

DISPUTE RESOLUTION SERVICE

D00018912

Decision of Independent Expert

Sheldons Dairy

and

Mr Robin Bashford

1 The Parties:

Lead Complainant: Sheldons Dairy Unit1 Parkgate Industrial Estate Haig Road Knutsford Cheshire WA16 8DX United Kingdom

Respondent: Mr Robin Bashford 29 Townfields Knutsford Cheshire WA16 8DR United Kingdom

2 The Domain Name(s):

sheldonsdairy.co.uk sheldonspetshop.co.uk

3 Procedural History:

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.

26 May 2017 14:45 Dispute received

30 May 2017 09:07 Complaint validated

30 May 2017 09:17 Notification of complaint sent to parties

05 June 2017 10:34 Response received

05 June 2017 10:35 Notification of response sent to parties

08 June 2017 02:30 Reply reminder sent

09 June 2017 12:00 Reply received

09 June 2017 12:00 Notification of reply sent to parties

14 June 2017 11:39 Mediator appointed

14 June 2017 14:08 Mediation started

11 July 2017 15:06 Mediation failed

11 July 2017 15:06 Close of mediation documents sent

17 July 2017 12:26 Expert decision payment received

4 Factual Background

- 4.1 The Complainant is Sheldons Dairy which also trades as D & P M Sheldon. It provides products and services to homes and businesses and is based in Knutsford, Cheshire. It has employed, until recently, the Respondent who has been a delivery driver with them since 2004. Since 2007 the Respondent has been looking after the Complainant's website and email provision. The Complainant has had an online presence under www.sheldonsdairy.co.uk (sheldonsdairy.co.uk is referred to in this decision as "Domain Name 1") since 2007. The Respondent registered it on 30 April 2007. More recently on 8 November 2014 he registered sheldonspetshop.co.uk (sheldonspetshop.co.uk is referred to in this decision as "Domain Name 2"), albeit he was not instructed to do so by the Complainant. Domain Name 1 and Domain Name 2 are together referred to further in this Decision as 'the Domain Names'. The Domain Names are both registered in the Respondent's own name. The Respondent is paid by the Complainant for his services (see below). The Complainant has recently taken disciplinary action against the Respondent which is being challenged by him.
- 4.2 The Respondent also has his own website design business named iplusplus. He hosts, or has arranged for the hosting of, the Complainant's website. The Respondent has refused to transfer the Domain Names to the Complainant having been asked to do so.

5 Parties' Contentions

Complainant's submissions

Rights

5.1 The Complainant's submissions are as follows:

It is a family run business with the name D & P M Sheldon established in 1965 in or around Knutsford, Cheshire which delivers to around 5,000 homes and businesses and has a fantastic reputation for quality and service in the local area. Since 2007 Domain Name 1 has been used to provide its web presence for its business. More recently Domain Name 2 and an associated website have been created by the Respondent on his own initiative although not instructed to do so by the Complainant.

Abusive Registration

- 5.2 The Complainant's submissions are summarised as follows:
- The Respondent has registered Domain Name 1 himself and to his personal address. This only came to light recently as the Complainant reviewed its internet provision with a view to improving marketing and sales via the web. Once the Complainant discovered this it repeatedly asked the Respondent to transfer Domain Name 1 to it which the Respondent initially ignored. Eventually the Respondent replied saying that it was his property and asking how much the Complainant was prepared to pay him for it.
- This is wholly unreasonable as the Respondent is an employee of the company. In addition to his wages the Complainant pays the Respondent some £170 a month for providing the relevant hosting services which are associated with its website. The Respondent's refusal to transfer the Domain Names is potentially damaging to the Complainant financially and also prevents it conducting further online development. It considers that it could potentially be exposed to malicious activity if the Respondent is allowed to continue to own the Domain Names.

Respondent's Submissions

The Respondent's submissions are summarised as follows:

- The Respondent works for the Complainant as a delivery driver. He was tired of going to work at 3 o'clock in the morning to be faced with endless piles of little pieces of paper with erroneous addressed and incomplete information. He built the relevant internet tools in the vain hope that they would be used properly and he would receive proper addresses and product codes for the goods required for delivery. This did not happen. The Respondent has paid for the registration of Domain Name 1 and an associated SSL Certificate for some 10 years and has been abused and insulted for months over unrelated matters and before this point.
- 5.6 He registered the Domain Names and hosts the tools which he built for himself to make his life easier. As the creator of Domain Names and person responsible for the websites under them in compliance with the law he registered Domain Names under his name and copyrighted them under the name of the not for profits business he runs namely iplusplus using the words "created, designed and maintained by iplusplus" on each page, iplusplus is an inventors forum working in the area of clean water and green energy. All but one of the sites he hosts in some way support iplusplus.

- 5.7 The Respondent built the websites under the Domain Names on his own equipment, with his own software, using his own electricity, paid for with his own money, after months educating himself in html, css, php, mysql and various other disciplines. He made available for the Complainant to use two websites under each of the Domain Names. The Complainant is but one of the users of the sites. The Complainant does not own the sites and were never billed for this work.
- The site under Domain Name 1 was built on the basis that the Complainant would provide a reliable hosting server. The Complainant refused to set up and pay for such a server and instead made a contribution of £70 per month for a Rackspace Managed Server. This does not cover the whole cost of the server. The Respondent received no written instructions at any time or involvement by the Complainant on how to proceed. The Complainant was totally unaware of the second site under Domain Name 2 until the Respondent presented the working site to it. The Respondent built this site for himself to make his life easier. Neither website uses the name D & P M Sheldon in its domain name. Simply using the site without charge does not confer ownership of the copyrighted sites or the Domain Names to a user.
- The Respondent has felt it necessary to complain to the HSE and join a union. He is partially crippled and is to finally be sacked solely because he would not allow the Complainant to take by fraudulent means, what he has paid for and owned for years. He has suffered months of threats from the Complainant and is of no doubt that these will result in litigation.
- 5.10 Contrary to what the Complainant has answered to the question in the Complaint, there are legal proceedings issued in connection with the Domain Names in that the Complainant sacked him as a delivery driver and the process is at the stage of an appeal. He received notification of this Nominet Complaint after being sacked. The registrations of the Domain Names were both carried out under his position as website designer and as a sole trader.
- 5.11 There is a glaring omission from the Complaint in the lack of reference to the Complainant's trading name, D & P M Sheldon, and their company logo as being black and red.
- 5.12 Under the Nominet Policy paragraph 5.1.5, whilst the Domain Names were registered as a result of a relationship between him and the Complainant, and the Complainant will no doubt allege that it has been using the Domain Names exclusively, it has never paid for a Domain Name or a renewal as required by paragraph 5.1.5.2 of the Policy.
- 5.13 Contrary to what the Complainant suggests his refusal to relinquish the Domain Names to the Complainant does not prevent further online development by it. This is because the Complainant is not called Sheldons Dairy but is called D & P M Sheldon. A search for available domain names shows DandPMSheldon is available with all domain suffixes.

Complainant's submissions in reply

5.14 The Complainant's submissions in reply are summarised as follows:

5.15 The main point of contention is the name 'Sheldon'. It assumed that the question as regards legal proceedings issued in connection with the Domain Names related to such proceedings in order to retrieve the Domain Names. The Respondent was paid as an employee and not as a contractor or a self-employed individual. It has paid £170 and not £70 as suggested by the Respondent per month directly to the Respondent since March 2012 in respect of his web and domain services. The Respondent effectively tried to blackmail it over the Domain Names.

6 Discussions and Findings

- 6.1 Paragraph 2.1 of the Policy requires that the Complainant must prove, on the balance of probabilities, that:-
 - "2.1.1 the Complainant has the Rights in respect of a name or mark that is identical or similar to the Domain Name; and
 - 2.2.1 the Domain Name in the hands of the Respondent, is an Abusive Registration."

Rights

- 6.2 Firstly therefore the Expert must decide whether the Complainant has the Rights in respect of a name or mark which is identical or similar to the Domain Name(s). The definition of Rights in the Policy is as follows:
 - "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".
- 6.3 This test has been demonstrated in previous Decisions under Nominet's DRS to have a low threshold to overcome.
- The Complaint has been made in the name Sheldons Dairy. It has not been raised in the name D and PM Sheldon, despite the Complaint narrative referring to the Complainant under the latter name. The Respondent relies upon this point presumably to suggest that the Complainant has no Rights in the Domain Names or at least in Domain Name 1. The Complainant is not a registered limited company but would appear to be an unincorporated business (possibly a partnership). As such it may use the name D and P M Sheldon and/or the name Sheldons Dairy as its trading name. It will be the individual(s) behind the Complainant's business who are legally responsible for its activities. Ideally the Complaint should have been made in one or more of their names as the names Sheldons Dairy/D and PM Sheldon themselves have no separate legal significance.
- Overview the Complainant should be the owner/licensee of the Rights in the name or mark, which it contends is identical or similar to the domain name in dispute. The owners of any Rights which may exist here will as above be owned by the individual(s) behind the Complainant's business. Those individuals have not been named as Complainants or otherwise mentioned in the Complaint. The named Complainant here is not a

legal entity nor might it be the only or main name under which the Complainant trades. However, in the Expert's view, it is likely to be a name which is used by it and by its customers to describe and refer to the Complainant and its business. It is not clear as to who ultimately may own any Rights or to whom the Domain Names here should be transferred in the event that the Complaint succeeds. However the Expert is prepared to assume that the Complainant can identify an individual or individuals behind the trading names D and PM Sheldon/Sheldons Dairy for the purposes of ownership of any Rights and any transfer which may be ordered. Thus the Expert concludes that the Complaint is competently raised in the name of the Complainant bearing in mind that Nominet's DRS process is intended to be a flexible and relatively informal procedure.

- The Complainant states that it is a family run business and claims to have been established in 1965. It has a website under Domain Name 1 which it states has been operational since 2007. It claims to deliver to around 5,000 homes and business and that it has a "fantastic reputation for quality and service in the local area". The Complainant has produced no accounting evidence, details of its turnover, expenditure or advertising under the Sheldons name or under the Domain Names.
- 6.7 The Complainant is not clear as to exactly when it started trading under the name Sheldons Dairy or using the name Sheldon. However on the assumption that Sheldon is the name of the family which runs the Complainant's business it seems likely that this would have been when the business was first established in 1965. It is also not clear from the Complaint as to whether the Complainant offers pet supplies or for how long it has been doing so. However Nominet have included in the Expert's papers a screenshot of the website under each of the Domain Names. The website screen shot for Domain Name 1 lists a number of products and services including milk and dairy, newspapers, household, gardening, pet supplies etc and it appears to be a farming business. The website screen shot for Domain Name 2 relates purely to pet products. Thus it seems clear that the Complainant does offer pet shop related products. As the Respondent registered Domain Name 2 in November 2014 and states that it offered a website related to it to the Complainant, the Expert assumes that its motivation for doing this was that the Complainant's business already included pet supplies. This in turn suggests that the Complainant has been trading in pet shop/supplies since before that date under the names Sheldon/Sheldons Dairy/ D and P M Sheldon.
- The Respondent in its Response does not deny that the Complainant has operated since 1965 and under Domain Name 1 since 2007. Rather the Respondent argues that the Complainant is not called Sheldons Dairy but is called D&P M Sheldon. Nor does the Respondent deny that the Complainant has a reputation in the local area for supplying its products to customers. The Respondent also states that he has "made available to D&P M Sheldon, two web-sites to use, they are but one of the users of the sites". Presumably these are the sites which are hosted at each of the respective Domain Names. As above he does not go on however to elaborate upon this and state who the other users may be and /or to what extent or for what purposes they may have used these and /or what goodwill they might have acquired in them.

- It would have been useful for the Complainant to have produced accounts or details of turnover or other evidence such as advertising of the extent of goodwill under the name Sheldons. However, on the balance of probabilities, and given that the Respondent has not denied it, the Expert is of the view that the Complainant has goodwill and reputation in the names Sheldons and Sheldons Dairy, given its usage of these since 1965 or at least since 2007. Domain Names 1 and 2 both contain the word Sheldons. The added terms which are respectively dairy' and 'pet shop' are generic and descriptive. The only part of the Domain Names which is distinctive is the word Sheldons.
- The Domain Names differ only from the word Sheldons insofar as they add the descriptive terms 'dairy' and 'pet shop' and of course the addition of the suffixes (.co.uk). The Expert considers that she can ignore these differences for the purposes of this assessment. As both Domain Names include use of the word Sheldons the Expert finds that the Complainant has Rights in a name or mark which is identical or similar to the Domain Names.

Abusive Registration

- 6.11 Abusive Registration is defined in Paragraph 1 of the Policy as a domain name which either:-
 - (i) was registered or otherwise acquired in a manner in 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) is being or has been used in a manner which has taken unfair advantage of or has been unfairly detrimental to the Complainant's Rights.
- 6.12 This definition requires the Expert to consider whether the Domain Name is an Abusive Registration at the time of registration or the acquisition or subsequently through the use that has been made of it.
- 6.13 The Policy requires the Complainant to prove, on the balance of probabilities, that the Domain Name(s) is/are an Abusive Registration(s). The Complainant firmly bears the burden of proof in this regard.
- 6.14 Paragraph 5 of the Policy provides a non-exhaustive list of the factors which may constitute evidence that a Domain Name is an Abusive Registration. Factors that may be taken as evidence that the Domain Name is an Abusive Registration are set out in Paragraph 5 of the Policy. The most relevant ones here in the view of the Expert are as follows:-
 - "5.1.2 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 ...

- 5.1.5 the Domain Name was registered as a result of a relationship between the Complainant and the Respondent, and the Complainant;
 - 5.1.5.1 has been using the Domain Name registration exclusively; and
 - 5.1.5.2 paid for the registration and/or renewal of the Domain Name registration;
- 5.1.6 the Domain Name is an exact match (within the limitations of the characters set permissible in Domain Names) for the name or mark in which the Complainant has Rights the Complainant's mark has a reputation and the Respondent has no reasonable justification for having registered the Domain Name."
- The Respondent registered Domain Name 1 on 30 April 2007 (according to Nominet whois records) and claims that it produced the content of the web-site under Domain Name 1. He claims that he registered it and built the website as tools in order to make his life easier. He states that he hoped they would be used properly by the Complainant so that he would "receive proper addresses and product codes for the goods required for delivery" which would facilitate his job as a delivery driver for the Complainant.
- 6.16 Therefore in the Expert's view at the time of the registration of Domain Name 1 by the Respondent on the balance of probabilities this was not an Abusive Registration. This is because the Respondent may well have had good intentions for the use of Domain Name 1 at that point for the benefit of both the Complainant and himself. This does not necessarily mean however that it is not an Abusive Registration if the subsequent use of it by the Respondent under paragraph 1 (ii) of the Policy is objectionable.
- 6.17 The Respondent has his own business as a web-site designer but this is unrelated to the Complainant's business and/or the Domain Names. The Respondent says he created the web-site content under the Domain Names. If this is the case it may be the position that the Respondent owns any copyright that exists in the web-site content. However this is not relevant to the ownership of the Domain Names, the DRS process or this dispute.
- As regards paragraph 5.1.5 of the Policy above, it is clear that the Domain Names were both registered as a result of a relationship between the Complainant and the Respondent, as the latter was at the relevant time an employee of the Complainant. The Respondent claims that he did so as a website designer and not an employee. The latter is somewhat inconsistent with his claim that he registered the Domain Names to make his life easier as an employee, and the fact that there was no agreement between him and the Complainant in this respect. Also the Complainant appears to have paid him in his capacity as an employee for at least the hosting, as opposed to paying his company/his business iplusplus. Whilst he claims to have created the Domain Names these are not subject to copyright protection (unlike the website content) and incorporate the Complainant's trading name in which it has goodwill.
- 6.19 Given the above, whilst there may have been no written agreement in place recording the basis for the registrations, the Expert considers on the balance of probabilities that there would have been

an implied agreement to the effect that such registrations would be made by the Respondent as an employee on behalf of the Complainant and for its use exclusively.

- 6.20 As regards paragraph 5.1.5.1 of the Policy and whether the Complainant has been using the Domain Names exclusively, the Respondent suggests this is not the case and that there is 3rd party use. He does not elaborate on that further. As he has said that he registered them and created the websites under them to make his life easier it may be that he considers his own use to amount to 3rd party use but this is not clear. It seems to the Expert on the balance of probabilities that there is no relevant 3rd party use of the Domain Names in the sense of use by competing businesses/websites. If there were then it would be expected that the Complainant would have highlighted this and any confusion caused as a result. Furthermore the Respondent could have specifically identified any such use or confusion in his Response if he was aware of any but has chosen not to do so.
- As regards paragraph 5.1.5.2 of the Policy the Respondent alleges that the Complainant did not pay for the registration and/or renewal of the Domain Names. The Complainant does not allege that it did specifically make such payments. However it states that it paid the Respondent £170 per month for "the server" presumably this means the hosting services. The Respondent suggests that the payment is only of £70 and that this was a contribution towards payment of a "rack space Managed server" and did not cover the whole cost of the server. The Respondent states that he did not bill the Complainant for his work on the web-sites under the Domain Names. The Expert assumes also therefore that he did not bill the Complainant for the registration or renewal fees in respect of the Domain Names.
- The Respondent suggests that the Complainant was not familiar with the technology involved 6.22 around use of the web and Domain Name registration. He states in his Response "I came to the conclusion that trying to teach the people I was working with the advantages of using technology properly was a forlorn hope." He also states further "in fact as far as I know they have never registered a Domain Name." If these assertions are correct these would suggest a level of naivety on the part of the Complainant which states in the Complaint that it took "at face value that he (the Respondent) would register anything in the company name ..." The Complainant may have considered in the circumstances that its monthly payment to the Respondent would cover the costs of the Domain Names and/or renewals of them. Again the Respondent at any time could have requested payment but chose not to do so. The sum of £70 or indeed £170 per month would, in the Expert's view, more than cover the registration and renewal fees. In any event lack of specific payment for these by a Complainant is not in itself enough to avoid a finding of an Abusive Registration. The Expert finds on the balance of probabilities that it is likely that such payment has effectively been made as part of the monthly payments made to the Respondent and accordingly that the requirements of paragraph 5.1.5 of the Policy are met.
- 6.23 The registration of Domain Name 1 was some 10 years ago and since then it is clear from the terms of the Respondent's Response that the relationship between the parties has gradually deteriorated. The Respondent is very unhappy about the way he has allegedly been treated by the

Complainant as an employee. The Respondent has continued to work as an employee of the Complainant until recently when the Complainant decided to take disciplinary action against him as an employee. From the Respondent's Response it would appear that he has been dismissed from his job as a delivery driver with the Complainant but that he is appealing this using the relevant disciplinary procedure.

- The Respondent suggests that these disciplinary proceedings are relevant 'legal proceedings' in accordance with paragraph 3 of the Policy. He thus argues that the Complainant has not advised Nominet in the context of this Complaint that such legal proceedings have been commenced or terminated in connection with the Domain Names.
- 6.25 The Complainant states in its Reply that it assumed that the question as regards legal proceedings issued in connection with the Domain Names related to such proceedings in order to retrieve the Domain Names.
- In the Expert's view these disciplinary proceedings do not amount to "legal proceedings which have been commenced or terminated in connection with the Domain Name" under paragraph 3 of the Policy. The Respondent's alleged conduct in connection with the Domain Names may be relevant to the grounds for the disciplinary action being taken. However there is no connection with the Domain Names in the sense that the disciplinary action would not result in a decision as to whether the Domain Names should be transferred or otherwise. In the Expert's view paragraph 3 of the Policy has in mind legal proceedings which relate directly to ownership or use of the Domain Names, such as actions for trademark infringement and/or passing off and/or unfair competition. The Expert therefore considers this argument by the Respondent to be irrelevant to the outcome of this Complaint.
- 6.27 The Respondent's suggestion that the Complainant is not being prevented from further on-line development as a result of the Respondent's continued ownership/control of the Domain Names because the Domain Name d&pmsheldon is available with all domain suffixes is not relevant. Even if it is the Complainant has been trading under the name Sheldons Dairy via Domain Name 1 at least since 2007 which is not denied by the Respondent.
- 6.28 Paragraph 5.1.6 of the Policy may also apply as set out again for convenience as follows:
 - "The Domain Name is an exact match (within the limitations of the characters set permissible in Domain Names) for the name or mark in which the Complainant has Rights the Complainant's mark has a reputation and the Respondent has no reasonable justification for having registered the Domain Name."
- 6.29 The Expert, as above, considers that the Complainant has Rights in the name 'Sheldons' and the Domain Names each incorporate it entirely. They only add the generic and descriptive words 'dairy' and 'petshop' respectively, as well as the relevant domain suffixes .co.uk. The Expert considers that the Domain Names are exact matches for the name Sheldons in which the Complainant has Rights (within the limitations of the characters set permissible in Domain Names)

- The Respondent registered the Domain Names with the Complainant's business very clearly in mind. The Complainant states that it asked the Respondent to transfer the Domain Names to it. It also claims that the Respondent responded by saying that it was his property and asking how much the Complainant was prepared to pay him for it. It is not clear whether this is a reference to both the Domain Names or only one of them as the Complaint refers to the Domain Name in the singular. However it is reasonable in the Expert's view to assume it refers to both the Domain Names. The Respondent does not deny that he has refused to transfer Domain Names and it is clear given his request for payment and his Response to the Complaint that he considers that he owns them. He also suggests that he allows third parties to make use of them.
- There is no information provided as regards how exactly the Respondent might be using the Domain Names or allows third parties to do so. The Respondent's business as a web-site designer is in a different area to that of the Complainant and he trades under the name iplusplus. The Respondent's business has no connection with the name Sheldon which is the distinctive element of the Domain Names. In the circumstances it would seem that the Respondent has no legitimate need or justification for the use or registrations of the Domain Names, each clearly containing the name Sheldons.
- 6.32 In the circumstances the Expert concludes that the Respondent's only reason for refusing to transfer the Domain Names and maintaining that he owns them could be to use them to take unfair advantage of or to be unfairly detrimental to the Complainant's business/Rights. This conclusion is supported given that the Respondent infers that the Domain Names are not being used exclusively by the Complainant and that such 3rd party use is something he has authorised. As such these would amount to Abusive Registrations in terms of the Policy.

It may also be evidence of Abusive Registration in terms of paragraph 5.1.2 of the Policy set out again for convenience as follows:

"5.1.2 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 ...

In this regard in the Expert's view any use of the Domain Names by the Respondent or third party authorised on its behalf is very likely to cause confusion. It therefore follows on the balance of probabilities that the grounds for an Abusive Registration set out in at least paragraphs 5.1.2, 5.1.5 and 5.1.6 of the Policy are made out.

The Expert finds that Domain Name 1 is being or has been used in a manner which has taken unfair advantage of or has been unfairly detrimental to the Complainant's Rights. The requirements of paragraph 1(ii) of the Policy are therefore met for Domain Name 1. The Expert finds that Domain Name 2 was registered in a manner which at the time registration took place, took unfair advantage of or was unfairly detrimental to the Complainant's business and is being or has been used in a manner which has taken unfair advantage of or has been unfairly detrimental

to the Complainant's Rights. The requirements of paragraph 1(i) and (ii) of the Policy are therefore met for Domain Name 2.

7 Decision

For the reasons set out above, the Expert finds that the Complainant has Rights in respect of a 7.1 name which is identical or similar to the Domain Names and that these Domain Names in the hands of the Respondent are Abusive Registrations. The Complainant therefore succeeds and the Domain Names should both be transferred to the Complainant. In reaching this finding the Expert notes that there are other matters in dispute between the Respondent and the Complainant arising out of his now terminated employment. Nothing in this decision is intended to make any finding in relation to such matters - the only matter, which Nominet's DRS and this decision, relate to is the Domain Names.

UNSIGNED

Signed ... G. GKASSI.E...

Dated 1/5/2017