaint was lodged with Nominet UK Limited (“Nominet”) and it was validated on the same day. On 5th February 2016 Nominet sent the notification of the complaint letter to the Respondent by e-mail and post, advising him to log into his account to view the details of the Complaint, and giving him 15 business days within which to lodge a Response on or before 26th February 2016.

On 5th February 2016 the Respondent responded. On 5th February 2016 Nominet informed the Complainant that the Response was available to be viewed via the Complainant’s online services account, and inviting it to Reply to the Response on or before 12th February 2016. On 10th February 2016 Nominet sent a Reply reminder. On 12th February 2016 the Complainant replied.

Mediation documents were generated for the Complaint, and mediation commenced on 18th February 2016. Mediation was unsuccessful and concluded on 4th March 2016. On 8th March 2016 the Complainant paid the appropriate fee for a Decision to be made by an Expert pursuant to paragraph 6 of Nominet’s DRS Policy (“the Policy”).

On 10th March 2016 Mr. Niall Lawless (“the Expert”) was appointed to act as Expert in this dispute. He is required to give his Decision by 7th April 2016. Mr. Lawless has confirmed that he knew of no reason why he could not properly accept the appointment, and knew of no matters which ought to be drawn to the attention of the parties which might appear to call in to question his impartiality and -/- or independence.

4. Outstanding Formal -/- Procedural Issues

There are no outstanding formal or procedural issues.

5. Factual background

The Complainant, Segway Inc. is a Delaware Corporation existing under the laws of the USA. It is an innovator in personal mobility devices and a recognised leader in the small electric vehicle market. The Complainant has a worldwide portfolio for the SEGWAY® trade mark with applications and registrations in over 50 countries, including the USA and countries in the EU. The Complainant advertises and offers for sale personal transport devices and related goods and services, all under the SEGWAY trade mark. The Respondent, Mr. Lee Dobson, is an individual who registered the Domain Name on 17th July 2015.

6. The Parties' contentions

The Complainant

The Complainant seeks transfer of the Domain Name. The Complainant says that the Domain Name controlled by the Respondent is an Abusive Registration because, in particular:-

- the Respondent is disrupting the Complainant's business by using the Domain Name to sell directly competing goods and services similar if not identical to the Complainant's goods and services.
- given the well-known nature of "Segway" in the context of mobility devices, the Respondent is relying on internet users misspelling the Complainant's brand, name or trade marks to arrive at a directly competing website via the Domain Name. Therefore the Domain Name is being used to intentionally attract internet users for commercial gain by creating a likelihood of confusion with the Complainant.
- the Respondent being fully aware of the Complainant and its business registered the Domain Name knowing that it would undoubtedly cause the Complainant concern and in the expectation that he would be able to sell the Domain Name to the Complainant for consideration in excess of documented out-of-pocket disbursements.
- the Respondent has fraudulently hidden his address details, purposefully and wrongly opted out of showing his address in the WHOIS.
- the Domain Name is almost identical to and incorporates the Complainant's name and trade marks and the Respondent has no legitimate reason to register the Domain Name other than to capitalise on the Complainant's reputation and brand investment. The Respondent's use of the Domain Name is a flagrant infringement of the Complainant's trade marks.

The Respondent

The Respondent says that the Domain Name is not an Abusive Registration because:-

- he has no intention of disturbing or otherwise hurting the Complainant's business.
- he has no intention of confusing internet users.
- the term 'Swegway' is a broad generic term describing personal mobility devices such as the IO Hawk and MonoRover R2, and it is widely used in the media to describe such products and is also used by hundreds of other sellers.
- the Domain Name is being used to link to third party sellers on Amazon and e-Bay with best price options and where vendors successfully use the term "Swegway" to offer such products for sale without abusing Amazon's or eBay's terms and conditions.

- each page of the website to which the Domain Name resolves contains the notice *“Swegwayboard.co.uk is in no way affiliated with Segway, INC. Nor should it be considered a company endorsed by Segway, INC.”*
- he has not registered the Domain Name for the purpose of offering it, or selling it to the Complainant.
- he does not advertise or otherwise promote the term “Swegway”.

7. Discussions and Findings

7.1 General

Nominet’s DRS Policy requires that for a Complaint to succeed the Complainant must prove to the Expert on the balance of probabilities that:-

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

Rights include, but are not limited to, rights enforceable under English Law.

In order to show that the Domain Name is an Abusive Registration, the Complainant must prove that the Domain Name either:-

- i. 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.

7.2 Complainant’s Rights

The Complainant Segway Inc. is the owner of a worldwide portfolio for the SEGWAY® trademark with applications and registrations in over 50 countries, including countries in the EU and the USA. The Complainant advertises and offers for sale personal transport devices and related goods and services, all under the SEGWAY trade mark. In addition, the goods and services offered by Segway Inc. are reported on in magazines, newspapers and online, with reference to the SEGWAY® trademark. The Complainant has registered and used the domain names <segway-uk.net> and <segway.com>.

The first and dominant element of the Domain Name is “swegway” which is only one letter different from the Complainant’s SEGWAY mark. The addition of the descriptive element “board” does not

detract from the obvious similarity with SEGWAY, Because of this, I decide that, ignoring the ".co.uk" suffix for this purpose, the Complainant has Rights in respect of a name or mark that is very similar to the Domain Name.

7.3 Abusive Registration

The Complainant says that the Domain Name controlled by the Respondent is an Abusive Registration under the Policy. Under paragraph 3 - Evidence of Abusive Registration - guidance is given as to what factors may be evidence that the Domain Name is an Abusive Registration.

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

3(a)(i). Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily :-

3(a)(i)(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;

3(a)(i)(B). as a blocking registration against a name or mark in which the Complainant has Rights;
or

3(a)(i)(C). for the purpose of unfairly disrupting the business of the Complainant;

3(a)(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 ..."

Under paragraph 8 of the Policy guidance is given as to how the Respondent may demonstrate in its Response that the Domain Name is not an Abusive Registration

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

8.1.1 Before being aware of the Complainant's cause for complaint (not necessarily the 'complaint' under the DRS), the Respondent has:

8.1.1.1 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 ...";

Disrupting the Complainant's business

The Complainant says that the Respondent is disrupting its business by using the Domain Name to sell directly competing goods and services similar if not identical to the Complainant's goods and services.

The Complainant says that the Respondent is relying on internet users misspelling the term "SEGWAY" and arriving at the website the Domain name resolves to. When internet users arrive at the Respondent's website they are diverted to third party competitors rather than buying transport devices from the Complainant's official website or distributors.

The Respondent says that the term "Swegway" is a broad generic term describing personal mobility devices, and that he has no intention of disturbing or otherwise hurting the Complainant's business.

The test under paragraph 3(a)(i)(C) of the Policy has two elements. The first is that the Domain Name is unfairly disrupting the Complainant' Business, and the second that it was acquired for that purpose.

The main plank of the Respondent's defence is that the term "Swegway" is a *"broad term describing this type of transportation"*, and that it is *"widely used in media and by hundreds of other sellers, not copyrighted, not related to "the Complainant" and it is being used fairly"*.

By way of providing evidence of this the Respondent refers the Expert to the article written by Zoe Williams and published in the Guardian Newspaper on 16th October 2015 titled *"Move over cars, the Swegway is here. Or it would be if it wasn't illegal"*.

The Respondent also refers the Expert to "Alibaba", "Amazon" and "e-Bay", where the term "Swegway" is used to describe products which the Complainant says are similar if not identical to its own.

The Respondent has adduced evidence that the term "Swegway" is being used by multiple parties as a descriptive or generic term for personal mobility devices. In essence the Respondent says that he is entitled to use the term "Swegway" in the Domain Name because the term has a provenance and life which is independent from the Complainant.

Despite the Respondent's reference to the "Urban Dictionary" definition of "Swegway", he has not convinced me that the genesis of the term "Swegway" is from the videos of the YouTube gaming group "The Sidemen".

However, the evidence is strong enough for me to decide that the Respondent can legitimately argue that he is simply adopting that generic term into the Domain Name for use as a web address for his legitimate business in selling such products. Whilst it might not be the case that "Swegway" really is generic, a DRS dispute is not the forum to decide this, and the Complainant always has the option of pursuing the Respondent and others who are using the term "Swegway" to sell competing products via a court action.

Because of the above I decide that the Respondent's use of the Domain Name is in connection with a genuine offering of goods or services and is not unfairly disrupting the Complainant's Business.

Likelihood of confusion

The Complainant says that given the well-known nature of 'Segway' in the context of mobility devices, the Respondent is relying on internet users misspelling the Complainant's brand, name or trade marks to arrive at a directly competing website via the Domain Name. Therefore the Domain Name is being used to intentionally attract internet users for commercial gain by creating a likelihood of confusion with the Complainant.

The Respondent says that he has no intention of confusing internet users and that each page of the website to which the Domain Name resolves contains the notice *"Swegwayboard.co.uk is in no way affiliated with Segway, INC. Nor should it be considered a company endorsed by Segway, INC."*

The test for abuse under paragraph 3(a)(ii) of the Policy is that there are circumstances indicating that the Respondent is using or threatening to use the Domain Name in a way which has confused or is likely to confuse people or businesses into believing that the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant ..."

Confusion would arise where the internet user incorrectly assumed that the website the Domain Names resolves to, and the Complainant's official website are either both authorised by or belong to the Complainant.

Because of the Respondent's use of a prominent notice disclaiming that his website is affiliated with or endorsed by Segway Inc., I do not agree with the Complainant that an internet user arriving at the website linked to the Domain Name would assume that it relates to goods provided by the Complainant and that it is a domain and site owned and provided by the Complainant.

I decide that the Respondent's use of the Domain Name linking to the current website is not confusingly similar such that it would be an for abuse under paragraph 3(a)(ii) of the Policy.

Selling the Domain Name for consideration in excess of documented out-of-pocket disbursements

The Complainant says that the Respondent being fully aware of the Complainant and its business registered the Domain Name knowing that it would undoubtedly cause the Complainant concern and in the expectation that he would be able to sell the Domain Name to the Complainant for consideration in excess of documented out-of-pocket disbursements.

The Respondent says that has not registered the Domain Name for the purpose of offering it, or selling it to the Complainant.

On 13th January 2016 the Complainant's representative Stobbs (IP) Limited, wrote to the Respondent with a "Cease and Desist" letter. If the Respondent's objective when he registered the Domain Names was to sell it for in excess of documented out-of-pocket disbursements this would have presented the Respondent with an opportunity to make such a request, but there is no evidence that he did so.

The Complainant has not provided any evidence that the Respondent registered the Domain Name with the expectation that he would be able to sell the Domain Name to the Complainant for consideration in excess of documented out-of-pocket disbursements. Indeed this concept is counter-intuitive to the argument that the Respondent registered the Domain Name to sell goods and services which directly compete with the Complainant.

Respondent has wrongly opted out of WHOIS

The Complainant says that the Respondent has fraudulently hidden his address details, purposefully and wrongly opted out of showing his address in the WHOIS.

Nominet's WHOIS is a system which provides public information about domain names. Nominet's Terms and Conditions of Domain Name Registration provide that a Registrant may opt out of address publication in accordance with the WHOIS Address Opt Out policy. The Opt Out policy provides that

individuals not using their domain name for commercial purposes may opt out from having their address, and address for service (where required), published on the WHOIS. In essence consumers are allowed to opt out but all other types of registrant using a domain name commercially are required to display an address in WHOIS.

If it is brought to Nominet's attention that a Registrant has incorrectly opted out, then Nominet will make the appropriate investigations and use a defined process to remove the opt-out from ineligible domains.

The website that the Domain Name resolves to is being used for commercial purposes and from the exchange of e-mail dated 20th November 2015 between the Complainant and Nominet it is clear that the Respondent had incorrectly opted out of WHOIS. As a consequence of the 20th November 2015 correspondence Nominet removed the opt-out from the Domain Name.

The Domain Name registration information must be correct and Nominet's Terms and Conditions of Domain Name Registration provide that *"the information must be good enough to allow us to contact you quickly at any reasonable time without having to get information from anywhere else, must not be deceptive, and (if possible for that type of information) must clearly identify you. For your name this also means that the information must be detailed enough that we can tell exactly who you are (in legal terms, exactly which legal entity we have this contract with)"*.

Under paragraph 3(a)(iv) of the Policy one of the factors that may be evidence that the Domain Name is an Abusive Registration is that it is independently verified that the Respondent has given false contact details to Nominet.

There is no evidence that the Respondent has given false contact details to Nominet. Indeed the Respondent's Response to the Complaint goes to demonstrate that the contact details the Respondent provided were correct.

The Respondent wrongly opted out of WHOIS, but I decide that in itself is not sufficient to show that the Domain Name registration is abusive.

Infringement of the Complainant's trademarks

The Complainant says that the Domain Name is almost identical to and incorporates the Complainant's name and trade marks and the Respondent has no legitimate reason to register the

Domain Name other than to capitalise on the Complainant's reputation and brand investment. The Respondent's use of the Domain Name is a flagrant infringement of the Complainant's trade marks.

As a Nominet Expert, I am not required to consider whether the Respondent's activities amount to an infringement of the Complainant's trademark. Expert Decisions are to be determined by reference to the Policy and not the law in respect of trademark infringement, for example as noted in Deutsche Telekom AG v Lammtara Multiserve Limited Appeal Decision (DRS 05856).

If trade mark infringement is a pressing concern, the Complainant has an option of pursuing the matter in Court which it has not done. It is not the role of Nominet's DRS to act as a potential substitute for litigation in relation to trademark disputes.

For the Complainant to succeed it must demonstrate that the Domain Name is an Abusive Registration, and it has failed to do so.

7.4 Conclusion

The Expert finds on the balance of probabilities that the Complainant has Rights in respect of a name that is similar to the Domain Name, but that the Complainant has not proved, on the balance of probabilities, that the Domain Name in the hands of the Respondent is an Abusive Registration.

8. **Decision**

For the reasons set out in detail above, having decided that the Domain Name in the hands of the Respondent is not an Abusive Registration, the Expert directs that the Domain Name registration will therefore remain with the Respondent.



Niall Lawless, Nominet Expert

6th April 2016