

## **DISPUTE RESOLUTION SERVICE**

**D00017077**

**Decision of Independent Expert**

**Nuco Technologies Ltd t/a Host-it Internet Solutions**

and

**James Edmonds**

### **The Parties**

Complainant: Nuco Technologies Ltd t/a Host-it Internet Solutions  
Unit 1, Northampton Science Park  
Kings Park Road  
Moulton Park  
Northampton  
Northamptonshire  
NN3 6LG  
United Kingdom

Respondent: James Edmonds  
178 Alderson Road  
Great Yarmouth  
Norfolk  
NR30 1QL  
United Kingdom

## The Domain Names

hostitlocal.co.uk  
hostitlocal.uk

## Procedural History

1. I 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 such as to call into question my independence in the eyes of one or both of the parties. The following are the procedural steps in this case, -

09 February 2016	Complaint received by Nominet.
10 February 2016	Complaint validated.
10 February 2016	Notification of complaint sent to the parties.
02 March 2016	Response received by Nominet.
02 March 2016	Notification of Response sent to the parties.
03 March 2016	Reply received by Nominet.
03 March 2016	Notification of Reply sent to the parties.
03 March 2016	Mediator appointed.
08 March 2016	Mediation started.
29 April 2016	Mediation failed.
03 May 2016	Expert decision payment received by Nominet.

## **Factual Background**

2. The Complainant, Nuco Technologies Ltd (“the Complainant” or “Nuco”), operates an information technology business and as its website shows, this includes hosting web sites, operating data centres and offering related and other information technology services. The business has been growing over a period of more than 16 years. Nuco owns the UK trade mark HOSTIT and various domain names including hostit.co.uk, host-it.co.uk, host-it.com and hostit.uk. The company’s main web site is operated at host-it.co.uk. The two co.uk domains were first registered in 1999. The company also uses and has used the brand ‘Host-it’.
  
3. The Respondent is a director of a company which was incorporated on 19 January 2010 as Hostitlocal Ltd. (“Hostitlocal”). It changed its name for reasons that are explained later in this decision to Squarehost Ltd (“Squarehost”) on 12 February 2016, three days after the Complaint was received by Nominet. The company has been trading for some years, providing information technology services to companies in the Norfolk area. Mr Edmonds registered hostitlocal.co.uk on 7 August 2009 and hostitlocal.uk, on 10 June 2015. The Domain Names have resolved to a web site for the company, with a single holding page including its contact details and a very brief description of the products and services it offers. Both domain names now resolve to a web site with holding page at “squarehost.co.uk”, showing the contact details of Squarehost and other information concerning its business.

## **The Parties’ Contentions**

### The Complaint

4. The Complaint alleges, -
  - 4.1 Nuco has been established and has used the HOSTIT mark and related domain names for over 16 years.

- 4.2 During that period substantial investment has been made in promoting the HOSTIT brand throughout the UK by means of offline and online advertising and sports sponsorship. Nuco is now a ‘multimillion pound company’ and a market leader.
- 4.3 As a result, there is sufficient distinctiveness in the mark HOSTIT and sufficient goodwill to be protectable under the laws of passing off.
- 4.4 Nuco also owns UK trade mark no: 2455092, HOSTIT, in classes 35 (business consulting in the computer and internet field and in the field of managed hosting, etc), 38 (email and related services, etc) and 42 (hosting, websites, etc). The mark was registered on 10 May 2007.
- 4.5 The Respondent registered the Domain Names long after registration of the HOSTIT mark had become established.
- 4.6 By using the HOSTIT branding, HOSTITlocal is clearly implying a link between the two businesses, which are in the same market sector. The branding gives the impression of being a sub-brand of Nuco’s business. The Domain Names are also a clear misrepresentation that their services are linked to Nuco’s services, as a local version.
- 4.7 HOSTITlocal is clearly trying to take advantage of the confusion that would inevitably result between the marks, particularly in respect of identical goods and services. The screen-shots of the Respondent’s web site show that his use of the branding which is very similar to Nuco’s brand. In the circumstances, there has been misrepresentation and passing off.
- 4.8 Confusion has also occurred. Nuco became aware of the confusion because one of the Respondent’s customers, Gable Fine Art, contacted it in error for telephone support for his service. The Respondent also told Nuco that another incident of this sort had previously occurred

with another of HOSTITlocal's customers. There are likely to have been other instances.

- 4.9 The confusion between the two businesses establishes that the goodwill of Nuco's business has been damaged and this confusion is likely to further damage its business. The registrations are abusive.

### The Response

5. The Response alleges, -

- 5.1 Hostitlocal was contacted by Nuco in December 2015, when it was made aware on behalf of Nuco of the latter's wholly descriptive trade mark. The words 'host IT' are in widespread use in the industry.
- 5.2 Hostitlocal has been trading as a legitimate small business, unaware of Nuco's existence for many years.
- 5.3 No attempt has been made to pass off the company as a subsidiary of Nuco and there is no branding or logo associated with Nuco's HOSTIT trademark. There is no visual similarity between the web sites of Nuco and of Hostitlocal.
- 5.4 Since the company was formed, it has only used [hostitlocal.co.uk](http://hostitlocal.co.uk) to host a one page web site, with the company's contact details. This reflects the fact that Hostitlocal has built its strong reputation as a local Norfolk business by word of mouth and not by advertising.
- 5.5 Nuco has made no attempt to police its trade mark in the six years in which Hostitlocal has been trading. There are existing domains, such as [webhostit.co.uk](http://webhostit.co.uk), which were registered long

before Nuco's trade mark. This also shows the lack of distinctiveness in the mark.

5.6 Nonetheless, in January 2016 Hostitlocal made a commercial decision to change the company's name to Squarehost, and also to show goodwill to Nuco and avoid confusion between the two companies. A new Nominet tag has been registered and the company is in the process of moving all its services away from the Hostitlocal domains.

5.7 Search engines have been discouraged from indexing the web site and a permanent redirect has been placed from all media and the home page to the web site of Squarehost. Other services, such as DNS and email are being phased out, with customers being encouraged to use the company's new contact information.

5.8 However, after six years trading this process does take time. Nuco has been informed that the '301 redirect' will be active for 12 months. After that time web site visitors will get nothing. The email services will continue to re-direct until Hostitlocal considers that all customers, past and present, are using the company's new domain names.

5.9 In the circumstances, the registrations are not abusive.

### The Reply

6. The Complainant alleges as follows, -

6.1 The trade mark is not wholly descriptive. It is also valid under UK trade mark law for a number of further specified reasons.

- 6.2 It is inconceivable that Hostitlocal would not have been aware of the Complainant's existence, due to its scale and position in the market and its advertising and other promotional activities.
- 6.3 However, even though the Respondent maintains that he was not aware of the Complainant, rights of action in trade mark infringement and passing off do not require an intention to invade the claimant's rights.
- 6.4 "This matter was pursued within seven days of [the Complainant] being made aware of the existence of [Hostitlocal] trading using [Nuco's] trade mark", as a result of the evidence of confusion provided by one of its customers, who contacted Nuco for support, believing that it was connected with Hostitlocal.
- 6.5 The domain name webhostit.co.uk was registered four years after Nuco's domain name and it is currently not used for trading.
- 6.6 'Without prejudice' offers were made to Hostitlocal on 21 January 2016, which included a reasonable time to migrate services. The change of corporate name was not requested by Hostitlocal until 11 February 2016.
- 6.7 DRS decisions make it clear that where descriptive prefixes or suffixes are added to registered trade marks, an order of domain transfer should be made in favour of the trade mark owner.

#### Non-Standard Submissions

7. The Respondent served a Non-Standard Submission ("NSS") under paragraph 13b of the DRS Procedure ("the Procedure"). I considered the entire submission in the light of the explanatory paragraph. The Complainant was

made aware of this and it served its own further NSS in response. Having considered the explanatory paragraph for that submission, it was appropriate to consider the entire submission. On 11 May 2016, the parties were informed that both NSS's would be taken into account in reaching this decision.

***The Respondent's Non-Standard Submission***

8. The Respondent states, -

8.1 The Respondent and Hostitlocal "originally used the name Hostitlocal as a reference not only to our emphasis on providing local businesses with a local service, but also as a wordplay based on the extremely well-known loopback hostname "localhost". We therefore wholly disagree with Nuco's assertion that we would have searched for a shorter name, and therefore been aware of their usage or registration of the host-it.co.uk domain name. In part this is due to the common nature of the phrase "host IT", but more importantly because the "local" part of the domain was equally as important to our company and brand as the "host IT" part."

8.2 The Respondent also denies that either he or the company was aware of the Complainant as a result of its allegedly extensive advertising and promotional activities, of which they have seen no evidence.

8.3 The NSS makes a further proposal to bring the dispute to an end and reiterates various of the arguments that were advanced in the Response.

***The Complainant's Non-Standard Submission***

9. The Complainant states, -



- 9.1 If this really were a business solely directed to the Respondent's local area rather than using a generic term, it would have used the local area description such as East Anglia etc. (This would however still have been an infringement of Nuco's mark.) No such description or text appears on its web page, so their own web page does not support this statement.
- 9.2 Nuco's advertising has been national and the sports teams it has sponsored have been mostly competing for national championships.
- 9.3 The Complainant takes issue with further points raised in the Respondent's NSS and relies on two further DRS decisions, [hostit.org.uk](http://hostit.org.uk) and [tringwebdesignteam.co.uk](http://tringwebdesignteam.co.uk).

***Expert's Request for Further Information under paragraph 13a of the Procedure***

10. It was not clear from the Response and the Respondent's NSS whether or not he had been aware of the Complainant's brand when he registered the ".uk" Domain Name. Therefore, on 17 May 2016 the following request for further information was issued at my direction, -

*"1/ The Respondent do please provide the following information in relation to his registration of [hostitlocal.uk](http://hostitlocal.uk) on 10 June 2015 by 10.30 a.m. on Friday 20 May 2016, -*

*a) were you aware of the existence of the Complainant's brand at that time?*

*b) why and in what circumstances did you apply to register that domain name?*

*c) in the course of applying to register and/or in registering, that domain name, (i) what procedures or steps were followed by you (e.g. online searches) or on your behalf and (ii) of what matters did both or either of you and Hostitlocal Ltd become aware in connection with that domain name and the Complainant's brand?*

*Please provide such documents as may evidence the responses given to the above requests for information.*

*2/ The Complainant shall have until 4.30 pm on Tuesday, 24 May 2016 to provide such response as it may wish to rely on in answer to the further information provided by the Respondent in relation to paragraph 1/ above."*

Before 10.30 on 20 May 2016, the Respondent answered as follows, -

*"Thank you for the E-Mail, in an effort to help keep this clear, I have numbered our reply in the order the questions were asked:*

*1a) We were aware of the existence of the complainant at the time of registering the domain [hostITlocal.uk](http://hostITlocal.uk) but NOT aware of any wholly descriptive trademark nor, at the time of registering [hostitlocal.co.uk](http://hostitlocal.co.uk) or our limited company, HOSTITLOCAL Ltd.*

*1b) We chose to register [hostitlocal.uk](http://hostitlocal.uk) for the following reasons:*  
*+ Nominet had a £1 .UK registration promotion.*  
*+ We were offering the promotion to our customers so therefore needed to show that we were using the shorter tag, too. See attached "DRS17077-promotion.pdf" for marketing material we utilised from Nominet. We entered the Nominet competition personally, "weekly prizes" for signing up for a .UK domain name.*

*1ci) As we already had the domain name [hostitlocal.co.uk](http://hostitlocal.co.uk), we had rights to register the shorter, .uk domain and done so for reasons above. For registration of [hostitlocal.co.uk](http://hostitlocal.co.uk), when searching [C]ompanies [H]ouse, we found our name to be available for registration. Checking the [W]hois for our chosen company name returned no registrations.*

*1cii) hostITlocal Ltd became aware of HOST-IT's existence when we registered as members of Nominet. Our tag was allocated HILOCAL instead of HOSTITLOCAL and Tony Lally from Nominet, advised us that it was similar to another member on 3rd June 2013. At this time we were not aware of any registered trademark and had no reason to consider otherwise as we consider "host it" to be wholly descriptive. A further two years passed before we registered the [hostitlocal.uk](http://hostitlocal.uk) domain name.*

*I hope this is sufficient, please let me know if you need anything else. Thank you."*

The Complainant responded within the allocated time. The response observed that by his own admission the Respondent was aware of the Complainant's brand by the date of the ".uk" registration. Further points were made in connection with the Complainant's trade mark in particular, which included that the Respondent should have carried out a trade mark search.

## Discussion and Findings

11. A Complainant is required under subparagraphs 2a. and 2b. of the DRS Policy (“the Policy”) to prove on the balance of probabilities that: -

11.1 he has Rights in respect of a name or mark which is identical or similar to the Domain Name; and

11.2 the Domain Name, in the hands of the Respondent, is an Abusive Registration.

I have taken into account all the facts and matters relied on by each party, but have limited the findings in this decision to those necessary to dispose of the dispute in accordance with the Policy and Procedure. Therefore, it is not necessary to resolve all the issues raised by the parties.

12. I refer to the matters set out in paragraphs 2 and 3 above and adopt them as findings of fact.

### Rights

13. 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.”*

14. The Complainant has established that it owns UK trade mark no: 2455092, ‘HOSTIT’. As the UK IPO documents of registration show, the filing date was 10 May 2007, and the trade mark was registered on 18 January 2008. As a result of its ownership of that trade mark, the Complainant has established that it owns Rights in the name or mark “HOSTIT”. Notwithstanding the Respondent’s arguments, the trade mark is a subsisting and presently valid

registration. In view of my findings on Nuco's trade mark rights, it is not necessary to consider whether it also owns unregistered rights in passing off.

15. The word "hostitlocal" is also similar to "HOSTIT". In view of this and the matters set out in paragraphs 13 and 14 above, I find that the Complainant has Rights in a name or mark, namely "HOSTIT", which is similar to each of the Domain Names. Accordingly, the Complainant has established that it has Rights.

### Abusive Registration

16. 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;*

.....”

In *Verbatim v Robert Toth* (DRS 04769), the Appeal Panel stated -

*“8.13 In this Panel's view the following should be the approach to the issues of knowledge and intent in relation to the factors listed under paragraph 3 of the Policy:*

*(1) First, some knowledge of the Complainant and/or its brand/rights is a pre-requisite for a successful complaint under all heads of the DRS Policy other than paragraph 3(a)(iv) (giving false contact details). The DNS is a first-come-first-served system. The Panel cannot at present conceive of any circumstances under which a domain name registrant, wholly unaware of the Complainant and its Rights, can be said to be taking unfair advantage of or causing unfair detriment to the Complainant's Rights*

.....

*8.14 Accordingly, in the view of this Panel, for this complaint to succeed, the Complainant must satisfy the Panel, as an opener, that the Respondent was aware of the existence of the Complainant or its brand*

*at the date of registration of the Domain Name or at commencement of an objectionable use of the Domain Name.*

Those principles are applicable to the facts of this case. In each of the decisions relied on by the Complainant, it was clear that the Respondent had been aware of the complainant's name or brand at the time of registration.

17. The DRS and the body of appeal decisions in particular show that, although the DRS is to some extent informed by principles of trade mark law and the law of passing off, it is essential to keep in mind that the DRS system operates by the principles set out in the Policy, based on a first-come-first-served nature system, as the decision in *Verbatim* and other decisions make clear. A Complainant must show that the registration is an Abusive Registration.

### ***The "co.uk" registration***

18. Therefore, the first question is whether the Respondent was aware of Nuco's brand when he registered the "co.uk" domain name on 7 August 2009. As indicated, the Complainant bears the burden of establishing this knowledge, to the standard of the balance of probabilities.
19. The Complainant has produced no documentary evidence showing the strength or visibility of its brand in the market, or even its being a 'multimillion pound company'. This is all the more important when considering whether the Respondent knew of the Complainant or its brand in 2009, six or more years ago.
20. The explanation given by the Respondent for choosing the "co.uk" domain name is also inherently credible. This applies to the Respondent's explanations for the choice of the word 'local', his reasons for using it (and not some other geographical identifier), and the explanation given for using the word 'hostit'. The existence of the Complainant (incorporated as Nuco) is unlikely to have been apparent to the Respondent when Hostitlocal was registered at Companies House. That name being available for registration at Companies House, it is entirely credible that the "co.uk" domain name was registered

without the Respondent becoming aware of the existence of the “Host-it” brand, including the Complainant’s own “.co.uk” registrations.

21. It might have been possible to infer abusive intent from the contents of the Respondent’s web site. However, the Complainant has not established that the branding is confusing, apart from the name itself. I have compared the Complainant’s web site with the screen shot provided with the Complaint. The branding has not been copied, nor is it confusingly similar. In substance, the site is and has been a holding page showing the contact details of the company with a very brief mention of products and services (reference to mobile phones and to “APPS, WEB, EMAIL”).
  
22. In those circumstances, therefore, I accept the Respondent’s case that he was not aware of either the Complainant or its brand when he registered the “.co.uk” Domain Name. The Respondent has also established the matters set out in paragraph 4.i.A. of the Policy, in that he used the “.co.uk” Domain Name in connection with a genuine offering of goods or services before becoming aware of the Complainant’s cause for complaint (see further paragraph 27 below).
  
23. A registration may become abusive, however, if the use becomes abusive once the Registrant has become aware of the Complainant’s rights. The use of the “.co.uk” Domain Name to host Hostitlocal’s web site, which did not copy Nuco’s branding, did not become abusive in circumstances where it was not abusive to register the “.co.uk” Domain Name. The “.co.uk” Domain Name now resolves to a similar web site with a holding page at “[www.squarehost.co.uk](http://www.squarehost.co.uk)”, with the contact details of the company (now named Squarehost) and brief mention of its products and services (references to customer offers as an “EE approved stockist” and “WEB, MOBILE, EMAIL”). Again, there is no deliberate attempt to trade off the back of the Complainant, even though some confusion is likely in view of the respective activities of the two businesses and the similarity between the two brands. I accept that confusion has occurred and is likely to continue to some degree. However, in substance the use has not changed since the Respondent became

aware of the Complainant's brand in June 2013 (as "Host-it") and more recently, of its Rights in the trade mark "HOSTIT"). Further, confusion is not enough to make a registration abusive, in this case because of the requirements of the decision in *Verbatim*. All in all, the subsequent use of the ".co.uk" Domain Name has not been abusive.

24. Therefore, the Domain Name "hostilocal.co.uk" is not an Abusive Registration.

### ***The ".uk" registration***

25. I turn now to the later registration of the ".uk" domain name. The further information provided by the Respondent in response to the Expert's paragraph 13a request shows that he was aware of Nuco's brand before registration. Therefore, the Respondent had the requisite knowledge specified in the *Verbatim* decision.

26. I also accept that the Complainant has established the likelihood of confusion within the meaning of paragraph 3a.ii. of the Policy, for the reasons set out above and also later in this decision.

27. A Respondent may succeed if one or more of the grounds set out in paragraph 4 of the Policy is established. The Experts' Overview states, "*Paragraph 4 .. sets out matters, which if established to the satisfaction of the Expert, are likely to be regarded as a satisfactory answer to the Complainant's case*". In approaching paragraph 4, it is also necessary to bear in mind the introductory words in subparagraph 4i, namely –

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



That is because, in deciding whether or not a registration is abusive, regard must be had to the definition of Abusive Registration in paragraph 1 of the Policy (see paragraph 16 above).

28. The first ground under paragraph 4 states –

“ .....

*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;*

..... ”.

In this case, the Respondent has used a similar domain name to the Domain Name in question, having used the “co.uk” registration. What was the cause, or were the causes, of complaint and when did the Respondent become aware of them?

29. One such was the use of Nuco’s trade mark ‘HOSTIT’ to host Hostitlocal’s web site. I accept that the Respondent was unaware of Nuco’s trade mark in June 2015, when he registered the “.uk” Domain Name, and first became aware of it in December 2015, when contacted on behalf of the Complainant.

30. Another cause for complaint was the confusion caused by the Respondent’s web site. An instance of confusion was reported to the Complainant in December 2015 (see paragraphs 5.1 and 6.4 above), i.e. not until after the date of registration.

31. However, the complaint of confusion is not confined to the one occasion. The Complaint refers to another source of confusion of which Nuco was informed by the Respondent which had occurred ‘previously’, as the Complaint stated. The Respondent has not indicated when that instance of confusion occurred and so has not established that he was unaware of that particular source of confusion when he registered the “.uk” Domain Name. In any event, Nuco’s

complaint of confusion relates to the confusion that is likely to have arisen by the continuing representation on the “co.uk” web site, which will have falsely implied a connection with the Complainant’s brand. Having become aware of the Complainant and its brand in June 2013, he is likely to have become aware of the probability of confusion if he were to use the “.uk” Domain Name to host the web site of Hostitlocal, in view of the close similarity between the two names and the nature of the two businesses which he must have known were in the same field (see too paragraph 38 below).

32. Therefore, the Respondent was aware of the cause for complaint before he registered the “.uk” Domain Name and the ground under paragraph 4i.A of the Policy has not been established.

33. The second ground is, -

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

This must be read with subparagraph 4i. (see above). The Respondent himself has not “been commonly known by the name “hostitlocal””; rather, it is the company of which he is a director and its business or brand that have been so known. The issue is therefore whether the Respondent was “legitimately connected with” the “hostitlocal” mark at the relevant time. True it is that the company was available for incorporation by that name. It is also the case that the *co.uk* registration is and was not abusive. However, in view of the subsistence of the Complainant’s trade mark, the registration of which predated even the “co.uk” registration, and the Respondent’s use of that trade mark within at least one if not each of the protected classes of 35, 38 and 42, I am not satisfied that the Respondent has been “legitimately connected” with the “hostitlocal” mark.

34. Therefore, the second ground under paragraph 4i. of the Policy has not been established.

35. The third ground is, -

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

Paragraph 4.7 of the Experts’ Overview is in the following terms, -

***“4.7 Is it possible for a Respondent to make fair use of a domain name where (a) that name is also the Complainant’s trade mark and (b) the Respondent’s use of the domain name is causing confusion?”***

*Yes. While, ordinarily, a confusing use of such a domain name will be regarded as unfair, it may not be regarded as unfair where, for example, the Respondent’s registration and use of the domain name predates the Complainant’s rights, the Respondent has not changed his use of the domain name to take advantage of the Complainant’s rights and the Respondent’s behaviour is unobjectionable. ...”*

In this case, the Complainant’s Rights pre-date registration of the “.uk” Domain Name by more than seven years (and also pre-date the “.co.uk” registration). Therefore, this is not a case where registration pre-dated the Complainant’s Rights.

36. That is not necessarily an end of the matter. It might be possible for use to be fair notwithstanding a trade mark registration that pre-dated the domain name registration. At first sight, in this case one might expect that the “.uk” Domain Name would not be abusive. As the “.co.uk” registration is not abusive, the expectation might well be that the “.uk” registration would not be abusive either. As the owner of the “.co.uk” registration, the Respondent exercised the preferential right granted by Nominet to owners of “.co.uk” domain names, to register the “.uk” Domain Name. The “.co.uk” Domain Name” was not being used abusively and the use made of the “.uk” Domain Name was no different to that use. Therefore, the “.uk” Domain Name should not be an abusive registration.

37. However, I have concluded that such an analysis would be incorrect. In the first place, the right granted by Nominet to owners of “co.uk” registrations is not unqualified. The right is qualified by the rights and obligations of parties under the DRS, as set out in the Policy and Procedure. Therefore, if a domain name is an abusive registration, a Complainant is entitled to demand its transfer.
38. In this instance, the Respondent was aware of the Complainant (as an unidentified member of Nominet) and its brand when he registered the “.uk” Domain Name. Further, it is to be inferred (particularly from the Respondent’s characterisation of the Complainant’s brand as “wholly descriptive” and from other parts of the Response), that the Respondent knew that the Complainant’s brand referred to a business in the same field as that of Hostitlocal.
39. From the time when the “.uk” registration was used to resolve to the company’s web site, the confusion caused by “hostitlocal.co.uk” and its associated web site is likely to have been reinforced by that additional use. Actual or potential customers of the Complainant seeing “hostitlocal.uk” and visiting the web site at “hostitlocal.uk” would have believed that “hostitlocal” was a local version or sub-brand of the Complainant’s brand or was otherwise connected to it, e.g. as a branch of Hostitlocal itself. Such customers of the Complainant would also be likely to have experienced “initial interest confusion” when searching for the Complainant’s brand on the internet and would still have been confused when reaching the Respondent’s web site, whether seeing the contact details of “hostitlocal” or, more recently, “Squarehost”.
40. Moreover, since December 2015 the Respondent has been aware of the Complainant’s trade mark rights and has nonetheless continued to use the “.uk” registration in addition to the “co.uk” registration to point customers to the company’s web site. In view of his ownership the “.co.uk” registration and its use to host the company’s web site, it was not necessary or “fair” for the Respondent to continue to use the “.uk” registration as an additional link to the

company's web site, once he became aware that the Complainant owned the HOSTIT trade mark.

41. In view of all these matters, the Respondent has not established "fair use" within the meaning of paragraph 4 of the Policy.
42. In reaching this conclusion I have also considered the final ground under paragraph 4, namely -

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

The Domain Name has an element of descriptiveness about it, but in substance it is not descriptive. It consists of two words which have been combined and though suggestive of hosting activities, are not truly descriptive. The word "hostit" is not generic either. In any event, for the reasons set out in the previous paragraphs above, the use made of the ".uk" registration has not been fair.

43. In the circumstances, the ".uk" Domain Name has been used in a manner that is unfairly detrimental to the Complainant's Rights within the meaning of paragraph 1ii of the Policy. This is in contrast to the ".co.uk" Domain Name, the use of which, though detrimental to the Complainant's Rights because it was likely to have caused confusion and to continue to do so, is not unfairly detrimental to those rights within paragraph 1 of the Policy and is therefore not abusive, for the reasons given in paragraphs 18-24 above.

## **Decision**

44. Accordingly, I find that the Complainant has Rights in a name or mark which is identical or similar to the Domain Name "hostitlocal.uk", and that Domain Name in the hands of the Respondent is an Abusive Registration. Accordingly,

I determine that the Domain Name “hostitlocal.uk” be transferred to the Complainant.

45. However, I find that while the Complainant has Rights in a name or mark which is identical or similar to the Domain Name “hostitlocal.co.uk”, that Domain Name is not an Abusive Registration in the hands of the Respondent. Accordingly, no action should be taken in relation to the Domain Name “hostitlocal.co.uk”.

**Signed**

**Dated 27.05.2016**

**STEPHEN BATE**