

DISPUTE RESOLUTION SERVICE

D00020527

Decision of Independent Expert

Crosswater Limited

and

Michael Gallagher

1. The Parties:

Complainant:
Crosswater Limited
Lake View House
Rennie Drive
Dartford
Kent
DA1 5FU
United Kingdom

Respondent:
Mr Michael Gallagher
Barnsley
United Kingdom

2. The Domain Name:

burlington-bathrooms.co.uk (“the Domain Name”)

3. Procedural History:

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 of such a nature as to call in to question my independence in the eyes of one or both of the parties.

The procedural history is as follows:

20 August 2018 21:18 Dispute received
21 August 2018 11:01 Complaint validated
21 August 2018 11:08 Notification of complaint sent to parties
10 September 2018 02:30 Response reminder sent
12 September 2018 10:58 Response received
12 September 2018 10:59 Notification of response sent to parties
17 September 2018 02:30 Reply reminder sent
17 September 2018 16:08 Reply received
17 September 2018 16:08 Notification of reply sent to parties
20 September 2018 09:54 Mediator appointed
25 September 2018 10:45 Mediation started
10 December 2018 15:08 Mediation failed
10 December 2018 15:08 Close of mediation documents sent
17 December 2018 10:04 Expert decision payment received

4. Factual Background

Since 2009, the Complainant and its predecessors have supplied bathroom and ceramic products under the mark "Burlington". The total UK turnover of the Burlington brand to date is some £65 million with a total marketing spend of some £6 million.

The Complainant owns a number of registered trade marks for "BURLINGTON" including UK trade mark no. 2514472, filed on 24 April 2009 in class 11.

The Respondent registered the Domain Name on 11 December 2015.

On 29 July 2016, Bathroom Brands Distribution Limited, a predecessor of the Complainant, sent a cease and desist letter to Galco Enterprises Limited t/a NationwideBathrooms.com ("Galco"), of which the Respondent is a director, asserting that Galco's registration and use of the Domain Name constituted a breach of a licence agreement between the parties dated 2 March 2012. The letter also gave notice of termination of the licence agreement. No response was received.

The Respondent has used the Domain Name for a website branded "Nationwide Bathrooms.com" offering the Complainant's bathroom products for sale.

5. Parties' Contentions

Complaint

The following is a summary of the Complaint:

The Complainant has acquired extensive and valuable goodwill in its mark as a result of significant use over many years.

The Domain Name is confusingly similar to the Complainant's trade mark.

The Respondent lacked rights or legitimate interests in the Domain Name as at the date of registration, by which point the Complainant's mark had acquired a substantial reputation in bath and ceramic products. The Respondent does not own any trade marks for "Burlington".

The Respondent has used the Domain Name to misleadingly divert customers to its website for commercial gain and/or to tarnish or dilute the Complainant's marks.

The Domain Name constitutes passing off.

The Complainant's inability to control the Domain Name is detrimental to the Complainant.

The Domain Name was registered and/or is being used in a manner which takes unfair advantage of, or is unfairly detrimental to, the Complainant's rights.

Response

The following is a summary of the Response:

The Respondent is reseller of the Complainant's products.

The Respondent has never had reason to believe that the Domain Name caused any customer confusion or that it had a negative effect on the Complainant's brand.

This is the first time that the issue has been raised.

The managing director of the Complainant's predecessor was fully aware of the Respondent's registration of the Domain Name and was happy for the Respondent to continue to sell the Complainant's products.

The Respondent is open to discussion to deal with the Complainant's concerns. A phone call would have sufficed. The Respondent resells the Complainant's other

products and notes that restrictions have been imposed in relation to supply of these products in the same month that this proceeding was filed.

Reply

The following is a summary of the Reply:

It is not true that this proceeding is the first time that the issue has been notified to the Respondent, as demonstrated by the July 2016 letter. However, notwithstanding the letter, the Respondent took no steps to rectify matters or cease use of the Complainant's trade mark in the Domain Name.

6. Discussions and Findings

To succeed, the Complainant has to prove in accordance with paragraph 2 of the DRS Policy on the balance of probabilities, first, that it has "Rights" (as defined in paragraph 1 of the DRS Policy) in respect of a name or mark identical or similar to the Domain Name and, second, that the Domain Name, in the hands of the Respondent, is an "Abusive Registration" (as defined in paragraph 1 of the DRS Policy).

Complainant's Rights

The meaning of "rights" is defined in the DRS Policy 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"

The Complainant has established rights in the term "Burlington" by virtue of its registered trade marks as well as unregistered trade mark rights deriving from its extensive use of that name since 2009.

The Domain Name consists of the Complainant's distinctive mark plus the descriptive term "bathrooms", which is far from sufficient to differentiate the domain name from the trade mark.

Accordingly, I am satisfied that the Complainant has established rights in a name or mark which is similar to the Domain Name.

Abusive Registration

Does the Domain Name constitute an abusive registration in the hands of the Respondent? Paragraph 1 of the DRS Policy defines "Abusive Registration" as 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 took unfair advantage of or was unfairly detrimental to the Complainant's Rights.”

Neither party has given a particularly clear account of the background facts. However, based on the evidence provided, my factual conclusions are as follows:

1. In 2012, the Complainant's predecessor licensed Galco as an authorised distributor of Burlington products. (As the parties have treated Galco and the Respondent, a Galco director, interchangeably, I shall do so likewise.)
2. The Respondent registered the Domain Name in December 2015, during the existence of the licence agreement.
3. I have disregarded the Respondent's claim that the Complainant acquiesced in the registration of the Domain Name given the lack of supporting evidence.
4. The July 2016 letter from the Complainant's predecessor effectively terminated the licence agreement.
5. Thereafter the Respondent continued to use the Domain Name to resell the Complainant's products. The undated screenshots website exhibited by the Respondent presumably relate to this post-termination period.
6. When viewed by me on 10 January 2019, the Domain Name redirected to www.nationwidebathrooms.com, which offered bathroom products from a number of manufacturers.

The principles applicable to reseller cases are summarised in paragraph 4.8 of the DRS Experts' Overview as follows:

1. *It is not automatically unfair for a reseller to incorporate a trade mark into a domain name and the question of abusive registration will depend on the facts of each particular case.*
2. *A registration will be abusive if the effect of the respondent's use of the domain name is falsely to imply a commercial connection with the complainant.*
3. *Such an implication may be the result of "initial interest confusion" and is not dictated only by the content of the website.*

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

In my view, the version of the Respondent's website exhibited by the Complainant does indeed imply a commercial connection with the Complainant. Although the website is headed "Nationwide Bathrooms.com", the homepage, as well as various other pages on the site, include prominent Burlington-related subheadings ("Burlington Bathrooms", "Burlington Furniture", "Burlington Baths" etc) – and use a similar font to that of the main heading.

The site includes many other prominent references to the Complainant's brand (i.e., excluding product listings), such as a "Burlington" sale banner which appears beneath the main heading on a number of the pages as well as text promoting the Burlington brand in conjunction with images of an old "Burlington" shopfront.

In my view, these extensive and prominent references to the Complainant's brand create the overall impression that the site is officially connected with the Complainant, rather than simply one operated by an independent reseller of the Complainant's products. While the Respondent claims that he never had reason to believe that the Domain Name caused customer confusion, the Respondent does not attempt to explain how or why the average customer, faced with a website dominated by the Complainant's brand in this way, could conceivably think that it was other than officially linked to the Complainant.

Furthermore, as mentioned above, the Domain Name was later redirected to a website offering products competing with those of the Complainant.

For the above reasons I conclude that, whatever the circumstances surrounding registration of the Domain Name, it has been used in a manner which took unfair advantage of and/or was unfairly detrimental to the Complainant's Rights.

For completeness, I will deal briefly with some other points raised by the Respondent: While it may be that a phone call from the Complainant to the Respondent would have resolved the case, this is not a factor that is relevant to my decision. Likewise, the Respondent's assertion that the Complainant imposed certain unspecified restrictions on the supply of products to the Respondent is not within the ambit of this case.

7. Decision

I find that the Complainant has Rights in a mark which is similar to the Domain Name and that the Domain Name is, in the hands of the Respondent, an Abusive Registration. I therefore direct that the Domain Name <burlington-bathrooms.co.uk> be transferred to the Complainant.

Signed: Adam Taylor

Dated: 10 January 2019