

DISPUTE RESOLUTION SERVICE

D00014148

Decision of Independent Expert

Blue Moon Group

and

Shard Financial Media Ltd

1. The Parties:

Complainant: Blue Moon Group Limited
London
United Kingdom

Shard Financial Media Ltd
London
United Kingdom

2. The Domain Name:

credittoday.co.uk

3. Procedural History:

The Expert has confirmed that (1) he is independent of each of the parties; and (2) to the best of his knowledge and belief, there are no facts or circumstances, past or present, or that could arise in the foreseeable future, which need to be disclosed because they might be of such a nature as to call into question his independence in the eyes of one or both of the parties.

09 January 2018 02:11 Dispute received

09 January 2018 14:46 Complaint validated
09 January 2018 14:55 Notification of complaint sent to parties
26 January 2018 01:30 Response reminder sent
29 January 2018 17:18 Response received
29 January 2018 17:18 Notification of response sent to parties
01 February 2018 01:30 Reply reminder sent
05 February 2018 13:55 Reply received
05 February 2018 13:57 Notification of reply sent to parties
05 February 2018 13:57 Mediator appointed
13 February 2018 10:04 Mediation started
10 May 2018 15:25 Mediation failed
10 May 2018 15:25 Close of mediation documents sent
22 May 2018 02:30 Complainant full fee reminder sent
23 May 2018 14:30 Expert decision payment received

4. Factual Background

The Complainant is a company registered in England and Wales, and is represented in its Complaint by a director, Mr Gerard Dugdill (“Mr Dugdill”). It is the registered proprietor of UK trade mark No. 2537778 CREDIT TODAY (the “Trade Mark”).

The Respondent is also a company registered in England and Wales, previously called Athene Publishing Limited from its incorporation on 14 June 2004, until it took its current name on 24 August 2016. Ms Kamala Panday (“Ms Panday”) is a director of the Respondent.

Mr Dugdill and Ms Panday were previously in a personal relationship as common law partners, with two children together. Ms Panday owns 50% of the shares of the Complainant, as does Mr Dugdill. Their relationship lasted from about 1991 to 2008, when it broke down in apparently acrimonious circumstances.

The Trade Mark has been the subject of previous litigation between the parties, and is currently the subject of an ongoing dispute before the Intellectual Property Enterprise Court (Chancery Division of the High Court of Justice, England and Wales) (the “IPEC Proceedings”), issued on 24 October 2017. In the IPEC Proceedings the Respondent seeks, *inter alia*, a declaration that it is the beneficial owner of the Trade Mark, and assignment of the Trade Mark from the Complainant to it; in the alternative, rectification of the Trade Mark Register in its favour.

The Domain Name currently resolves to the Respondent’s website www.creditstrategy.co.uk.

5. Parties' Contentions

The Complainant

Nominet

Before dealing with the issues under the DRS Policy, the Complainant explains that, despite correspondence between it and Nominet in December 2009 regarding its intellectual property rights, Nominet changed the registrant of the Domain Name "from Blue Moon Publishing (BMP) to Maximvs Limited" in around 19 July 2010. It says that due process was not followed, and that it has since tried to resolve the issue with Nominet, but without success. The Complaint is submitted notwithstanding these points.

Rights

The Complainant relies upon its ownership of the Trade Mark, and its purchase of the Domain Name from BMP "via assignment" on 1 July 2003, as giving it Rights in the Domain Name.

Abusive Registration

There have been four sets of legal proceedings relating to the Trade Mark.

The first was between 2009 and 2011 ("the Initial Proceedings"), involving the Complainant and the Respondent (then known as Athene Publishing Limited), apparently settled and withdrawn in September 2011 "but no agreement was made affecting transfer of ownership of the trademark". No further details of that litigation are given.

The second was a Rectification Action in 2015 ("the Rectification Proceedings"). In those proceedings the Complainant applied to the UKIPO seeking rectification of the Trade Mark Register to change the registered proprietor of the Trade Mark from Athene Publishing Limited (the Respondent) to itself. The Hearing Officer's decision in February 2016 ordered the rectification sought, with costs awarded in the Complainant's favour.

The third was trade mark cancellation proceedings ("the Cancellation Proceedings") brought before the UKIPO by the Respondent in May 2016, but abandoned in August 2017 following a "change in circumstances". The UKIPO again awarded costs in the Complainant's favour. The proceedings followed payment requests from the Complainant to the Respondent for back payments of royalty fees for "the publication of Credit Today Magazine", the "online website (credittoday.co.uk)" and associated shows and awards. The Complainant says that the Respondent had been attempting to tell the credit industry that the name of Credit Today had been changed to Credit Strategy (with other associated rebranding).

The fourth set of proceedings is the IPEC Proceedings, which the Complainant says it “rejects”. The Respondent is claiming in those proceedings (as it has to the marketplace) to have “rebranded the name of Credit Today to Credit Strategy”. Those proceedings followed further attempts by the Complainant in October 2017 to claim back payment of royalty fees. The Complainant exhibits the first page of the Particulars of Claim.

The Respondent became registrant of the Domain Name at some point in 2017.

The Complainant says that the actions of the Respondent make the registration abusive. It is intent on giving the impression to the credit industry that it owns the Complainant’s products, and that the products have been rebranded as Credit Strategy. It is using the Domain Name to aid it in both processes as it redirects to the website www.creditstrategy.co.uk. The industry is becoming totally confused into thinking that Credit Today has been changed to Credit Strategy. As an example, the Respondent claims on its website to be running the “Credit Awards” for the 16th year, when they were launched in 2000 as the “Credit Today Awards”.

These actions are “clearly wrong” and “obviously damaging to the business and financial interest of the Complainant”. The stop and start of legal proceedings gives the Respondent the opportunity to promulgate its misrepresentation and passing off throughout the industry.

The Complainant seeks transfer of the Domain Name to itself.

Respondent

Nominet

The Respondent objects to the Complaint, and says that, as it is claiming beneficial ownership of the Trade Mark in the IPEC Proceedings which were issued on 24 October 2017, and as the Domain Name consists entirely of the Trade Mark, the IPEC Proceedings are connected with the Domain Name. Therefore, those are “legal proceedings relating to the Domain Name”, and Nominet should have exercised its power under Paragraph 25.1 of the DRS Policy to suspend the DRS dispute pending the outcome of the IPEC Proceedings. The Response exhibits a full copy of the Particulars of Claim and attachments in the IPEC Proceedings, as well as the Defence.

Rights/Abusive Registration

Notwithstanding the above, the registration is not abusive as the Respondent has used the Domain Name in accordance with its perceived rights as set out in the Particulars of Claim filed in the IPEC Proceedings. The circumstances do not fulfil any of the criteria set out in paragraph 5 of the DRS Policy.

The Expert should not grant the Complainant the remedy it asks for.

Reply

Nominet/stay

The Defence to the IPEC Proceedings (attached to the Response) has been filed since the Complaint in these proceedings.

“The case... is not simply about the Domain Name, but all about the goods and services related to the mark Credit Today. It is also untrue to say that the Domain Name is ‘comprised entirely of the Trade Mark’, as the Respondent asserts”.

The DRS proceedings should not be stayed. The IPEC proceedings are part of continual and repeated attempts to frustrate the Complainant from pursuing its rights through litigation. The Respondent has not paid the costs orders against it, and refuses to mediate. The IPEC proceedings are the latest in a long line of diversionary tactics. Any further delay in resolving the DRS proceedings is extremely prejudicial to the Complainant’s Rights as readers of Credit Today continue to be redirected to its “rebranded” version, Credit Strategy. However, the Complainant does not explain what is meant by “readers of Credit Today”, and says that “no rebranding of Credit Today has ever taken place or been authorised”. The Expert is unclear whether there is (for example) a magazine of that title whose readers are supposed to be misled by the use of the Domain Name.

The Complainant has concerns as to the Respondent’s financial standing.

Rights

The Complainant says that the Respondent knows that it, not the Respondent, is the true legal and beneficial owner of the Trade Mark. Ms Panday used to be a director of the Complainant, and is aware of the purchase of the rights from BMP in 2003 (BMP was/is also owned jointly by Ms Panday and Mr Dugdill).

Although its relevance is not clearly explained, the Complainant says that Maximvs Limited did not buy the rights or goodwill belonging to the products. BMP’s administration was disputed, ultimately the administrator/liquidator of BMP was removed from the record, but BMP accidentally fell off the record at Companies House because a court order in order to allow a rescue package to take place was not recorded.

The Complainant’s accounts continue to show intellectual property rights existing as fixed assets, and those have not been assigned by the Complainant.

Abusive Registration

In answer to the Response’s claim that none of the circumstances in the DRS Policy indicating abusive registration apply, the Complainant relies upon paragraphs 5.1.1.2 (blocking registration), 5.1.1.3 (unfairly disrupting the Complainant’s business) and

5.1.2 (use of the Domain Name in a way which has confused or is likely to confuse people or business into believing that the Domain Name is connected with the Complainant). The Respondent is trying to fool the credit industry into thinking that it owns the Complainant's products and that its names have changed.

6. Discussion and Findings

The IPEC Proceedings

In order to understand the parties' submissions in this dispute, it is necessary to look at the current IPEC Proceedings, and below is a brief summary of what appears to the Expert to be in issue in those proceedings. This not intended to be comprehensive, merely to give an overall picture of what the dispute involves. The pleadings are attached to the Response, although it is regrettable that neither party has summarised much of the relevant background in their submissions in the DRS case. The Complainant only attached the first page of the Particulars of Claim to its Complaint. Both pleadings are reasonably substantial documents, and have been settled by experienced specialist intellectual property Counsel.

(a) Particulars of Claim

The proceedings are brought against both the Complainant and Mr Dugdill personally.

The Particulars of Claim make it clear that the IPEC Proceedings are seeking to enforce what the Respondent says is an agreement to transfer the Trade Mark as part of the settlement of the Initial Proceedings in 2011. The background to that is said to be that Athene Publishing (the Respondent) published the Credit Today magazine from October 1998. It published the magazine until April 2016, when the name was changed to Credit Strategy. Ms Panday sold the Respondent to its current owner Shard Media Group in January 2016. Athene Publishing changed its name to its current name (Shard Financial Media Ltd) in August 2016.

The Initial Proceedings arose from two trade mark applications both relating to the Trade Mark. The Respondent filed an application to register the Trade Mark in February 2008 (opposed by the Complainant). The Complainant filed its own application in January 2010 (opposed by the Respondent). An oral negotiated settlement was reached and apparently recorded in some fashion in an email to the UKIPO in September 2011. In essence, it seems the arrangement was to be that the Complainant would assign its trade mark application to the Respondent and withdraw its opposition to the latter's application.

A form TM 16 signed by the parties was filed, and actioned by the IPO in October 2011, recording the change of proprietor of the Complainant's application to the Respondent. The applications were granted by the IPO in November 2011, and subsequently merged under the Respondent's name.

The Rectification Proceedings before the IPO in 2015 were brought by the Complainant on the basis that there was no valid written assignment of its mark in 2011, relying upon s 24(3) of the Trade Marks Act 2004. It therefore remained the beneficial owner of the Trade Mark. Although this was contested by the Respondent, in February 2016 the Hearing Officer found in favour of the Complainant and the record was altered to show the Complainant as the registered owner of the Trade Mark.

In June 2016 the Complainant sent the Respondent an invoice for £125,000 claiming back royalties for the use of the Trade Mark, and re-sent it in October 2017.

The relief sought is specific performance of the agreement reached in September 2011, alternatively breach of trust or rectification of the Trade Mark Register.

(b) Defence

In its Defence the Complainant says that it allowed BMP to use the Trade Mark and the goodwill accruing to the Credit Today name from 2003-2005. The goodwill in the mark accrued to it during the course of its trade, as a result of its licensing operations. Up until 2003, the rights in the Trade Mark belonged to BMP, but it assigned those rights to the Complainant in 2003, and ceased trading in 2005.

The Complainant then allowed Athene Publishing (the Respondent's name at the time) to use the Trade Mark and the goodwill in the Credit Today name from 2005 to 2016. Royalties were payable by the Respondent, but not effectively collected. They remain due and payable.

Because of non-payment of royalties, the licence to use the Trade Mark was terminated by letter in 2007/2008, which then led to the parties' respective Trade Mark applications, and the Initial Proceedings. However, the settlement of those proceedings in 2011 was not legally binding, no consideration was provided by the Respondent, the discussions never dealt with the underlying goodwill, and the form TM 16 was signed by the Complainant under emotional duress.

The Complainant relies upon the withdrawal of the Cancellation Proceedings as an acknowledgement of its rights, and says that the IPO decision in the Rectification Proceedings and the Respondent's failure to appeal that decision leads to it being estopped from bringing this claim.

The DRS Proceedings

In order to succeed in its Complaint, in accordance with the Policy, the Complainant needs to establish:

- "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."*

The Complainant needs to establish both elements on the balance of probabilities.

The definition of Abusive Registration under the Policy is as follows:

“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. 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 definition of Rights under 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.”

In this case both parties have complained about action, or inaction, on the part of Nominet.

The Complainant has outlined some history in its dealings with Nominet in 2009/2010 which it says led to the registration of the Domain Name being transferred to Maximvs Limited in 2010. However, without a fuller explanation of what is said to have occurred and why it matters in relation to this dispute, the Expert is not able to form a view on the matter. In any event, it would appear that the Complainant now accepts that it is not material to this Complaint. Neither of the parties explains how, when or why the Domain Name came to be registered in the name of the Respondent, apparently in 2017.

The Respondent says that Nominet should have stayed these proceedings under Paragraph 25 of the DRS Policy as the IPEC Proceedings are clearly connected with the Domain Name. In reply, the Complainant says that:

“The case... is not simply about the Domain Name, but all about the goods and services related to the mark Credit Today. It is also untrue to say that the Domain Name is ‘comprised entirely of the Trade Mark’, as the Respondent asserts”.

This statement is not further elaborated upon.

Paragraph 25.1 of the DRS Policy provides as follows:

“If it is brought to our attention that legal proceedings relating to the Domain Name(s) are issued in a court of competent jurisdiction, and have been served, we will suspend the DRS dispute pending the outcome of those legal proceedings.”

Paragraph 24.1 of the DRS Policy provides:

“We may in exceptional cases, extend any period of time in proceedings under the DRS.”

“We” is defined as:

“Nominet UK (company no. 3203859) whose registered office is at Minerva House, Edmund Halley Road, Oxford Science Park, Oxford OX4 4DQ and 'us' and 'our' have corresponding meanings.”

In this case, the IPEC Proceedings are not directly concerned with the Domain Name – the relief sought deals with the registered Trade Mark, and not the Domain Name. Therefore, applying the strict letter of Paragraph 25.1, Nominet does not have to suspend the DRS Proceedings. However, disregarding the “.co.uk” suffix, the Domain Name is exactly the same as the Trade Mark, and it is obvious that the ownership of the Trade Mark is central to the parties’ chances of success under the DRS Proceedings. If the Complainant loses the Trade Mark registration to the Respondent as a result of the IPEC Proceedings, the present Complaint would be very unlikely to succeed. If, however, it successfully retains ownership of the Trade Mark, then it would be very difficult for the Respondent to justify continuing to use the Domain Name as it does at present.

The Appeal Panel in DRS 9674 (furnitureland.co.uk), faced with a similar issue in an equivalent factual position, said as follows:

“8.2 It is convenient to first deal with the Respondent's submission that the revocation proceedings in the IPO relating to the Furnitureland Registered Marks are "legal proceedings relating to a Domain Name" within the meaning of paragraph 20 of the Policy and hence the DRS proceedings have to be stayed.

8.3 The Panel disagrees. The Panel accepts that although technically these are opposition or revocation proceedings within the IPO rather than court proceedings, they may be "legal proceedings". They do not however "relate to the Domain Name". The Panel accepts they are clearly of at least potential relevance to this case but the Domain Name is not the subject matter of the proceedings. It seems to the Panel that paragraph 20 is directed at circumstances where there are existing proceedings which have directly within their ambit the Domain Name. These could for example be proceedings as to who was the rightful owner of the Domain Name, or proceedings alleging that the use of the Domain Name amounts to trade mark infringement. An action concerning trademarks which are said to be part of the Rights supporting the Complaint, but where the Domain Name itself is not the subject of the proceedings, does not in the Panel's view fall within this wording.

8.4 The Panel recognises however the force of the submission made by the Respondent that if it was to succeed in the trade mark opposition proceedings, the Expert, or this Panel, could reach a decision in favour of the Complainant based upon Rights which would ultimately be found to be invalid.

8.5 The Panel takes the view that whilst the automatic right to a stay under paragraph 20 does not apply, circumstances such as these could give rise to a discretion to stay the proceedings under paragraph 12 of the Policy – "We, or the Expert if appointed, may in exceptional cases extend any period of time in proceedings under the DRS". The Panel concludes that it has similar powers to those given to the Expert under this provision.

8.6 Individual cases will turn on their facts but there may be cases where it would be undesirable for the Expert or a Panel to proceed to a decision which was in favour of

the Complainant if it subsequently transpired as a result of proceedings elsewhere that the Rights the Complainant relied upon were found to be invalid or liable to revocation. “

It should be noted that the provisions of what was then (2012) paragraph 12 of the DRS Policy gave the Expert a discretion to extend a period of time under the DRS which is no longer the case in its current version (Paragraph 24.1 of the current DRS Policy). The discretion now lies solely with Nominet (“We” in that paragraph).

In the *furnitureland.co.uk* case, the Appeal Panel proceeded to a decision notwithstanding the overlap between the issues. However, whilst noting that paragraph 8.3 of the Appeal Panel’s decision gives clear support for Nominet’s decision not to suspend these proceedings, it should be observed that the Panel also felt that there could be cases where it would be undesirable for an Expert to proceed to a decision, and that individual cases turn on their facts (paragraph 8.6).

The Expert considers that this is such a case, and that it would be undesirable to proceed to a decision which would effectively involve ignoring the potential outcome of the IPEC Proceedings. Although ownership of the Domain Name is not directly within the ambit of the IPEC Proceedings, the relevance of any decision determining those proceedings to the ownership of the Domain Name is clear and obvious. Failing to proceed to a decision on the merits might be thought to be unfair to the Complainant, which is asking the Expert to decide on the basis of the *status quo*, in circumstances where the Respondent has already been involved (and most recently abandoned) proceedings concerning the Trade Mark. However, the Expert does not consider that to be so, for two reasons.

First, this dispute (and in particular the issue of Abusive Registration) is set against the background of a complicated and lengthy ongoing dispute between two estranged partners, where the factual issues are barely explained in the parties’ submissions. The DRS procedure, which does not have the processes of disclosure and ultimately cross-examination of witnesses which would be available through Court proceedings, is ill-equipped to deal with such issues. Even without the existence of the IPEC Proceedings, the Expert does not feel that either side has set out its case with sufficient clarity for him to be able to form a concluded view on Abusive Registration. As the onus is on the Complainant to prove its case on the balance of probabilities, this would in any event have led the Expert to a decision of no action.

Secondly, the Complainant has chosen to bring these DRS proceedings when it knew that the IPEC Proceedings were already underway. It must have been very well aware of the overlap between the issues in that case and these proceedings (and the potential importance of the circumstances surrounding the termination of the Initial Proceedings). Although the Complainant has asserted in its Reply that *“The case.... is not simply about the Domain Name, but all about the goods and services related to the mark Credit Today”*, this does not alter the reality that the issues in the IPEC

Proceedings are closely connected to the Domain Name. The DRS case represents an extra, unnecessary, layer to an already long-running and acrimonious dispute.

The Complainant also alleges that there is ongoing misrepresentation by the Respondent to the credit industry which is damaging to its business and financial interests and “extremely prejudicial”, which it says requires resolution in its favour with “no further delay”. However, in one form or another this dispute has been ongoing since 2008, and even the rebranding from Credit Today to Credit Strategy which the Complainant professes to be so concerned about occurred more than two years ago, in April 2016. The Domain Name does not appear to have been under the Complainant’s control since at latest some time in 2009. As the Complainant provides no further details of the damage and “extreme prejudice” it says it is suffering, the Expert does not consider that there is the urgency for the speedy resolution for which the Complainant contends.

Therefore, the Expert is not proposing to make a decision on the substance of the dispute at this stage. This, however, leaves the question of what outcome would be appropriate in the circumstances. As already noted above, under the current DRS Policy the Expert no longer has the power to order an open-ended stay of the case until determination of the IPEC Proceedings. This would not preclude his recommending to Nominet that they consider such a stay. The alternative would be a finding of no action, effectively rejecting the Complaint. The Expert considers that this latter option is the more appropriate outcome. As already noted, the Complaint adds an extra layer to the dispute on top of the IPEC Proceedings which had already been commenced when the Complainant filed its Complaint. In the circumstances, the correct action appears to the Expert to be to dismiss this Complaint, ordering no action, rather than leaving it in abeyance as an unnecessary adjunct to the IPEC Proceedings.

7. Decision

The Expert dismisses this Complaint and directs that no action be taken in relation to the Domain Name.

Signed Bob Elliott

Dated 20 June 2018